

EXTRACT



Emerging Trends

EMERGING

Go-to-Market Strategy

Report

May 2024



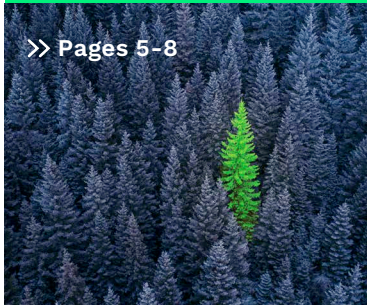
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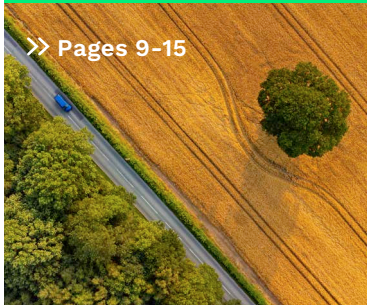


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Addressing a diverse market

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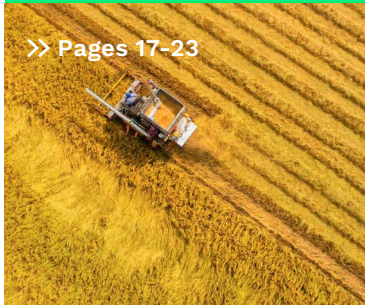


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How should you arrange your “shop window”?

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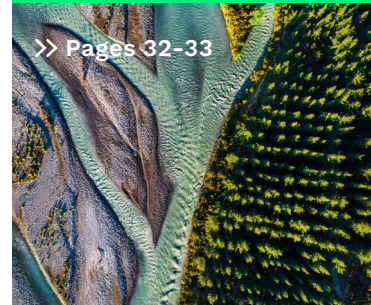


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So what does all this tell us and what are the implications for a firm's go-to-market strategy?

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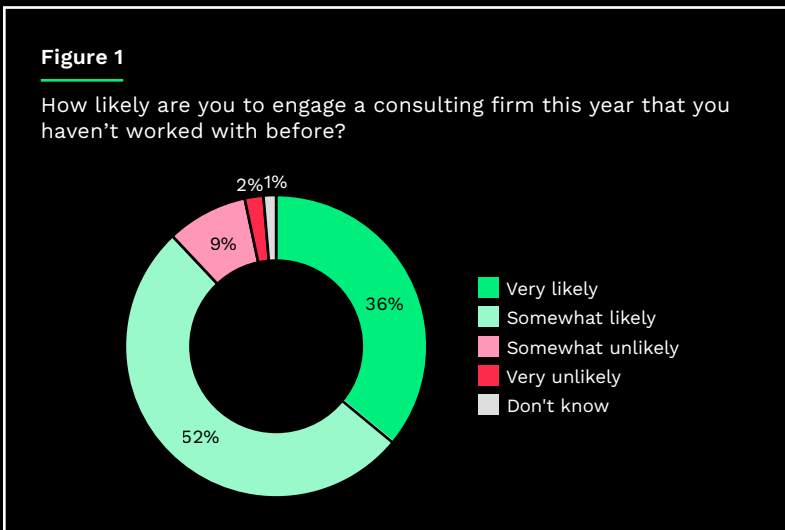
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Introduction

When it comes to the firms they work with, clients want change—and now could be the time to capitalise on this market sentiment



Much is uncertain about the consulting market at the moment, but one thing is very clear: clients want change. That might be a change in how their solutions are crafted or delivered, a change in how they are treated as an account, or even a change in how they interact with their consulting partners.

And there is another kind of change on the horizon: a shake-up in who clients are choosing to work with. Across all our recent research, we are seeing an increase in the proportion of clients who say they are trying to work with more new firms. Their reasons are varied, though many may be feeling this way thanks to the current hype around AI and the huge potential that clients see for it in their businesses.

Then there's also the seven year itch, which seems to apply to relationships with firms as much as it does to marriage. Clients saw their existing relationships with firms deepen during the pandemic, and this depth of partnership has paid dividends to both sides as the crises of more recent years have impacted businesses. But the gloss is beginning to wear off as clients are ever more conscious of the actions their competitors are taking, and many believe that innovative solutions are more likely to come from new firms.

Is now the time for that change? Our data certainly suggests so—with 88% of our sample saying they are likely to engage a consulting firm this year that they haven't worked with before.

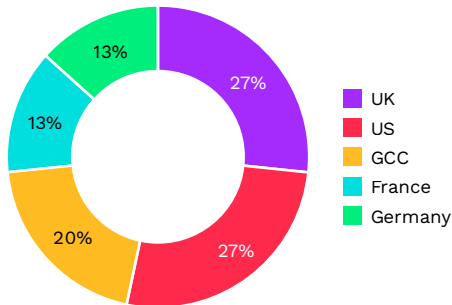
This is why a strong go-to-market strategy is so important right now. With clients more likely to be looking around, firms need to ensure that they are able to showcase the right offerings to the right potential customers.

This report will explore the client view to shed some light on which go-to-market model is likely to be the most advantageous for firms in the current environment.

