Cloud-Based Consulting Models: Transitioning Traditional Advisory Services to Scalable Digital Platforms

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Abstract

Consulting services are among the most lucrative and fastest growing sectors of the global economy. COVID-19 acted as a catalyst for their transition to online platforms. Most traditional advisory services are now performed on digital bases, sometimes through tailored digital marketing, and their clients' portfolios are reduced compared to the pre-COVID-19 period, as a rule. However, these two factors are not sufficient to determine new scalable business models in consulting. Only some clients are receptive to such models, and only some advisory services can be successfully digitized. Global historical data developments in consulting and their key 20 subsectors are analyzed in time dimension to reveal the law of motion of their digitalization process. The results indicate that the pandemic-induced changes in the consulting market are not just temporary. Alarming warnings about the traditional consultants' business models and revenues' recession can have a sound microeconomic background when they move from face-to-face interactions to online platforms. A primary conclusion is that horizontal platforms providing consultations in digitalized services cannot yet fully replace traditional consulting firms.

Traditional face-to-face consulting service delivery is pivoting increasingly quickly to scalable digital platforms. The COVID-19 pandemic accelerated this structural shift. Many traditional services are already offerable only via cloud-based technologies, from digital marketing to fully automated customs clearance services with the help of AI tools and other digital technologies. However, the observed trends will not be sufficient for a fully scalable sustainable new digital platform business model in the consulting industry. Among the key questions, the rationales of such a transition as well as customers' willingness to pay for consulting and specific services delivered in that way need to be analyzed. In what follows, this study analyzes this service digitalization process quantitatively for the whole industry worldwide as well as for its subsectors and specific digitalized activities and information sectors after providing a theoretical model to rationalize these empirics. We conclude this article with policy implications for the consulting industry.

Keywords. Cloud-based consulting, digital transformation, advisory services, scalable platforms, remote consulting, SaaS models, digital advisory, cloud migration, client engagement, virtual collaboration, platform scalability, real-time analytics, automation, digital service delivery, cloud infrastructure, online consulting tools, hybrid consulting, data security, subscription models, API integration, workflow automation, digital client experience, service innovation, cost efficiency, operational agility, consulting platforms, cloud strategy, business continuity, remote service models, digital ecosystems.

1. Introduction

Cloud-based consulting platforms, starting around 2010, used proprietary workforce automation technology to standardize common tasks needed to complete low-risk consulting projects and reduce the costs of those projects. During the later 2010s and into this decade, this initial model was extended with collaborations between cloud-based consulting firms and specialized industry or data science firms to enhance the industry expertise or data analytics needed to target more specific and higher-risk project offerings. While performing the tasks of the projects, these specialized partners typically enhanced the flexibility and outcome success of the cloud-based consulting platforms.

Cloud-based consulting platforms allow advisory firms to enter the rapidly growing consulting services market with a hybrid business model that combines a smaller number of highly compensated traditional consultants with specialized partner firms that share in the support roles for ongoing projects and interact directly with the clients. This scalable model reduces the costs of common low-risk advisory services such as strategy consulting for small initiatives and portfolio prioritization, organizational audits, or change management. Many specialized industry or data science partner firms would like to engage with traditional consulting firms for these types of engagement opportunities but do not have the client relationships, internal operations, or credibility needed to win the larger mandates from clients directly. By partnering with traditional advisory firms, these specialized partner firms are leveraging the efficiency of the cloud-based consulting model to build capability and brand recognition for the next generation of consulting and advisory service offerings based on advanced data analytics.

Cloud-based consulting is in its early days yet is evolving rapidly. Originally rolled out by entrepreneurs with innovation-focused thinking, it has now been turbo-charged by collaborations with specialized consulting firms, industry collaborators, and data analytics experts. While the concepts are complex to implement, many of the basic building blocks were created during the earlier phases led by cloud-based consulting platform firms alone.

