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## **DACH region most attractive consulting market for 2017**

The latest ranking of the world's most attractive consulting markets published annually by the leading research and strategy firm for the global management consulting industry, Source Global Research – puts the DACH region ahead of all other markets around the world for 2017. The Global Market Attractiveness Index, now in its fourth year, ranked Australia second, the UK third, the US fourth and the GCC fifth.

The Index and supporting report draws on the largest-ever survey (2,700) of senior users of consulting services in 15 major consulting markets in North America, Europe, the Middle East and Asia Pacific. Countries/regions are ranked on four criteria – **Talent, Growth Prospects, Average Revenue Per Consultant**, and **Propensity to Buy** (based on the size of the consulting markets relative to the GDP of the geographies within which they sit). Based on its research Source awards a score out of five for each criteria, where one is the lowest and five is the highest.

The methodology for this year's Global Market Attractiveness Index has been improved and addresses the fact that the DACH consulting market was always so far ahead of other markets by the measure of average revenues per consultant. The report says that this was happening because of the structure of the DACH consulting market—in which high-priced consulting work represents a much higher proportion than it does elsewhere—rather than because like-for-like revenues were much higher than elsewhere. But even on a like-for-like basis average revenues in the DACH region are still higher, and are one of the main reasons the market looks so attractive to consultants.

Source explains that despite plenty of potential threats bearing down on the DACH consulting market, whether in the form of Brexit and its wider impact on the EU, currency issues in Switzerland, or Austria's exposure to a troubled market to the East, the region continues to be attractive for consulting firms. But it points out that the region's growth prospects, like that of other leading consulting markets, may soon start cooling a little, following a two-year period in which it has grown by €1bn to a value of €8.7bn.

Edward Haigh, Director of Source Global Research, says:

*“Three of the top four markets in our ranking—DACH, the UK, and the US—are probably near the zenith of their growth potential for the time being.*

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*In stark contrast, Russia and Brazil sit at the bottom of our Index. Brazil has been one of the most reliably disappointing markets in recent years, and Russia has plenty of problems including the rouble falling to a record low earlier this year – which has pretty much put a stop to things. Elsewhere, the GCC, a former top-ranking market in our index, remains rooted in fifth place this year, as its growth prospects have been hit by the impact of low oil prices.”*

The Source report also highlights that in DACH there is a relatively good supply of high-quality talent, decent prospects for growth, impressively high average revenues, and clients who, despite a tendency to create their own internal consulting divisions, show a strong propensity for using external support.

Peter Mockler, Managing Partner, BearingPoint, says:

*“People are confident despite the fact that there are a lot of things happening in the global economy that could have a negative impact. In fact, even if you look closer to home, despite Dieselgate and the trouble most German banks face, the mood is actually very good. Consumption is good, so companies are making money and have money to invest. Added to which we have low interest rates and German exports are still in rude health.”*

Edward Haigh, says:

*“Despite Germany doing well, there are markets in Switzerland and Austria that are facing challenges and it’s less certain they have the ability to overcome them. With the significant threats on the horizon, we expect growth to slow across the DACH consulting market over the next couple of years.”*

Source recently published a report on the DACH consulting market, which found that while all industries across the DACH region grew in 2015, financial services (growing 7.1 per cent to €3bn) and manufacturing (growing 8.9 per cent to €2.2bn) clearly stood out from the rest. Strategy consulting continued to be the largest service in DACH, growing 6.1 per cent to €2.8bn, with risk & regulation the fastest growing service – up 8.9 per cent to €707m due to growing concerns around cybersecurity.

Peter Mockler, says:

*“Germany is a very attractive market—it’s in good shape and everyone is expecting it to continue growing really well for the time being.”*

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## PRESS RELEASE



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**About Source Global Research**

Source Global Research (Source) is the leading research and strategy firm for the global management consulting industry. Set up in 2007 and with offices in London and Dubai, Source serves both consulting firms and their clients with expert analysis, research and reporting. Source 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](#). Joy Burnford was Marketing and Operations Director at the UK Management Consultancies Association between 2003 and 2010, and prior to that worked for PA Consulting Group and has extensive experience of marketing consulting services. For further information, please visit: [www.sourceglobalresearch.com](http://www.sourceglobalresearch.com)

**The Source report:**

For the report Source surveyed just over 2,700 senior users and buyers of consulting services in 15 major consulting markets in North America, Europe, the Middle East and Asia Pacific. Forty-two percent of respondents work in organisations with more than 1,000 employees (the percentage is higher in mature markets where large corporations are more numerous). Respondents are distributed across operations, general management, sales & marketing, IT, finance and HR. They represent nine industries: energy & resources; financial services; healthcare; manufacturing; pharma & biotech; the public sector; retail; the services sector (including transportation and construction); and technology, media & telecoms.