

## **PRESS RELEASE**

**Date: 17<sup>th</sup> December 2018**

### **Telecoms spend US\$5.4bn on consultants**

The global telecoms industry remains the TMT sector's biggest buyer of consulting services, increasing 8.5% to generate US\$5.4bn for consultants in 2017.

The biggest driver of consulting spend in the sector was the appetite of telecoms for both front-end and back-office digital transformation. Other initiatives where help from consultants was sought included M&A and business model redesign amid the increasing commoditisation of telecoms' core services.

These figures are published today in a new report from the leading research and strategy firm for the global professional services industry, [Source Global Research](#).

No longer able to gain an advantage by tweaking data packages, the Source report says that telecoms are trying to figure out where new revenue streams will come from in the future. Currently they find themselves at a crossroads: They can either diversify into the lucrative digital and content space, which would mean taking on the big tech players; or they can simplify their model to focus on strengthening their position as providers of their existing commoditised network services.

**Callum Jack, Senior Analyst at Source Global Research, said:**

*"The upheaval in this sector is good news for consultants. Those telecoms making a play for the digital space are turning to consultants for strategy advice to redefine their business models and for the digital transformation work required to make up ground on the high-tech juggernauts.*

*Meanwhile, those deciding to focus on strengthening their position as providers of their existing network services have two priorities. The first is improving efficiency in the interests of price competitiveness, which is leading to operations work for consultants. The second is looking for consolidation opportunities to boost their share of a saturated market and to enhance network coverage, which is generating M&A work."*

**Ed Shedd, Managing Partner at Deloitte, added:**

*"Some telecom companies are divesting while others are acquiring, and all companies are trying to solve the conundrum of how to build a business that is ready for the future of connectivity. Companies are exploring lots of different strategies to try and solve the conundrum."*

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## **5G hits telecoms**

The introduction of 5G will be the next technological advancement to impact the telecoms industry, with Asia and the US leading the way with small-scale rollouts this year and Europe following soon after. The Source report says that telecoms are eager to build a roadmap that will allow them to take advantage of the 5G opportunity, leading to a steady flow of consulting demand for strategy work.

**Jacques Assaraf, Corporate VP – Telecom, Media & Entertainment at Capgemini Invent, said:** *“5G is coming earlier than what we expected a few months ago. Demand is picking up already as clients are asking what their go-to-market approach should be.”*

**Tony Doocey, MD & Global Media Entertainment and Communications Lead at North Highland, added:** *“5G is translating quite well with operators, who have spotted the trend and are investing. Demand for help with 5G will build into 2019—for us that means facilitating leadership development, improving team-working, and helping clients to roll out faster.”*

For more information on Source reports contact [ella-sian.jolley@sourceglobalresearch.com](mailto:ella-sian.jolley@sourceglobalresearch.com), telephone +44 (0)20 3478 1204, or visit [www.sourceglobalresearch.com](http://www.sourceglobalresearch.com).

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### **Notes to the editors:**

#### **About Source Global Research**

Source Global Research is the leading provider of market intelligence for the global professional services market. Established in 2007, Source serves the professional services market with expert analysis, research, and reporting. Source draws not only on its extensive in-house experience but also on the breadth of its relationships with both suppliers and buyers.

The Source [global data model](#) is the biggest and most sophisticated model of the professional services industry in the world, and it provides data on market sizes, growth rates, and forecasts across 29 industries, six service lines, 84 countries, and five different types of firms.

Source was founded by Fiona Czerniawska. 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](#).

All of Source's work is underpinned by its core values of intelligence, integrity, efficiency, and transparency.

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