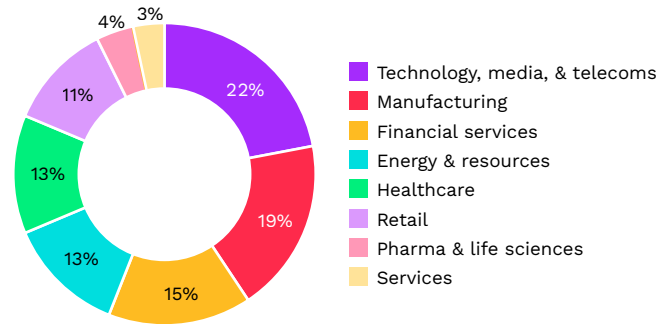
Methodology

We surveyed 150 senior executives in February 2024, all of whom are responsible for buying consulting services. Respondents came from five geographies, all of which are important in terms of scale and/or growth potential—the US, the UK, Germany, France, and the GCC. They were also drawn from a representative mix of sectors and functions. Two thirds came from organisations with more than 5,000 people.

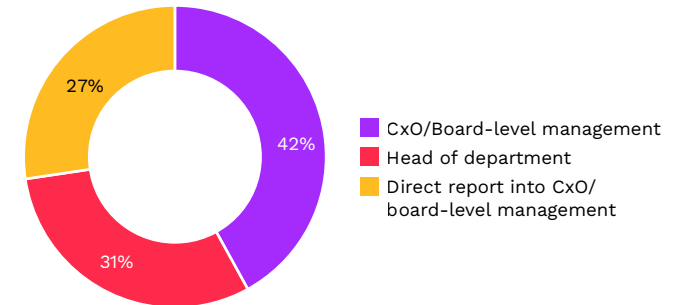
Respondents by geography



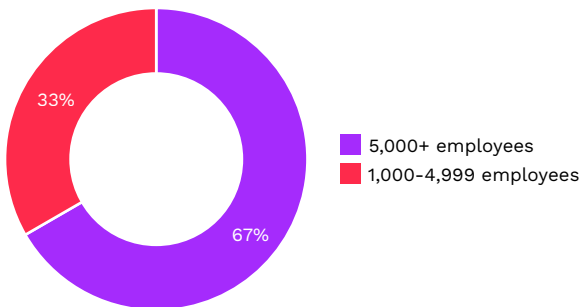
Respondents by sector



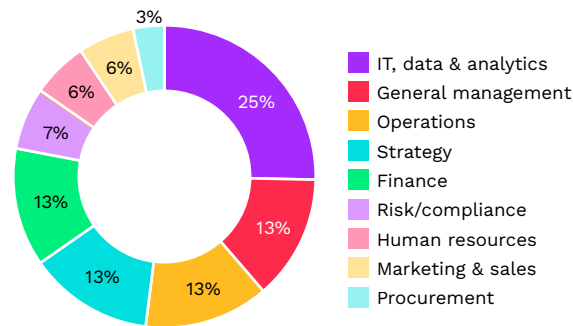
Respondents by responsibility



Respondents by headcount



Respondents by function





What really matters

- There is no right go-to-market strategy 6**
- A firm’s ecosystem could be a threat to its own business in the future 7**
- Better, faster solutions are where ecosystems add their value 8**

2



“There’s no doubt that macroeconomic challenges are occurring more frequently than we’re used to. And that makes us question whether there’s a different way of doing things, puts pressure on us to innovate more quickly, and changes what we need from our partners.”

Strategy Director, retail

Addressing a diverse market

- Confidence levels in the market are mixed, with many clients feeling the negative impacts of international tensions, but others are more optimistic and able to take decisive action..... 10
- Investment is being curtailed in client organisations, but it is still happening—and in a variety of ways12
- Use of consulting is widespread and looks set to continue rising despite challenging market conditions.....13
- Expertise is the most prominent driver of consulting demand ... 14
- There are many ways to segment clients, but firms need to remember that each one remains unique.....15

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“At this point in time, in our industry, technology natively is not seen as a competitive advantage. But creating a distinctive proposition that we are able to take to our customers, and the way this is enabled and delivered through a combination of solutions and services, is.”

Head of Marketing, energy

Finding patterns in what clients want

Technology is the subject of many conversations, but it’s not the only thing clients are thinking about—though it is where they expect to see the greatest return on investment 18

While technology is often—but not always—seen as the answer to challenges, market knowledge and innovation are also important factors..... 19

Where the innovation and ideas should come from depends very much on the client view of the world 20

The underlying mindset for leaders is operational, with each function thinking their challenges are greater than elsewhere in the business 21

The ability to manage complexity and scale is as important to clients as expertise22

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Communicating offerings in a changing and diverse market

“Case studies are a powerful thing for demonstrating firms’ impact. That’s what shows us what they can do.”

