Forecast Analysis: Consulting Services, Worldwide

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Initiatives: Technology Market Essentials

> The $300 billion consulting market is forecast to grow at 10.6% (in constant currency) in 2024. Growth will be driven by organizations that need trusted advice in the face of accelerating change as well as the strong demand for security and governance consulting services.

Overview

Forecast Assumptions

- By 2027, 35% of IT consulting engagements will have security embedded, up from 20% in 2022, thereby increasing organizations' reliance on external consultants to help with information security and risk mitigation strategies.

- By 2026, driven by investors' and other stakeholders' expectations, six out of every 10 organizations will consider sustainability measures as a growth opportunity, up from one in 10 organizations since 2022.

- From 2024, the emergence of practical, industry-specific use cases for generative AI will increase demand for services aimed at helping buyers increase the agility and productivity of their operations at scale.

Market Impacts

- The spending on consulting services will continue to grow, reaching a five-year compound annual growth rate (CAGR) (from 2022 through 2027) of 12.6% in U.S. dollars.

- As organizations seek external assistance to support the rising focus on security/risk mitigation, the spending in risk management will grow at a five-year CAGR (from 2022 through 2027) of 12.7% in U.S. dollars.

- Sustainability consulting services will be a major growth opportunity for consulting providers, accounting for almost 11.7% of the total consulting spending by 2026 — up from 3.0% in 2022.

- Generative AI will have a net positive impact on consulting, boosting annual spending by around $11 billion by 2027. Generative AI will have the largest impact on business operations during the forecast period, where it will both complement and replace existing approaches.

Notable Changes

This document provides estimates of the market size, annual growth rates and the associated five-year compound annual growth rate (CAGR) for the consulting market, as well as the underlying forecast assumptions.

For more details about the methodology used to create our forecast for consulting, see Market Definitions and Methodology: IT Services.

Israel-Hamas War

On Sunday, 8 October 2023, Israel formally declared war on Hamas. These events took place after the 3Q23 forecast was finalized and are therefore not included in Gartner's forecast assumptions.

Forecast Data Summary

See Figure 1 for a summary of forecast data.

Figure 1. Consulting End-User Spending by Segment (Millions of U.S. Dollars)

Consulting End-User Spending by Segment
Millions of U.S. Dollars
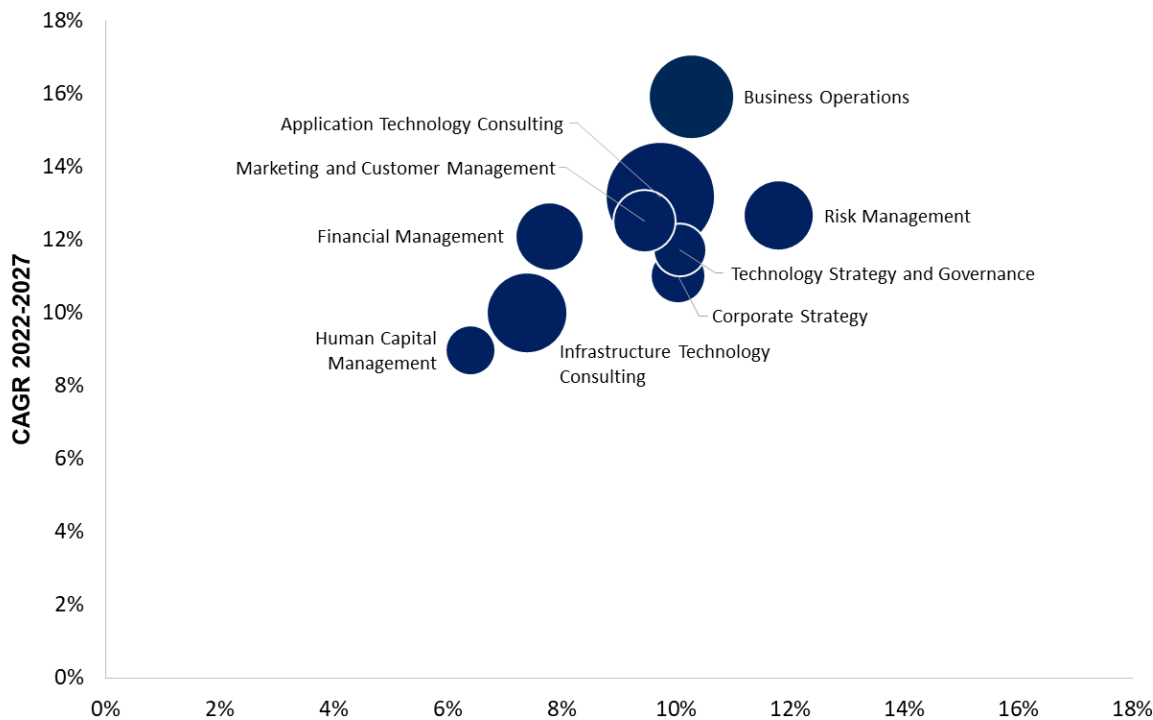
Source: Gartner (October 2023)

Note: The size of each bubble represents 2022 end-user spending by segment in current U.S. dollars.

CAGR = compound annual growth rate

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Table 1 shows the consulting market forecast by subsegment.

Table 1: Consulting Market Forecast by Segment (Millions of U.S. Dollars)

(Enlarged table in Appendix)

Segment	2022	2023	2024	2025	2026	2027	2022-2027 CAGR
Business Operations	40,571	44,737	50,913	61,052	72,768	84,911	15.9%
Corporate Strategy	16,582	18,246	20,309	22,399	24,853	27,959	11.0%
Financial Management	25,968	27,989	31,199	35,460	40,562	45,948	12.1%
Human Capital Management	13,906	14,796	16,046	17,550	19,398	21,370	9.0%
Marketing and Customer Management	22,128	24,218	27,702	31,859	35,939	39,899	12.5%
Risk Management	27,418	30,654	34,526	39,596	44,987	49,769	12.7%
Application Technology Consulting	67,717	74,304	83,545	95,914	110,625	125,747	13.2%
Infrastructure Technology Consulting	36,325	39,010	42,785	47,616	53,151	58,524	10.0%
Technology Strategy and Governance	15,729	17,313	19,261	21,531	24,435	27,373	11.7%
Consulting Total	266,343	291,269	326,286	372,977	426,718	481,500	12.6%

Note: Numbers may not add to totals shown because of rounding.
CAGR = compound annual growth rate
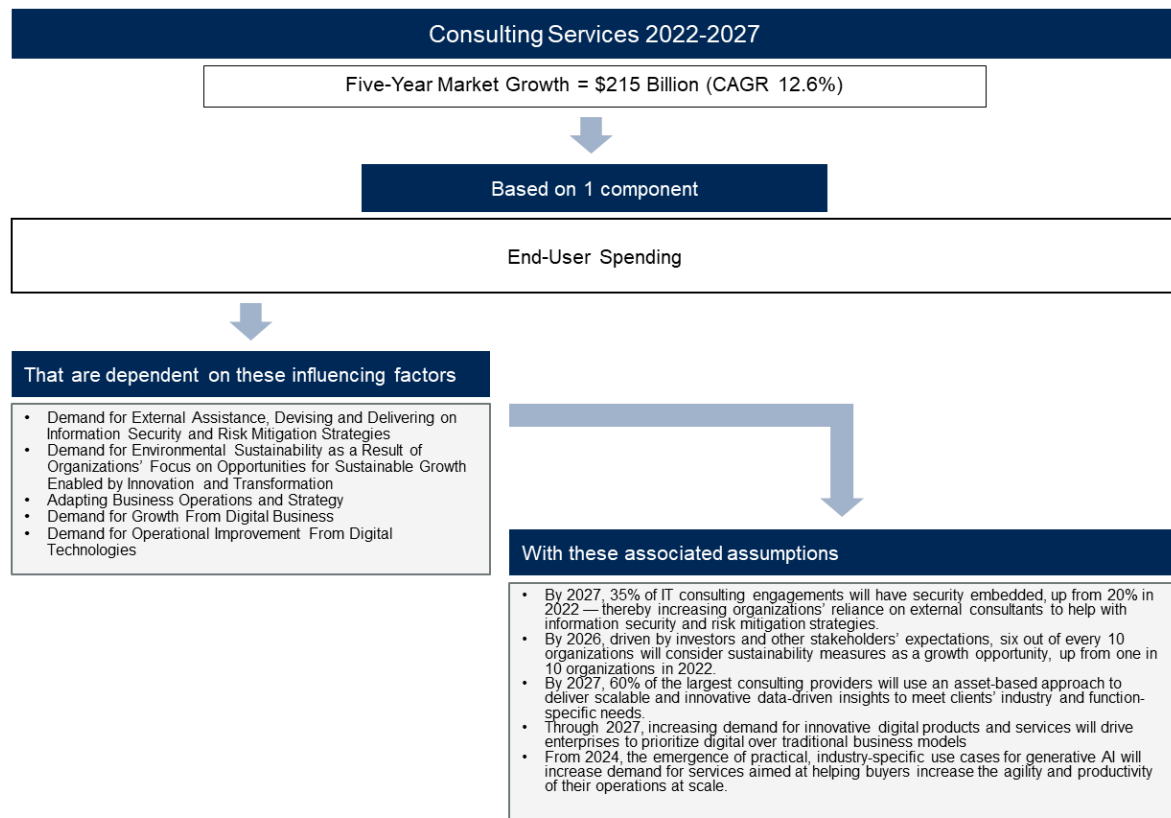
Source: Gartner (October 2023)

