

The Management Consulting Industry in Europe

Quarterly Barometer
Actual Q3 – Forecast Q4

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Feaco Annual General Assembly

November 19th, 2020

Overview on the Barometer

The FEACO Quarterly Barometer aims to provide a quick feedback on the market trends.

It is presently supported by 7 countries:

- data from five countries were used to describe national and European trends
- data from two countries were used to provide a focus by MC companies size.

The ongoing pandemic is strongly impacting any business with major changes along the time, making the estimation of market trends very challenging.

Therefore it calls for:

- larger and strongly representative panels
 - fast analysis and data sharing.

Actual Q3-2020

In Q3 Management Consulting turnover in Europe
has declined between 9% and 10%
 with all the countries in the range between -13% and -6%

Q3 ACTUAL		Distribution of companies (%)			
Country	Overall MC market trend	Increase	Stable	Decrease	Exceptional decrease
FEACO EU panel	-9,5%	20%	29%	25%	26%
Denmark	-12%	4%	47%	26%	23%
France	-8%	20%	23%	30%	27%
Germany	-13%	26%	18%	23%	33%
Greece	-7%	17%	33%	39%	11%
Italy	-6%	14%	55%	18%	14%

Forecast Q4-2020

In Q4 Management Consulting turnover in Europe
 - according to forecasts called mid October -
is expected to decline between 5% and 6%
 with all the countries in the range between -8% and -3%

Q4 FORECAST		Distribution of companies (%)			
Country	Overall MC market trend	Increase	Stable	Decrease	Exceptional decrease
FEACO EU panel	-5,6%	23%	37%	20%	19%
Denmark	-8%	6%	59%	20%	16%
France	-7%	20%	22%	34%	24%
Germany	-6%	31%	31%	11%	23%
Greece	-3%	28%	33%	33%	6%
Italy	-3%	14%	64%	18%	5%

Trends by MC company size

The Covid-19 health emergency has impacted differently the MC companies heavily hitting the smaller ones while affecting to a limited extend most of the larger ones. Such a pattern holds across different countries ...

Q3 ACTUAL	
Country	Overall MC market trend
Austria - Small MC	-23%
Italy - Small MC	-20%
Italy - Large MC	-3%
Spain - Large MC	2%

Q4 FORECAST	
Country	Overall MC market trend
Austria - Small MC	-11%
Italy - Small MC	-13%
Italy - Large MC	1%
Spain - Large MC	-1%

Client industries

The Covid-19 health emergency has impacted with a similar pattern MC client industries across different countries.

Public Administration, Healthcare & Pharma plus Telecommunications are the industries that on average experienced less disruption.

Automotive, Industrial Goods, Tourism & Hospitality are the industries that have been affected the most.

Management Consulting towards Banks and Utilities have been affected to a different degree in the various countries.

BEST performers	WORST performers
Public Administration	Automotive
Healthcare & Pharma	Industrial goods
Telecommunications	Tourism & Hospitality

Service lines

The Covid-19 health emergency – and a general trend towards digital activities - has supported the growth of IT consulting.

The dramatic changes that many client companies had to go through triggered a consulting services demand as to strategy and process optimization/cost reduction.

Service lines that might have been related to health emergency like Sustainability, Risk Management or Marketing & Sales did not perform better than the average , but had mixed results in the different countries

BEST performers	NON performers
IT	Sustainability
Strategy	Risk Management
Process optimization	Marketing & Sales

Methodology and sampling

The trends in each country has been based on an average of the responses while the EU panel trend is weighted average of national trends weighted by the country GDP.

Feaco Barometer data were collected partially as an “ad-hoc” survey and partially as part of a broader survey carried out by National Associations (France and Germany). In the case of Italy, the Feaco Barometer data have been benchmarked with the monthly survey of the National Association.

In five countries, the respondents well represent the MC industry structure in terms of company size, while in the two cases they were not (in Austria 77% of the respondents had a turnover below 250k €; in Spain 75% of the respondents had a turnover above 25 Mil.€).

	<i>Respondents</i>
Austria	13
Denmark	17
France	90
Germany	645
Greece	18
Italy	21
Spain	16