2. Understanding Cloud Computing

Cloud computing has emerged as a transformative technological development affecting individuals, businesses, and societies throughout the globe. As a concept, it refers proactively to the commoditization and ubiquitous availability of digital computing resources on demand. More technically, it refers to a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources that can be rapidly provisioned and released with minimal management effort or service provider interaction. Cloud computing is inextricably tied into the development of service-oriented architectures, virtual machines, rapidly deploying and elastic computing resources, and ubiquitous high-speed communication networks for data transport.
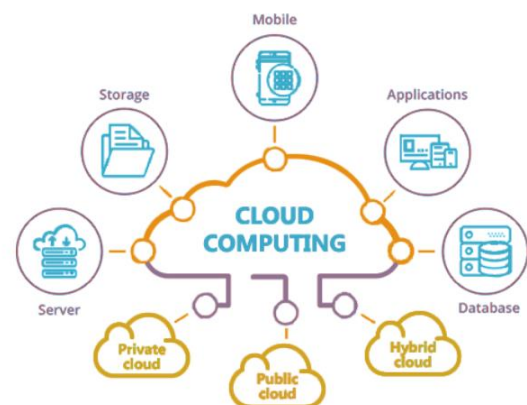

Fig 1 : Understanding Cloud Computing

Cloud computing encompasses several key concepts, namely, multitenancy, virtualization, elasticity, and provisioning. Building upon the service-oriented architecture principle, cloud computing allows for different users to remotely share common pools of digital computing resources, which are managed by a service provider. These cloud-based resources, including server farms, web services, and data storage systems, are automatically provisioned and de-provisioned with

little or no user intervention effort. Cloud services can be scaled up or down to match varying demand. A resource is considered fully elastic when it can be expanded or contracted quickly, in under 5 minutes, with no user intervention.

Although cloud computing can be defined in many ways, it is fundamentally a new delivery model for IT services based on the following key characteristics: it is sold on demand, typically by the minute or the hour; it is fully managed by the service provider; it is national; it is highly scalable; and it leverages big infrastructure trends. The key categories of cloud services are infrastructure as a service, platform as a service, and software as a service. Also described as cloud storage and cloud computing, IaaS provides computer infrastructure on demand; users pay for a capacity that the service provider dynamically manages so that it matches the users' demand over time. Users directly manage the IaaS environment through the hypervisor.

2.1. Definition and Key Concepts

To understand cloud computing, let us first clarify three relevant definitions: cloud computing, services, and resources. First, cloud computing refers to an internet-based computing environment, based on the sharing of large collections of resources using virtualized technologies. Second, a service is a software program, also referred to as an application, deployed on the cloud, so that it can be offered to clients remotely. Typically, cloud services are provided to clients using a pay-per-use model. Third, resources are services deployed on the cloud infrastructure covering for clients' purposes anywhere outside their own premises, such as the remote execution of an application, instead of running on their own computers; data storage, instead of in their own hard discs; and software packages for information security, backup, and other local services that can be provided on the cloud.

A cloud computing environment is based on the use of virtual servers, which allow for geographic redistribution of services. The main attraction of cloud computing solutions is that users pay only for what they consume while using the service from their own premises, saving on investments in infrastructure and in data management and access security. In addition, excessive capacity needs can be met during peak usage periods without incurring in long term fixed costs. For providers, the combination of a large number of clients and the optimized use of virtual infrastructures allows for the capture of large economies of scale while charging clients lower prices relative to the costs of on-premise delivery. Considering this means that cloud technology has the potential to be a huge disrupter across many areas of business. Yet, as many disruptive solutions, it is still a question to see how far and how fast this model can cover other areas of business.

2.2. Types of Cloud Services

There are three key models of cloud services, which are; Software as a Service, Platform as a Service and Infrastructure as a Service. On the enterprise level, cloud computing is a tiered system composed of infrastructure, platform, and software layers. The cloud computing industry is projected to grow significantly, dominated by SaaS and IaaS. SaaS products have been around for decades, largely displacing on-premises business applications such as ERP and CRM solutions, with the PaaS market emerging more recently, offering tools that enable companies to build custom applications. IaaS is at the bottom of the cloud model, offering virtual access to computing resources such as virtual machines, servers, and patch storage. Under this model, customers pay for those resources, enabling the movement of applications and services onsite, on drive, or anywhere in-between.
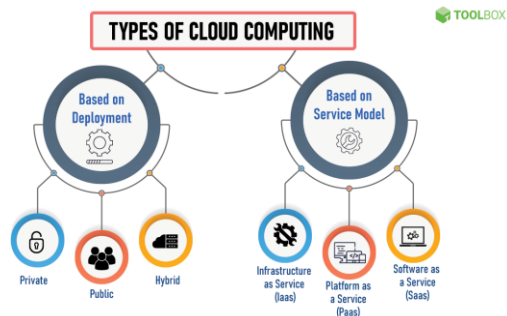
Fig 2 : What Is Cloud Computing? Definition