The impact of generative AI, along with the rising focus on sustainability and the increasing need for security and governance, will be the primary drivers of consulting spending, as organizations seek to accelerate their digital transformation, environmental goals and financial benefits. According to Gartner's latest Forecast: IT Services, Worldwide, 2021-2027, 3Q23 Update, the consulting market will reach a five-year CAGR (2022 through 2027) of 12.6% in U.S. dollars.

Forecast Model Summary

Figure 2 summarizes the key components, influencing factors and forecast assumptions that drive the consulting services forecast. (See Figure 2 for the market model.)

Figure 2. Market Model for Consulting Services

Market Model for Consulting Services

Consulting Services 2022-2027

Five-Year Market Growth = $215 Billion (CAGR 12.6%)

Based on 1 component

End-User Spending

That are dependent on these influencing factors
- Demand for External Assistance, Devising and Delivering on Information Security and Risk Mitigation Strategies
- Demand for Environmental Sustainability as a Result of Organizations' Focus on Opportunities for Sustainable Growth Enabled by Innovation and Transformation
- Adapting Business Operations and Strategy
- Demand for Growth From Digital Business
- Demand for Operational Improvement From Digital Technologies

With these associated assumptions
- By 2027, 35% of IT consulting engagements will have security embedded, up from 20% in 2022 — thereby increasing organizations' reliance on external consultants to help with information security and risk mitigation strategies.
- By 2026, driven by investors and other stakeholders' expectations, six out of every 10 organizations will consider sustainability measures as a growth opportunity, up from one in 10 organizations in 2022.
- By 2027, 60% of the largest consulting providers will use an asset-based approach to deliver scalable and innovative data-driven insights to meet clients' industry and function-specific needs.
- Through 2027, increasing demand for innovative digital products and services will drive enterprises to prioritize digital over traditional business models
- From 2024, the emergence of practical, industry-specific use cases for generative AI will increase demand for services aimed at helping buyers increase the agility and productivity of their operations at scale.

Source: Gartner (October 2023)
CAGR = compound annual growth rate
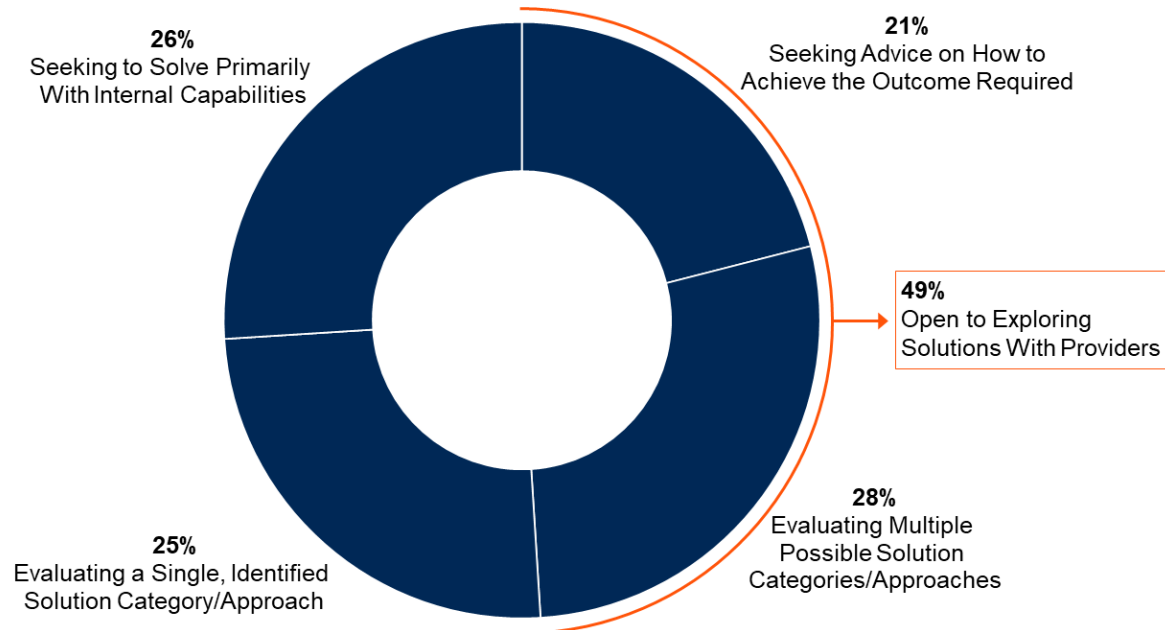ID: 798020

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Influencing Factor: Demand for External Assistance, Devising and Delivering on Information Security and Risk Mitigation Strategies

The need for potential buyers to engage external advisors (an inverse function of their ability and/or internal capacity to do the work themselves) will continue to increase over the forecast period. Buyers need to respond at scale and at speed. In addition, the lack of in-house expertise to successfully deliver on their goals has necessitated an increasing reliance on outside experts. The 2022 Gartner Industry Line of Business (LOB) Buying Behavior Survey indicates that almost half of LOB buyers are open to advice on how to achieve their targeted outcomes (21%) or are evaluating multiple possible solution categories/approaches (28%). Meanwhile only 26% are seeking solutions primarily by utilizing internal capabilities (see Figure 3).

Figure 3. Approach to Achieve the Technology Solutions to Address Top Strategic Business Initiative

Approach to Achieve the Technology Solutions to Address Top Strategic Business Initiative
Percentage of Respondents

26%
Seeking to Solve Primarily With Internal Capabilities

21%
Seeking Advice on How to Achieve the Outcome Required

49%
Open to Exploring Solutions With Providers

28%
Evaluating Multiple Possible Solution Categories/Approaches

25%
Evaluating a Single, Identified Solution Category/Approach

n = 708; All line of business buyers; excluding "not sure"

Q. Select the one that best describes your planned/preferred approach to acquiring the technology solutions for this strategic initiative.

Source: 2022 Gartner Industry LOB Buying Behavior Survey

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Forecast Assumption: By 2027, 35% of IT consulting engagements will have security embedded, up from 20% in 2022 — thereby increasing organizations' reliance on external consultants to help with information security and risk mitigation strategies.

New — According to the 2022 Gartner Digital Business Buying Behavior Survey, one-third of respondents indicated that "Security/Risk" is one of the key external trends shaping their organization's business strategy (see Figure 4).