CTO, transportation

- Clients need to see evidence of where firms have made a difference.....25
- Expertise matters, but showing that you can apply it in more innovative ways could be more important than your structure and shop window.....26
- Clients want to know where expertise is coming from.....27
- Clients want to see all types of information—but it tends to be operational not strategic28
- Technology expertise needs to be visible from before the first contact—and it’s where firms can differentiate themselves.....29
- ...While it’s the broader expertise and relevance clients want to see in thought leadership 30

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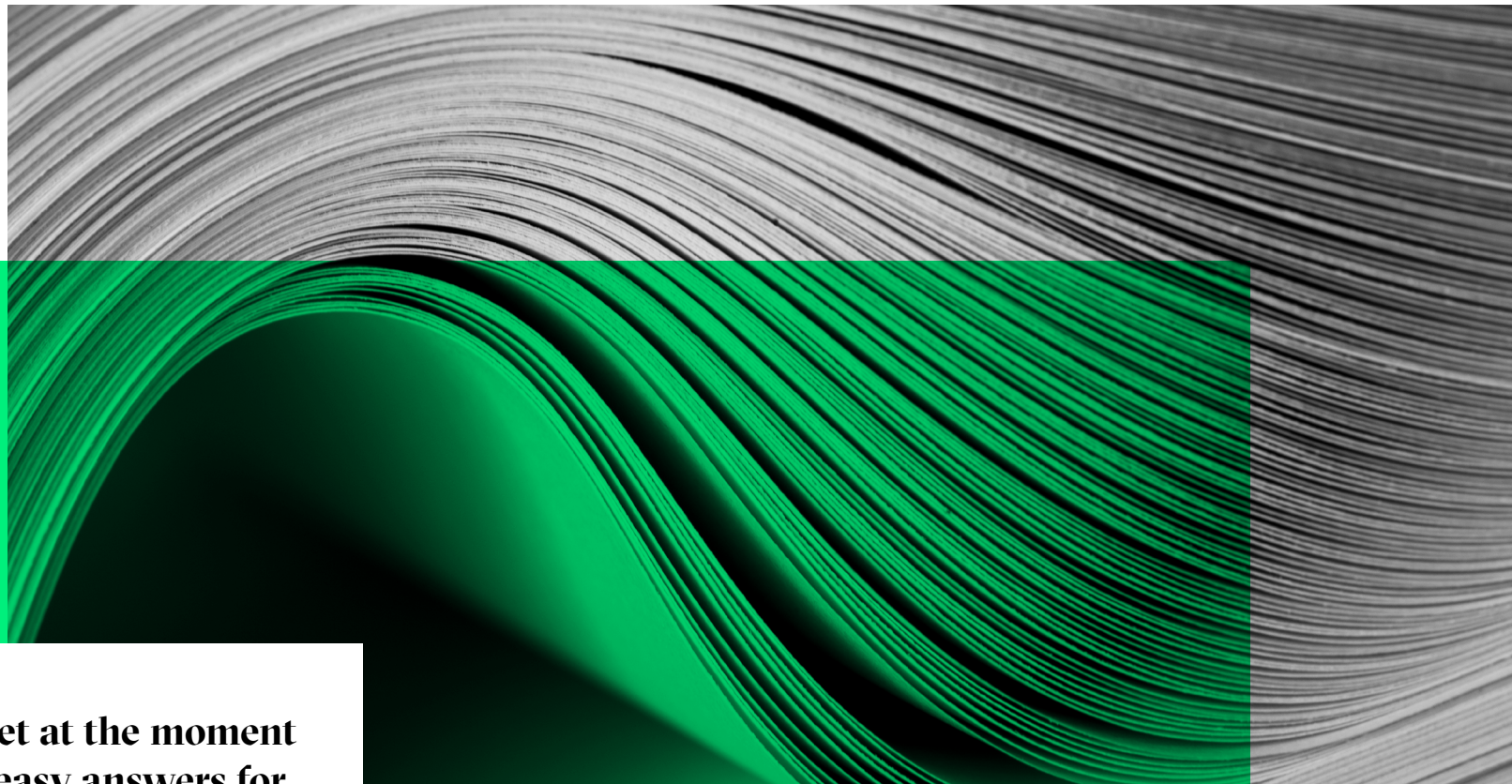
“Innovation is a necessity to survive. It's a mindset, it's about being able to identify the ideas that are going to create real value when executed. But firms tend to treat it as a buzzword when really they need to innovate themselves.”

Head of Operations, engineering

Conclusions

So what does all this tell us and what are the implications for a firm's go-to-market strategy?33

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“It’s a tough market at the moment and there are no easy answers for firms. They need to know which clients they want to target, do so efficiently, and yet remain flexible as the world continues to change.”

Catherine Anderson, Source

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Meet the expert

Catherine Anderson

Catherine is Director of Market Trends & Analysis. She turns qualitative and quantitative data into meaningful, strategic insights on topics across the professional services market, from sustainability to managed services.

Catherine Anderson

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About us

We help professional services firms **understand what really matters** when facing decisions of vital importance.

The best decisions are based on evidence, objectivity, and a willingness to change. That's why, at Source, we tell you what you need to hear, rather than what you want to hear.

We draw upon our deep roots within the professional services sector to provide firms with a clear picture of their clients' worlds. Through comprehensive research and meticulous analysis, we pinpoint what truly matters and deliver actionable insights that help firms map out the right way forward.

We believe in thriving individually and succeeding together. And we would love to help your firm crack its latest conundrum.

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