Software as a Service, popularized by customer relationship management applications, provides multitenant software to customers. An enterprise's SaaS subscription affords access to a service containing multitenant applications, registering and tracking users, generating reports, and logging in and out of the various applications. Software as a service solutions deliver foundation apps, enabling businesses to conduct day-to-day operations without needing to have a physical application installation on employees' systems. Infrastructure as a Service provides virtualized computing resources, including servers, hardware, software, storage, and other infrastructure components, on an as-needed basis over the internet. It allows organizations to buy and scale compute resources on-demand, without needing to invest in data centers and servers. PaaS providers deliver hardware and software tools over the internet, enabling organizations to develop applications.

2.3. Benefits of Cloud Computing

Various kinds of technology offered by cloud computing have allowed companies to save costs, but evaluating those savings is hard. Even so, the obvious advantages of cloud computing are flexibility, scalability, and reduced time of delivery. While in the past, companies were required to purchase physical hardware and build their own on-site infrastructures, the development of remote data centers using virtual infrastructure now allows companies to provision needed resources within minutes. This cloud-based provisioning allows organizations to become more agile and respond to changing demands much faster than before. This agility also applies to employees, who are not tied to their offices and are able to reach the applications needed from anywhere.

The significant advantages of cloud computing come from the fact that a few data centers with physical hardware now service the need for resources of many companies, thus resulting in economies of scale. This decreases the average cost per user and allows companies to pay only for the resources they use; traditional on-site infrastructure would require the companies to pay for unused capacity during low demand periods. Additional, little-used resources available in the cloud mean that companies can add more users temporarily. Elasticity is an important attribute of cloud computing; users can not only increase or decrease resources during different periods of time, but also do it on the fly without system downtime. This allows companies to handle unexpected demand spikes efficiently. Cloud computing also allows companies to quickly deliver new solutions, which aids faster product development cycles. Tasks such as the development of mobile applications nowadays require new infrastructure to be operational in a few hours; cloud computing allows that. Companies can now lease power-intensive servers on an hourly basis, perform necessary tasks and release them rather than investing in expensive physical servers required for a few days.

3. Traditional Consulting Models

In order to understand how consulting might change, we need to first understand how what "consulting" has been. For a very long time, consulting has been a traditional, bespoke business. Professional services firms typically have deep institutional capability in one or more areas, and advise clients through expert and collaborative analysis, solutions, and recommendations. Deliverables are large presentations or other documents, and client decision-makers are the recipients of the advice.

Traditional consulting began to change dramatically in the 1980s with the advent of large corporate market research firms. These firms pioneered the use of databases to reduce the cost of providing "consulting-like" services to clients. The profitability ratios published in the business press were available to these firms for many years before they were publicized. Things took another step up in the 1990s with the availability of powerful PCs with sophisticated software tools. The ability of internal corporate staff or academic partners to enthusiastically conduct much of the analysis required for a project laboriously created in traditional consulting became less challenging. Finally, regulatory changes allowed the entry of large outsourcing companies into the advisory business, further expanding the impact of data on the economics of consulting. The existing clients of fielded outsourcing service lines found that the cost to add conventional advisory work to what they were already doing was very littl.

Fig 3 : The Comprehensive Internal Consulting Model

But for all of these changes and innovations, consulting has remained primarily a traditional, bespoke business, and for a specific purpose – to provide experts for a specific set of issues. And for specific solutions, whether focused on particular problems, like an airline requesting pricing from a bunch of airlines for codeshare tickets at holiday times, or complex "strategy" solutions that are

arguably the only ways to extract value. The industry has not really transitioned to a scalable business, especially for the high-end work with which the top-tier firms compete.