Figure 4. External Trends Shaping Business Strategy

External Trends Shaping Business Strategy
Maximum Five Responses Allowed
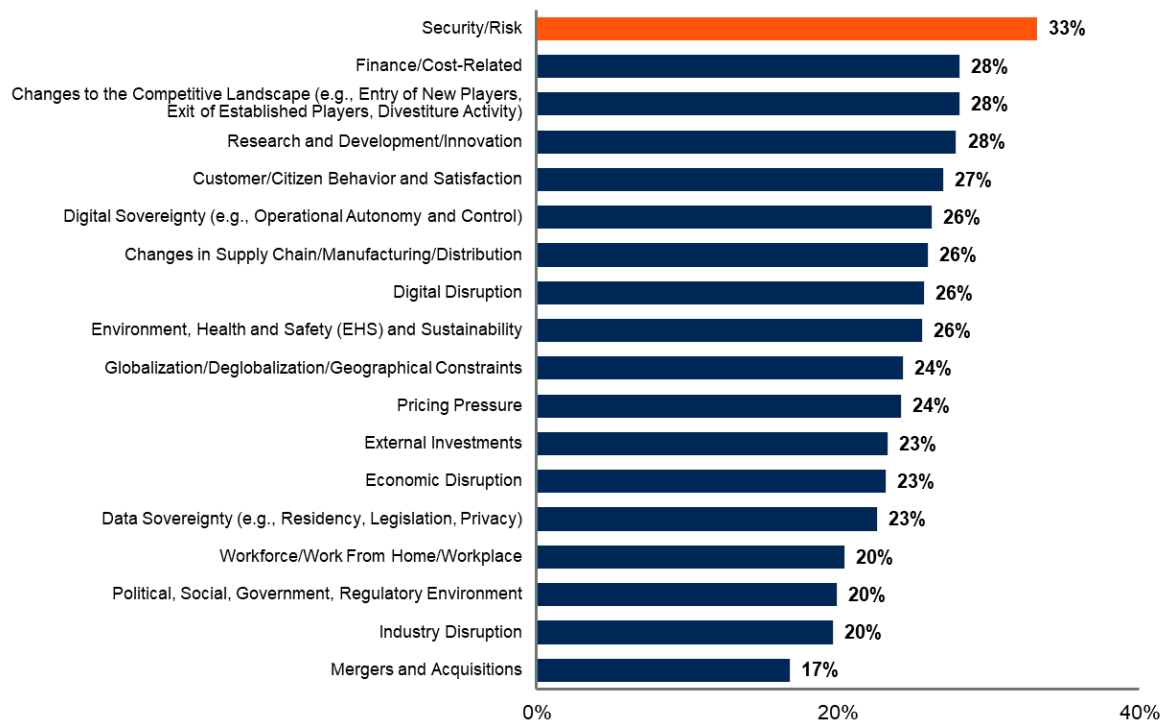
n = 796; All IT services buyers; excluding "none of the above"

Q. What are the top five external trends shaping your organization's business strategy?

Source: 2022 Gartner Digital Business Buying Behavior Survey

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For the last three years, security has been the stalwart of technology areas targeted for increased investments. According to the 2023 Gartner CIO and Technology Executive Survey, cyber/information security continues to be the most common investment focus area for CIOs. Sixty-six percent of respondents indicated that their organizations will be spending the largest amount of new or additional funding in cyber/information security in 2023 (compared to 2022).

As per the 2023 Gartner CEO and Senior Business Executive Survey, CEOs indicated that improving security and privacy is the top area that the IT function of their organization should be focusing on (see Figure 5).

Figure 5. CEO Views on the One Thing the IT Function Should Be Focusing On

CEO Views on the One Thing the IT Function Should Be Focusing On
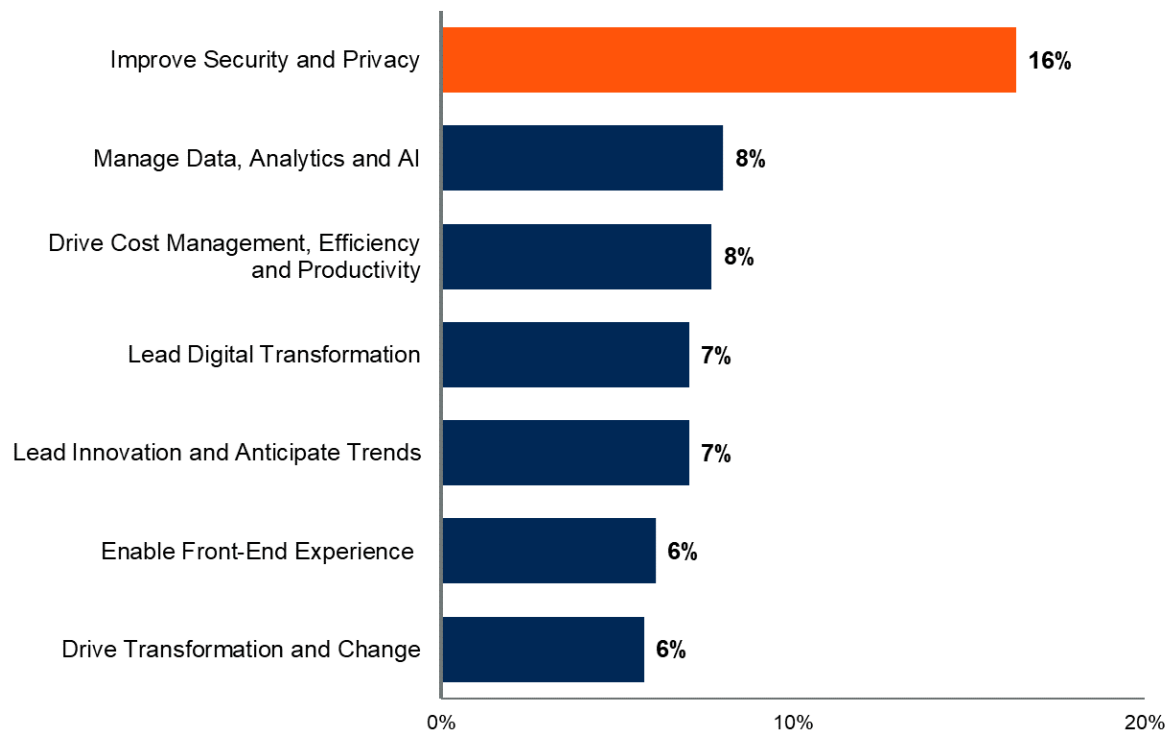
n = 312; All respondents

Q. What is the one thing the IT function of your company should be doing more of?

Source: 2023 Gartner CEO and Senior Business Executive Survey

AI = artificial intelligence

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With the rising focus on security/risk, organizations will increase investment in security, looking for external providers to help in formulating and devising risk mitigation strategies. The following two primary factors drive the continued increase in buyers seeking external assistance:

1. An increase in the degree and pace of strategic change as many clients choose to work with consultants not only because they bring necessary strategic advice, but also because they enable the client to move faster.

2. Frustration with a lack of internal organizational competencies which makes it necessary to execute an information security and risk mitigation strategy.

Influencing Factor: Demand for Environmental Sustainability as a Result of Organizations' Focus on Opportunities for Sustainable Growth Enabled by Innovation and Transformation

Sustainability is the new digital. The scope and size of the transformation needed to convert to a sustainable business and operating model will necessitate organizations to make adjustments and investments. This is in addition to dealing with disruption of a similar magnitude as the previous shift to digital business proved. In the 2023 Gartner CEO and Senior Business Executive Survey, environmental sustainability has established its tenure in the list of top 10 strategic business priorities. Rising by 25% from 2022, mentions of environmental sustainability are in the top three, indicating that CEOs are responding to stakeholder expectations and see it as a growth opportunity (see Figure 6).

