

Rank	Vendor	2007	2008	Growth (%) 2007-2008	Market Share (%) 2008
	Total Market	17,842	18,116	1.5	100.0

Source: Gartner (June 2009)

Consulting service buyers faced a volatile economic situation in Western Europe in 2008. The region showed company failures, consumer confidence declining since March 2008 in the eurozone and a clear downward trend of all major economies, expressed by many negative GDP growth rates for the fourth quarter of 2008 that were measured against the same quarter of the previous year. Prospects for improvements in consulting spending for the later part of 2008 partly depended on the impact of government stimulus plans, as well as on buyers hoping for a rapid global economy recovery to raise international demand for Western European goods and services.

The 2008 consulting market in Western Europe experienced an average growth rate of 1.5%, in euros, despite challenging market conditions. This growth rate was met or exceeded by eight providers, while Logica's and HP's growth declined because of negative performance in their business and IT consulting business in the region. Logica faced some relevant declines in its consulting business, in particular in Belgium, the Netherlands and Germany. HP's business declined 11.9% in euros in the United Kingdom, from €162 million to €143 million; however, in British pounds, it showed a growth of 2.8% (from £111 million to £114 million). Fujitsu Services left the Western European 2008 top 10 list because of a decline of 8.2% in its business and IT consulting service revenue, from €396 million in 2007 to €363 million in 2008, and is now replaced by SAP, at the 10th position. However, Fujitsu's consulting business in the United Kingdom grew 2.8% in British pounds, from £174 million to £179 million. Therefore, it must be noted that currency exchange rates had a significant impact on an individual provider's performance.

Global providers, such as Accenture, Deloitte, IBM, PricewaterhouseCoopers and others, are present in the Western European top 10 list; however, consulting service providers headquartered in Western Europe, such as Logica and Capgemini, remain in the list. Nine of the top 10 providers, in terms of market share in Western Europe, derived more than 17% of its Western European consulting business from the United Kingdom, making the United Kingdom the primary source country for consulting revenue for providers in this 2008 top 10 list and also for the regional consulting market as a whole.

When reviewing the vertical contribution to the top 10 providers' revenue, we found two main vertical sectors providing the source for revenue: Financial services is a key vertical sector for consulting providers, followed by the government sector. The top 10 consulting service providers hold 37.7% of the combined financial services industries and 34.3% of the governmental consulting service spending. The United Kingdom, in particular, along with the business performance of the financial services industry, has a strong impact on this regional top 10 list because the United Kingdom was the largest IT consulting service market in Western Europe in 2008. Therefore, Western European consulting service providers compete heavily in the United Kingdom and the financial services sector for buyers' discrete project investments.

Eastern Europe: Top 10 Consulting Service Providers

Eastern Europe started in late 2008 to suffer from its steepest fall in real GDP since the collapse of the Communist economic system in the early 1990s, reflecting the severity of the trade and financial shocks that have hit membership countries of the European Union (EU), such as Estonia, Latvia, Lithuania, Poland, Slovenia, Slovakia and non-EU-members, such as Russia. The significant divergence in GDP growth results for 2008 underlines the need to differentiate

these business and IT consulting markets between single countries rather than treat Eastern Europe as a homogeneous block for further assessments expanding beyond this research.

While global providers (for example, Accenture, Deloitte and IBM) have a presence across the region, local business and IT consulting service providers also represent a viable option for buyers and make it in the top 10 list in Eastern Europe. Eastern Europe represents 5.8% of the EMEA consulting service markets.

Table 5 shows the 2008 market share data of the top 10 providers in Eastern Europe in the consulting service market.

Table 5. Eastern Europe: Top 10 Consulting Service Providers' Revenue, Growth and Market Share, 2007-2008 (Millions of Dollars)

Rank	Vendor	2007	2008	Growth (%) 2007-2008	Market Share (%) 2008
1	S&T	146	150	3.0	9.2
2	Deloitte	102	128	25.3	7.9
3	IBM	82	93	14.1	5.7
4	Ernst & Young	66	75	14.6	4.6
5	Accenture	61	74	21.5	4.5
6	Alcatel-Lucent	53	66	25.5	4.1
7	PricewaterhouseCoopers	52	61	16.1	3.7
8	SAP	39	50	29.1	3.1
9	KPMG	34	41	19.5	2.5
10	Oracle	34	39	14.0	2.4
	Other Service Vendors	717	853	18.9	52.3
	Total Market	1,385	1,630	17.7	100.0

Source: Gartner (June 2009)

Local consulting service providers and those regional or global providers in close proximity to their Eastern European clients change the appearance of the competitive landscape. The Eastern European top 10 list includes S&T, headquartered in Austria, purporting to be present in 21 countries, including many Eastern and Central European countries. The top 10 providers in Eastern Europe together held market share of 48.2% in 2007 and a concentrated 47.7% share in 2008, which represents a major difference in market distribution from the its neighboring region, Western Europe.

Middle East and Africa: Top 10 Consulting Service Providers

The Middle East region continued to experience strong GDP growth in 2008, outpacing global growth. Therefore, business and IT consulting service providers to the banking sectors in the region have generally maintained sound business from initiatives, strengthening, for example, banking supervision in this geographical region, which proved to be somewhat resilient to the global economic decline in 2008. Notably, providers focused on industries such as process manufacturing, energy and utilities in the region saw 2008 demand for consulting services triggered by increases in oil output and production in countries such as Oman, United Arab Emirates (UAE), Kingdom of Saudi Arabia, Qatar, Kuwait and Bahrain.