Figure 6. CEO Strategic Business Priorities for 2023 and 2024 — Top Ten

CEO Strategic Business Priorities for 2023 and 2024 — Top Ten
Summary of Top Three Mentions, Coded Responses

Priority	Value	Change From 2022
Growth	49%	q 5%
Technology Related	34%	q 2%
Workforce	32%	p 2%
Corporate Action	31%	p 6%
Financial	19%	q 6%
Cost Management	14%	p 69%
Products and Services	13%	q 18%
Environmental Sustainability	12%	p 25%
Customer	8%	q 45%
Efficiency and Productivity	7%	p 46%
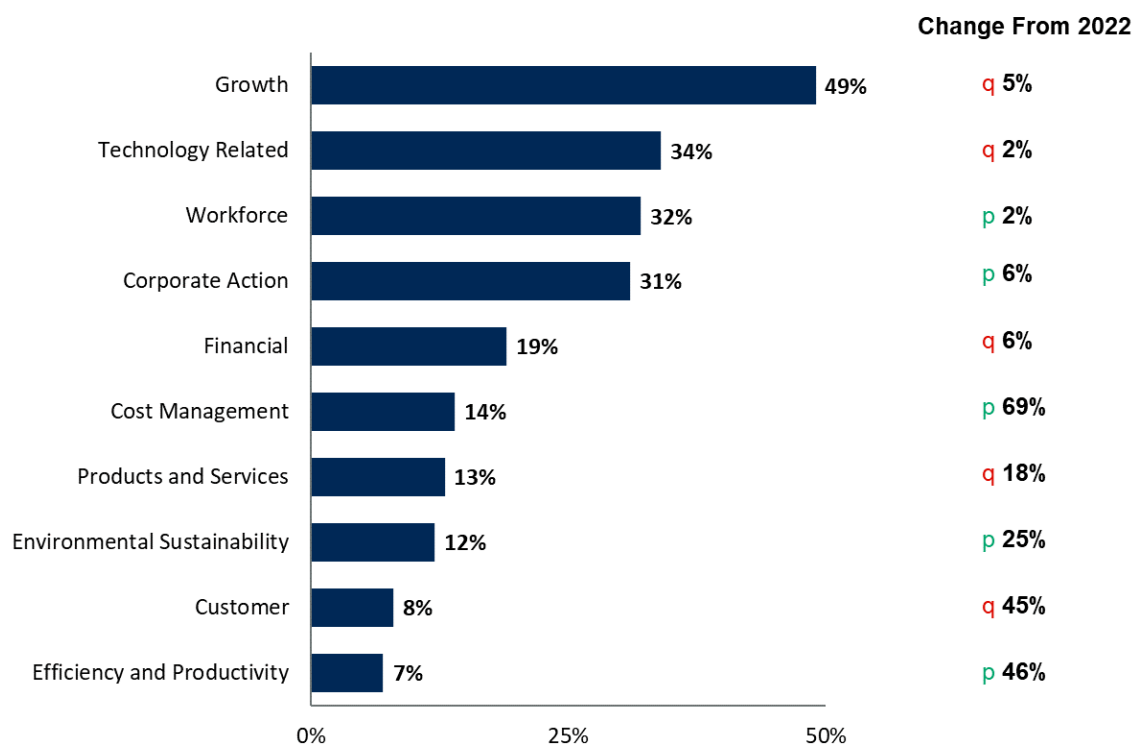
n = 422; All respondents

Q. To start, please tell us about your organization's top five strategic business priorities for the next two years (2023 and 2024).

Source: 2023 Gartner CEO and Senior Business Executive Survey

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Forecast Assumption: By 2026, driven by investors' and other stakeholders' expectations, six out of every 10 organizations will consider sustainability measures as a growth opportunity, up from one in 10 organizations in 2022.

New — Since the demand for sustainability as a necessary component in the consumption of services is sharply increasing, most organizations are introducing sustainability as a criterion across all areas of IT services, thereby making it an important criterion for selecting IT service providers. As per the 2022 Gartner IT Services Buyer Survey, conducted from August 2022 through October 2022, more than half of the respondents claimed their organizations have sustainability as a "must have" service provider capability (see Figure 7).

Figure 7. Sustainability as a Criterion in Service Provider Selection

Sustainability as a Criterion in Service Provider Selection
Percentage of Respondents
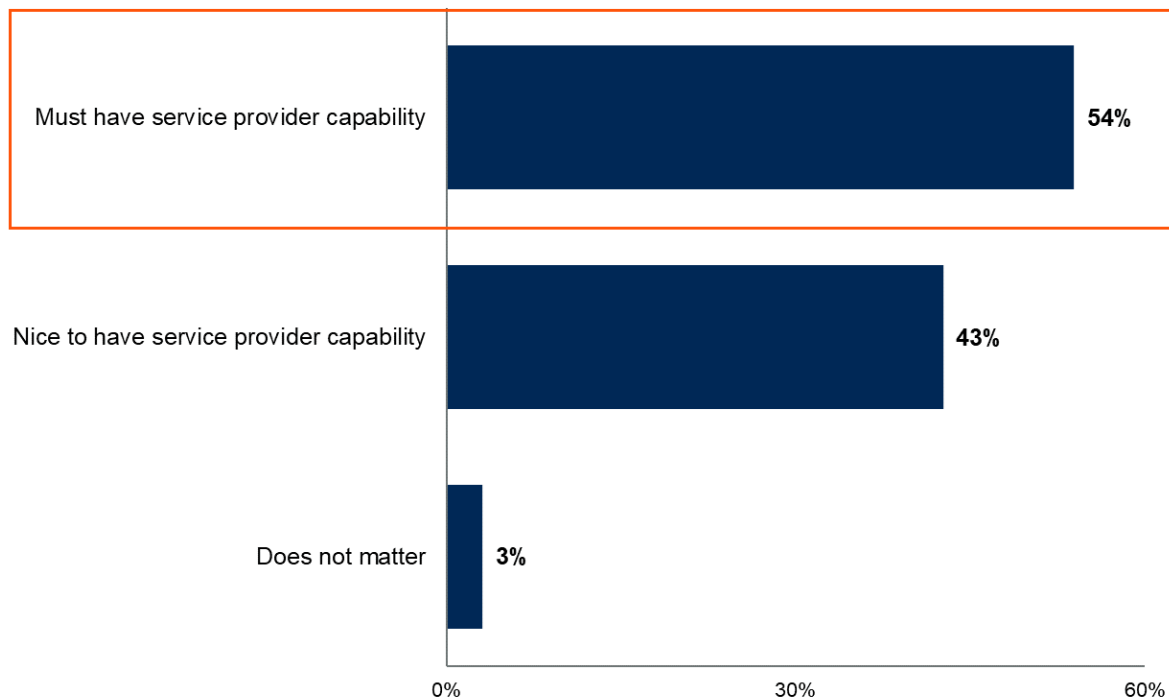
n = 596; Buyers of IT services and already have in-process, or plan to have, sustainability goals in the next 12 months; excluding "not sure"

Q. How does your organization/functional area include/plan to include sustainability as a criteria in the selection of a service provider for IT services outsourcing?

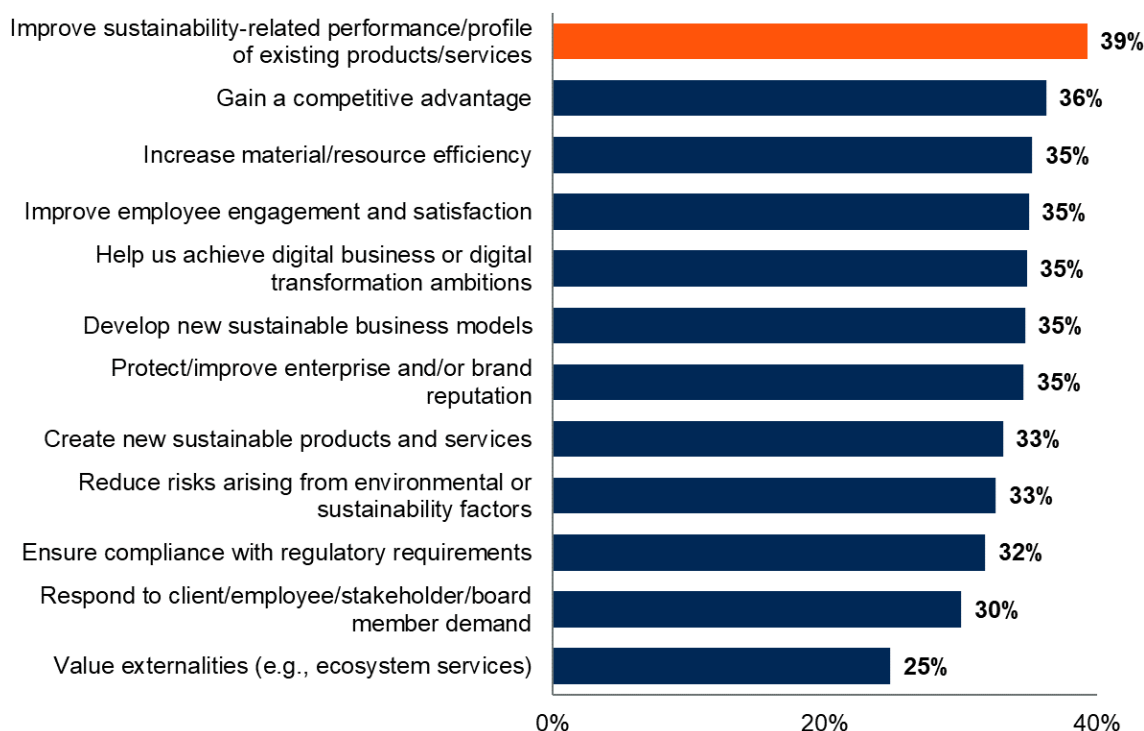Source: 2022 Gartner IT Services Buyers Survey

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Until recently, sustainability consulting was primarily the preserve of boutique specialists. However, it is now seen as a major growth opportunity by many of the world's largest traditional consulting providers. As per the Gartner 2022 Understanding Corporate Growth Strategies Survey, half of the respondents see sustainability as a potential growth driver; while 53% of the high growth companies see sustainability as a priority. Moreover, growth in the sustainability consulting market will primarily be dictated by demand-side factors, such as:

- Stakeholder and regulatory pressure to reduce the negative environmental impact of organizations' operations

- Demand for external assistance with sustainability strategy and operations

- Executive focus on opportunities for sustainable growth enabled by innovation and transformation

According to the 2022 Gartner Digital Business Buying Behavior Survey, 39% of the respondents indicated that their organization sought to improve the sustainability-related performance of existing product/services by investing in sustainability services (see Figure 8).

Figure 8. Business Outcomes Sought by Investing in Sustainability Services

Business Outcomes Sought by Investing in Sustainability Services
Maximum Five Responses Allowed

Outcome	%
Improve sustainability-related performance/profile of existing products/services	39%
Gain a competitive advantage	36%
Increase material/resource efficiency	35%
Improve employee engagement and satisfaction	35%
Help us achieve digital business or digital transformation ambitions	35%
Develop new sustainable business models	35%
Protect/improve enterprise and/or brand reputation	35%
Create new sustainable products and services	33%
Reduce risks arising from environmental or sustainability factors	33%
Ensure compliance with regulatory requirements	32%
Respond to client/employee/stakeholder/board member demand	30%
Value externalities (e.g., ecosystem services)	25%

n = 788; All IT services buyers who have bought or are planning to buy sustainability services; excluding "none of the above"

Q. Which of these are the five most important business outcomes your organization is seeking to achieve by investing in sustainability services?

Source: 2022 Gartner Digital Business Buying Behavior Survey

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Though interest in taking action on sustainability is growing rapidly, many business leaders still remain unconvinced of the need to take significant action. Some attempt to have it both ways by employing deceptive marketing, or "greenwashing," to appear to be doing more than they are on sustainability (see Tool: Greenwashing Multifactor Risk Assessment). Greenwashing will become less of an issue over time, as transparency increases and business leaders realize the risks associated with greenwashing backfiring.

Influencing Factor: Adapting Business Operations and Strategy

Demand for speed, especially at the beginning of the COVID-19 pandemic, accelerated consulting delivery model change, increasing the use of assets in areas of historically labor-intensive delivery. IT services buyers are increasingly recognizing the value of asset/platform-based approaches to value creation and delivery. As per the 2022 Gartner Digital Business Buying Behavior Survey, 75% of the respondents said that their organization has purchased asset-based services either once or multiple times in the past 24 months. Meanwhile 16% said that they are actively planning to purchase. Further, 86% of the respondents expect their organization's investment in asset-based services to somewhat — or significantly — increase in the next 24 months (see Figure 9). The speed and cost efficiencies of asset- or platform-based approaches can be particularly attractive to buyers during the periods of macroeconomic headwinds. According to the 2022 Gartner Digital Business Buying Behavior Survey, 85% of the respondents indicated that their organization is more likely to choose a provider that offers an asset-based approach instead of a provider that only offers a traditional approach.

Figure 9. Anticipated Change in Asset-Based Services Investments Over the Next 24 Months

Anticipated Change in Asset-Based Services Investments in the Next 24 Months
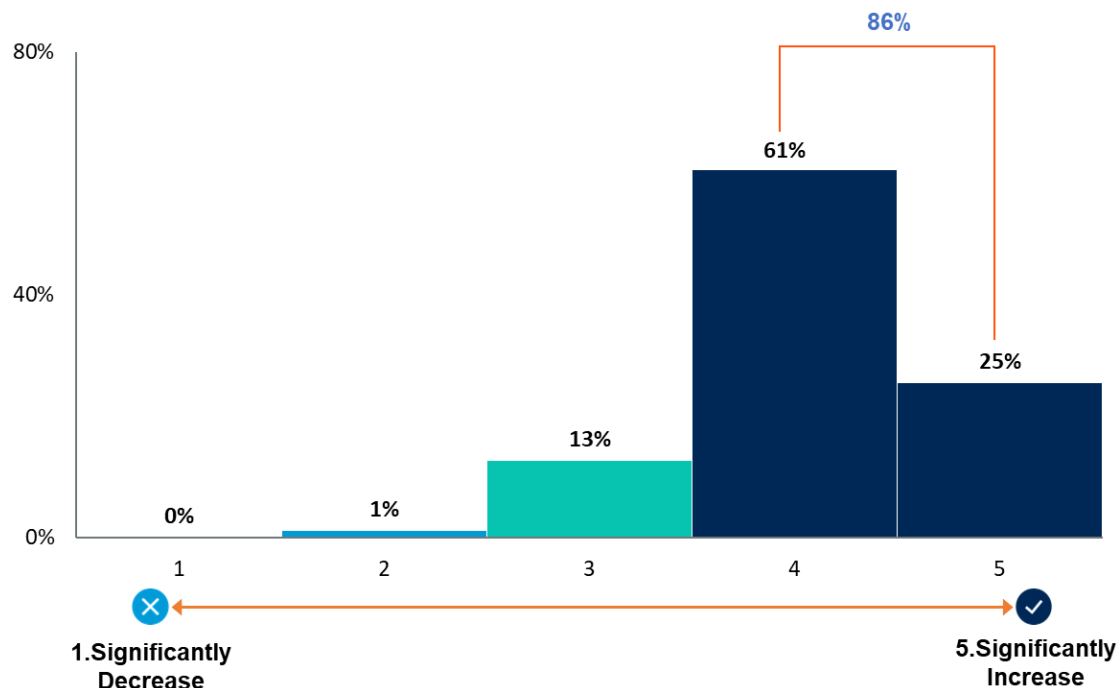
n = 757; All IT services buyers who have purchased, are planning to purchase, or evaluating asset-based services; excluding "not sure"

Q. How do you expect your organization's investment in asset-based services to change in the next 24 months?

Source: 2022 Gartner Digital Business Buying Behavior Survey

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Forecast Assumption: By 2027, 60% of the largest consulting providers will use an asset-based approach to deliver scalable and innovative data-driven insights to meet clients' industry and function-specific needs.

Updated — Asset strategies for consulting firms have evolved rapidly, with providers at different horizons of development as they build their journeys to leverage assets within their portfolios. Some providers began recognizing the importance of an asset-intensive services strategy — reducing effort and risk, automating activities and bringing cross-project value through accelerators. Meanwhile some providers have found that there is more opportunity in a services strategy that further incorporates the use of assets. Many providers remain focused on augmenting their portfolio of assets and building custom outcomes by client with a mix of resources (their own assets) and inputs (the skill of their people). Leading providers are also partnering to bring accelerators, products and intellectual property (IP) from other service providers alongside their own asset portfolios (see Innovation Insight: The Evolving Commercial Opportunity From the Use of Assets in IT Services).

The next opportunities for consulting providers using assets in consulting services will be to drive and activate client outcomes by flexibly composing solutions from a combination of their own and other providers' assets, IP and skills. This is in order to bring business-function and industry-specific information and insight to the forefront. IT services buyers will not want a single platform for all digital interactions, but they will value a central "orchestration" platform to not only manage the interactions between cloud, custom and legacy technologies, but also fulfill their digital ambitions. In Quick Answer: What Comes After the Era of Enterprise Applications?, Gartner discusses the opportunity around platform orchestration, which is further quantified in Market Opportunity Map: Platform Orchestrators, Worldwide.

> **Influencing Factor: Demand for Growth From Digital Business**
>
> Despite economic headwinds, evidence suggests that the demand for growth from digital business is not only resilient, but is likely to continue accelerating. Most organizations' digital business ambitions are a mix of both optimization (using digital technologies and approaches to improve the existing business model) and transformation (fundamentally changing the business model to generate net new digital revenue). Increasing revenue, whether through optimization or transformation, is an important focus for buyers, as Figure 10 shows.

**Figure 10. Digital Business Transformation and Optimization Initiative for Which Buyers Use IT Services**

Digital Business Transformation and Optimization Initiatives for Which Buyers Use IT Services

Digital Business Optimization	Digital Business Transformation
1. Improve Employee Productivity	1. Run a Platform Business Model
2. Improve Existing Revenue/Budget	2. Pursue New Digital Business Models
3. Optimize Physical Assets	3. Launch Net New Digital Products and Services
4. Enhance Customer/Citizen Experience	4. Move Into Adjacent and New Industries

Source: Gartner
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Forecast Assumption: Through 2027, increasing demand for innovative digital products and services will drive enterprises to prioritize digital over traditional business models.

New — Today's CEOs perceive that the most valuable uses of information technology fly under the banner of "digital," they are committed to its importance and are resistant to disinvesting it. As per the 2023 Gartner CEO and Senior Business Executive Survey, digital remains the top area for CEOs' investment increase. This indicates that CEOs will continue to prioritize investments in digital capabilities to enhance digital business models rather than resorting to traditional business methods (see Figure 11).

Figure 11. CEOs' Investment Increase Intention in Various Business Areas Over Twelve Years

CEOs' Investment Increase Intention in Various Business Areas Over 12 Years
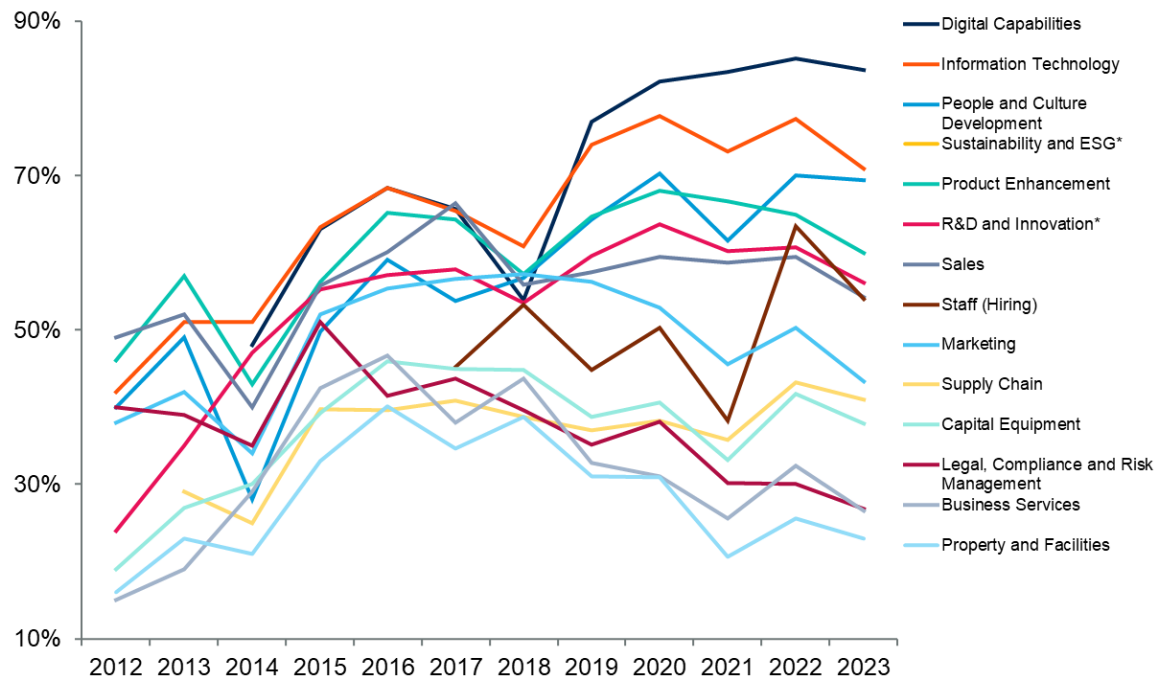
n = 422; All respondents

Q. Compared to fiscal year 2022, how will your organization's investments in the following business areas change in fiscal year 2023?

Source: 2023 Gartner CEO and Senior Business Executive Survey

* Sustainability and ESG and R&D and Innovation are new categories in the 2023 survey

ESG = environmental, social and governance; R&D research and development

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The consulting and other related markets have been shifting from traditional/core IT services to digital services steadily over the past several years. According to Gartner's Forecast Analysis: Digital Business Consulting Services, Worldwide, the digital business consulting services market will reach $215 billion by 2027. Organizations will continue to invest in digital initiatives to scale their operations and respond to competitive pressure and market disruption. This is driving a focus on new business and operating models to enhance customer experience and optimize existing offerings with digital tools.

Influencing Factor: Demand for Operational Improvement From Digital Technologies

> The impact of generative AI will be both broad and profound, ranging from new and disruptive chances to boost revenue and profits by producing value in new ways, with opportunities to increase operational efficiencies, cut costs and manage risk more effectively. In other words, generative AI can assist organizations in meeting both their digital business transformation and digital business optimization goals — which leaders in technology are rushing to adapt and deploy. According to the 2023 Gartner Generative AI Survey, approximately four out of five technology provider leaders are either utilizing or considering utilization of generative AI over the next six months (see Figure 12).

Figure 12. Utilization of Generative AI

Utilization of Generative AI
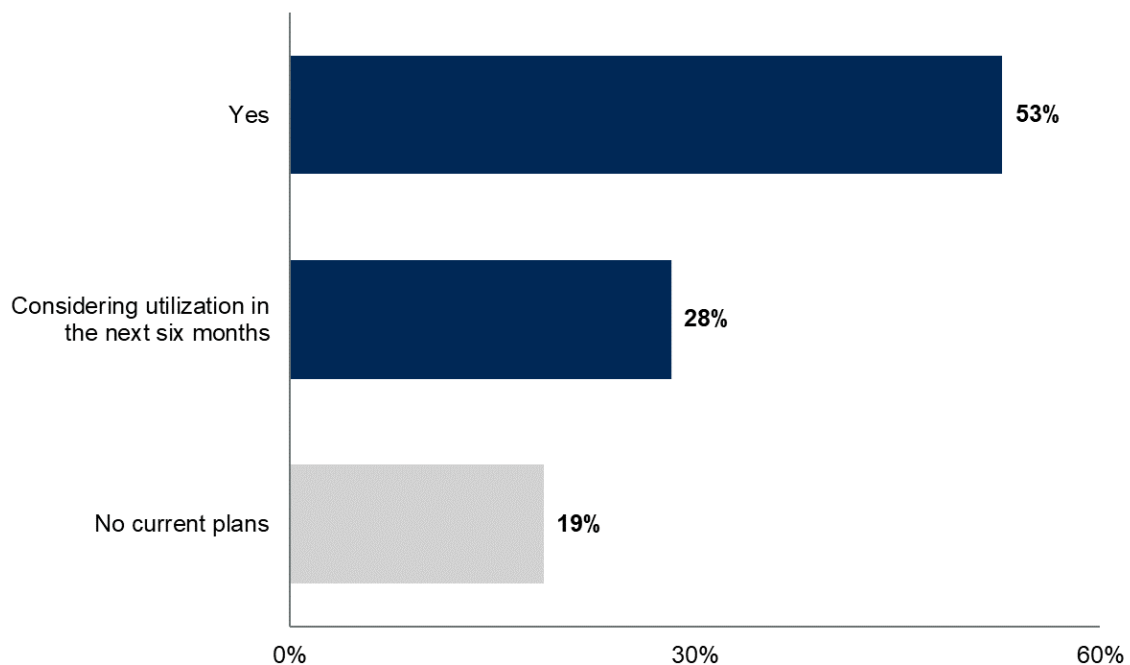
n = 53; Technology provider leaders, completes + screen outs
Q. To get started, is your company utilizing generative AI?
Source: 2023 Gartner Generative AI Survey
Gartner's Research Circle Members and external participants
AI = artificial intelligence
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Forecast Assumption: From 2024, the emergence of practical, industry-specific use cases for generative AI will increase demand for services aimed at helping buyers increase the agility and productivity of their operations at scale.

New — Organizations have only begun to explore the realm of possibilities for generative AI, although with other new and existing technologies, generative AI will initially be deployed to drive incremental improvements in existing processes and systems across industries. According to Gartner's Innovation Insight for Generative AI, many organizations are seeking opportunities and use cases of generative AI by adding AI models to fundamental processes. Generative AI will directly affect many industries including manufacturing, media, architecture, interior design, engineering, automotive, aerospace, defense, medical, electronics and energy sectors, among others (see Figure 13).

Figure 13. Use Cases by Industry/Capability

Use Cases by Industry/Capability

	Industries								Business Capabilities			
	Automotive and Vehicle Manufacturing	Media	Architecture and Engineering	Energy and Utilities	Healthcare Providers	Electronic Product Manufacturing	Manufacturing	Pharmaceutical	Human Resource Management	Information Technology Management	Marketing and Sales	Research and Development
Drug Design								●				
Material Design	●			●		●						●
Chip Design						●						
Synthetic Data	●		●	●	●	●	●	●		●	●	●
Generative Design (Parts)	●		●				●					●
Generative Design (Architecture)			●									
Code Generation										●		
Text Generation		●									●	
Image Generation		●									●	
Video Generation		●							●		●	
Audio Generation		●									●	
Media Content Improvement		●									●	

Source: Gartner
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Table 2 demonstrates Gartner's expected market growth for AI consulting services.

Table 2: AI Consulting Services Forecast, Worldwide, 2023-2027 (in Constant Currency)

Type of AI Services	2023	2024	2025	2026	2027	Four-Year CAGR (2023-2027)
Generative AI Addition	113	721	3,650	7,919	10,712	212.3%
Generative AI Included	1,992	8,261	23,604	41,310	46,361	119.6%
Not AI	246,312	264,215	287,955	327,897	383,525	11.7%
Other AI	51,204	58,123	58,030	47,127	36,103	−8.4%
Total	299,621	331,320	373,240	424,253	476,701	12.3%
AI = artificial intelligence; CAGR = compound annual growth rate						

Source: Gartner (October 2023)

Generative AI will have a great impact on the optimization side of the spectrum. According to the 2023 Gartner Industrialization of Digital Business Survey:

- Forty-one percent of the respondents view generative AI as transformational in impacting productivity

- An additional 37% of these respondents see generative AI as having a significant impact

- Just 5% of these respondents see generative AI having only a minor impact or no effect at all on productivity

(See Figure 14).

Figure 14. Role of Generative AI in Overall Productivity by Types of Digital Investment

Role of Generative AI in Overall Productivity by Types of Digital Investment

- ■ None or Minor
- ■ Moderate
- ■ Significant
- ■ Transformational

Fundamental Changes (n = 83): None or Minor 5%, Moderate 17%, Significant 37%, Transformational 41%

Incremental Changes (n = 155): None or Minor 8%, Moderate 30%, Significant 41%, Transformational 21%
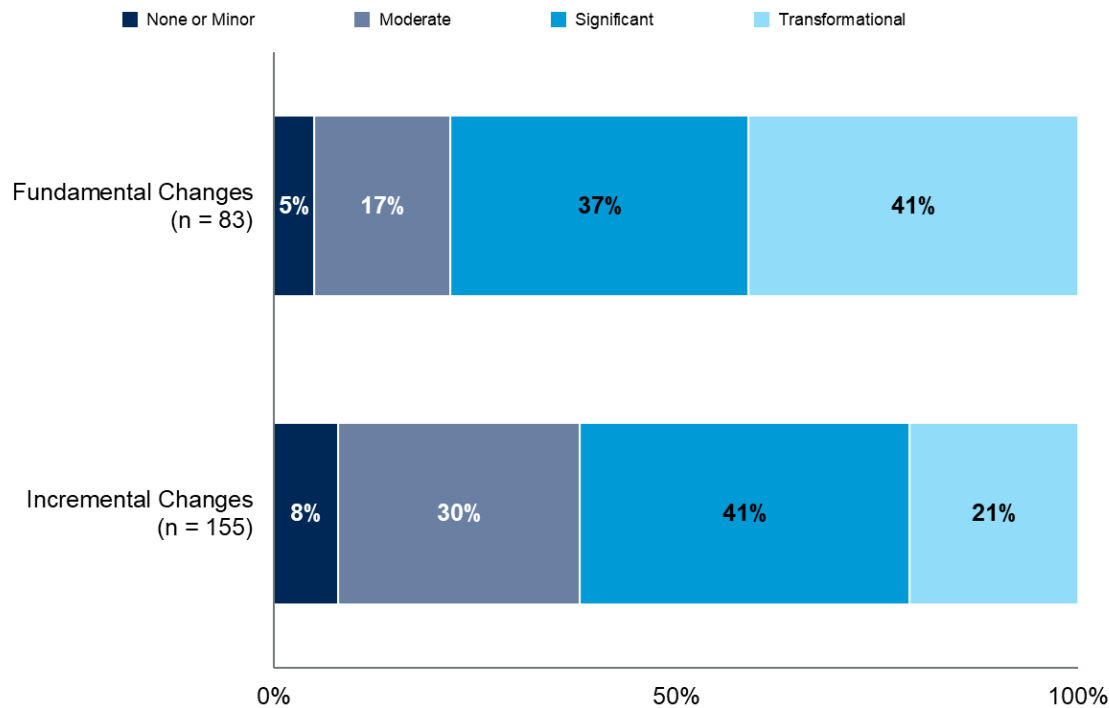
n = varies; All respondents excluding don't know/too early to tell

Q: What role do you expect each of these existing and emerging technologies to play in improving overall productivity for your company in the next two years (2024/2025)?

Source: 2023 Gartner Industrialization of Digital Business Survey

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Acronym Key and Glossary Terms

AI	artificial intelligence
CAGR	compound annual growth rate
CEO	chief executive officer
CFO	chief financial officer
CIO	chief information officer
COO	chief operating officer
EHS	environment, health and safety
EMEA	Europe, the Middle East and Africa
ESG	environmental, social and governance
IP	intellectual property
LOB	line of business
NGO	nongovernmental organization
R&D	research and development
TSP	technology and service provider

Evidence

2022 Gartner Industry LOB Buying Behavior Survey. This survey was conducted to understand how business leaders in each industry are shaping technology's role in their business initiatives and operational change, and how decision makers in core business areas are making these decisions. The research was conducted online from February 2022 through April 2022 among 711 respondents in North America (n = 325 in the U.S. and Canada), Western Europe (n = 245 in the U.K., France and Germany), and Asia/Pacific (n = 141 in Australia and Singapore). Qualified organizations had $50 million or more in revenue in fiscal-year 2022 across eight verticals — banking and financial services, energy and utilities, retail, manufacturing, insurance, healthcare, public sector, and telecommunications. Respondents were heads of line-of-business departments or within two reporting levels away. Moreover, they were involved in evaluating products or services for technology projects and should be aware of any exploration, purchase, replacement or renewal of technology products or services for their departments.

Disclaimer: The results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

2022 Gartner Understanding Corporate Growth Strategies Survey. This survey was conducted online from 8 September 2022 through 17 October 2022 to understand how enterprises approach growth today. In total, 211 business leaders who lead, participate in or influence their company's investment and strategy decisions, and have good personal knowledge or can estimate their company's financial performance (for example, gross profit margin, revenue, net profits) participated. Respondents from North America (n = 68), Europe (n = 80) and East/Southeast Asia (n = 63) responded to the survey.

Disclaimer: Results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

2022 Gartner Digital Business Buying Behavior Survey. This survey seeks to understand the behavior of IT services buyers to support their digital business — what they are buying, who is buying, and what the use cases are for technology and delivery model preferences. The survey was conducted online from November 2022 through December 2022, among 799 respondents from organizations with annual revenue of at least $50 million or equivalent from North America (33%), Western Europe (25%), Asia/Pacific (24%), and Southern Europe (18%). Industries surveyed include banking and securities, manufacturing, natural resources, communications, media and services, government, retail, wholesale trade, insurance, utilities, transportation, healthcare providers, and education. Qualified respondents are director-level or higher decision makers, or decision influencers in the selection of consulting or outsourcing services for their organization. They are also involved in the selection, evaluation or day-to-day management of at least one of the following consulting or outsourcing services within the past two years: business consulting, technology consulting, application implementation, application managed services, infrastructure implementation, infrastructure managed services, infrastructure as a service, hardware support, and business process services.

Disclaimer: Results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

2022 Gartner IT Services Buyers Survey. This study was conducted to understand how the delivery and engagement model is evolving for IT services, how organizations are introducing sustainability as a criterion for selecting IT services providers, and the impact on IT service budgets in the next 12 months. The research was conducted online from August 2022 through October 2022 among 626 respondents from North America (n = 237), Asia/Pacific (n = 169), Western Europe (n = 168) and Latin America (n = 52) with at least $50 million in annual revenue. Organizations were from most industries, except agriculture, real estate, services and nonprofits/charities/nongovernmental organizations (NGOs), and were outsourcing IT services (infrastructure, applications or business process services) to a third-party vendor or contractor. An index was created to classify organizations into traditional and progressive organizations based on the stage of execution/plans of execution of changes in the IT services outsourcing delivery model. Respondents were required to have been personally involved in service provider identification, evaluation/selection or contracting in the last 24 months. Respondents were required to have a job title of manager or above, depending on the functional areas they were involved in (corporate/line-of-business leadership, application management, enterprise architecture and technology innovation, finance, human resources, infrastructure and operations, marketing, program and portfolio management and sourcing, or procurement and/or vendor management).

Disclaimer: Results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

2023 Gartner CEO and Senior Business Executive Survey. This survey was conducted to examine CEO and senior business executive views on current business issues, as well as some areas of technology agenda impact. The survey was fielded from July 2022 through December 2022, with questions about the period from 2022 through 2024. One-quarter of the survey sample was collected in July 2022 and August 2022, and three-quarters was collected from October 2022 through December 2022. In total, 422 actively employed CEOs and other senior executive business leaders qualified and participated. The research was collected via 382 online surveys and 40 telephone interviews. The sample mix by role was CEOs (n = 277); CFOs (n = 95); COOs or other C-level executives (n = 19); and chairs, presidents or board directors (n = 31). The sample mix by location was North America (n = 169), Europe (n = 105), Asia/Pacific (n = 102), Latin America (n = 29), the Middle East (n = 11) and South Africa (n = 6). The sample mix by size was $10 million in revenue to less than $50 million (n = 3), $50 million to less than $250 million (n = 51), $250 million to less than $1 billion (n = 102), $1 billion to less than $10 billion (n = 190) and $10 billion or more (n = 76).

2023 Gartner CIO and Technology Executive Survey. This survey was conducted to help CIOs and technology executives overcome digital execution gaps by empowering and enabling an ecosystem of internal and external digital technology producers. It was conducted online from 2 May 2022 through 25 June 2022 among Gartner Executive Programs members and other CIOs. Qualified respondents are each the most senior IT leader (for example, CIO) for their overall organization or some part of their organization (for example, a business unit or region). The total sample is 2,203 respondents, with representation from all geographies and industry sectors (public and private).

2023 Gartner Innovation Trends Survey. This study was conducted to inform CIOs and executive leaders about trends in innovation cross-industry and cross-region.The research was conducted online from 15 May 2023 through 23 June 2023 among 300 respondents from North America, Europe, India, China and other parts of Asia. Qualified respondents were from companies that had recently completed or were planning within the next 12 months any one of seven innovation activities. Respondents were required to lead or be a member of a team responsible for an innovation initiative.

2023 Gartner Technology and Service Provider (TSP) Generative AI Survey. This survey was conducted online from 28 March 2023 through 10 April 2023 to explore how technology and service providers (TSPs) utilize generative AI in content marketing. In total, survey participants included 43 TSP leaders utilizing or considering utilization of generative AI in the next six months. Forty-two TSP leaders were members of Gartner's Research Circle, a Gartner-managed panel, and one was from an external survey link shared via social channels and analyst contacts. Research Circle member participants were from EMEA (n = 19), North America (n = 17) and Asia/Pacific (n = 6).

Document Revision History

Forecast Analysis: Consulting Services, Worldwide - 12 August 2022

Forecast Analysis: Consulting Services, Worldwide - 24 August 2021

Forecast Analysis: Business Consulting, Worldwide - 12 August 2020

Forecast Analysis: Business Consulting, Worldwide, 2019 - 8 August 2019

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

Forecast: IT Services, Worldwide, 2021-2027, 3Q23 Update

Market Definitions and Methodology: IT Services

Market Share: IT Services, Worldwide, 2022

Market Share Analysis: Consulting Services, Worldwide, 2022

Forecast Analysis: Digital Business Consulting Services, Worldwide

Forecast Analysis: Sustainability Consulting Services, Worldwide

Quick Answer: What Comes After the Era of Enterprise Applications?

Innovation Insight: The Evolving Commercial Opportunity From the Use of Assets in IT Services

Consulting Providers Must Invest in Asset-Based Managed Services to Capture Strategy Consulting Opportunities

Emerging Technologies and Trends Impact Radar: IT Services

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Table 1: Consulting Market Forecast by Segment (Millions of U.S. Dollars)

Segment	2022	2023	2024	2025	2026	2027	2022-2027 CAGR
Business Operations	40,571	44,737	50,913	61,052	72,768	84,911	15.9%
Corporate Strategy	16,582	18,246	20,309	22,399	24,853	27,959	11.0%
Financial Management	25,968	27,989	31,199	35,460	40,562	45,948	12.1%
Human Capital Management	13,906	14,796	16,046	17,550	19,398	21,370	9.0%
Marketing and Customer Management	22,128	24,218	27,702	31,859	35,939	39,899	12.5%
Risk Management	27,418	30,654	34,526	39,596	44,987	49,769	12.7%
Application Technology Consulting	67,717	74,304	83,545	95,914	110,625	125,747	13.2%
Infrastructure Technology Consulting	36,325	39,010	42,785	47,616	53,151	58,524	10.0%

Technology Strategy and Governance	15,729	17,313	19,261	21,531	24,435	27,373	11.7%
Consuling Total	266,343	291,269	326,286	372,977	426,718	481,500	12.6%

Note: Numbers may not add to totals shown because of rounding.
CAGR = compound annual growth rate

Source: Gartner (October 2023)

Table 2: AI Consulting Services Forecast, Worldwide, 2023-2027 (in Constant Currency)

Type of AI Services	2023	2024	2025	2026	2027	Four-Year CAGR (2023-2027)
Generative AI Addition	113	721	3,650	7,919	10,712	212.3%
Generative AI Included	1,992	8,261	23,604	41,310	46,361	119.6%
Not AI	246,312	264,215	287,955	327,897	383,525	11.7%
Other AI	51,204	58,123	58,030	47,127	36,103	−8.4%
Total	299,621	331,320	373,240	424,253	476,701	12.3%

AI = artificial intelligence; CAGR = compound annual growth rate

Source: Gartner (October 2023)