Thus, while corporate finance valuation models are now done by an army of internal analysts and academics at mid-tier clients, the major investment "recommendation" assignments are done by a few elite firms who produce, for large fees, incredibly detailed documents that are about 10% the size of a typical presentation for a Fortune 100 board meeting. And when transactions become particularly hot or crowded, these models are generated in 72 hours.

3.1. Overview of Traditional Advisory Services

An advisory service is a broad term applied to several companies and services that provide business advice, typically provided by specialist consultants with recognized skills, knowledge, and experience. Advisory services encompass a diverse range of activities provided by several different companies. The major domains within the sector are audit and assurance, tax compliance and advice, risk consulting, and management consulting. Admired consultants with extensive experience may be hired as trusted advisors and participate in the decision-making process by offering an independent opinion. The traditional sources of advisory frameworks and models are renowned global management consulting firms with extensive and dedicated empirical research on the various issues faced by a lot of companies. They have established extensive, proprietary data management systems tailored to detect when company capabilities are at risk and provide comprehensive support and validated assistance when making changes and adjustments. Additionally, online consultancy services link a business in need with a consultant who specializes in that business area. A consultant can offer advice on any problem in a specific area and be chosen by what previous customers have said about them.

3.2. Limitations of Traditional Models

At their best, traditional consulting firms provide objective advice, intellectual capital, decision support, and independent validation. But despite their apparent advantages, traditional consulting models have severe limitations. Firstly, traditional advisory is costly, with higher day rates and substantially broader turn-key engagements at significant fees. High project costs mean that effective spending on external advice is limited, constraining the amount of engagement in the first place and limiting how much external advice there might be on the design and change processes that make or break adaptation to the risks and opportunities created by globalization, digitalization, and the climate crisis. A second limitation is the expert-based model, characterized by at least one of the following: access to industry-specific experts, delivery of sensitive advice behind closed doors, or restricting the engagement to a high-profile lead partner-managing relationship. Other why and how questions are usually not part of the external advisory.

Thirdly, as a consequence, careful project delivery is key. The intervention requires work that is stated, detailed, and more or less bulletproof and is subject to negotiation. The delivery model typically explains around 50% of all project time spent and is full of requirements, validation gates, and discussions. Fourthly, no scalability. The reduced involvement of endorsing the who, how, and why questions implies that true scalability is also out of reach for most project-based consulting, with each new case requiring back-and-forth commitment and deliberations. Essentially low discovery and transparency speed implies that current revenue opportunities tend to preclude deep market insight into price sticking, overly aspirational timelines, and/or risk management delegations.

4. The Shift to Cloud-Based Consulting

The profound changes currently impacting advisory businesses include the infrastructure by which these services are delivered, fuelling another change that is accompanied by the shift to scalable digital services. Traditionally characterised by fat fees and labour-intensive delivery mechanisms, advisory services in the future are likely to be based on technology-enablement to increase scale, reduce cost and therefore facilitate competitive pricing. Businesses will need to adjust to this new-age scenario that is designed to increase adoption by their clients and improve the likelihood of triggering performance and impact.

Fig 4 : Cloud Migration Services

Drivers of Change Very few businesses can claim immunity from change in the present era. A combination of factors are producing technology-driven changes in all spheres of operations and industry. These drivers of change include the democratization of technology, rising client expectations, new global delivery models, declining margins and industry dis-intermediation, all creating ripples across every service sector and geography, pushing companies to adopt new and scalable consulting models that allow consultants to leverage their expertise and industry knowledge. Whether the future be in the advisory space or in any other sector, there is no escaping this imperative and most firms are embracing it through new-age flexible models, making this entire exercise a necessity rather than an option. The shift to a cloud-based consulting framework discards years of traditional work practices, connecting teams across time-zone boundaries whilst fostering a collaborative environment.

Market Trends and Insights While the market for cloud-based consulting is yet to fully mature, there are myriad opportunities at this stage of the investment cycle. Furthermore, with the growing

acceptance of Industry Clouds, consultancies which are using such platforms are well poised to tap the momentum of such demographic and technological trends. These Companies are able to charge premium prices and also focus on low-commitment assignments, using such relationships to create market awareness and product stickiness through positive client impact.

4.1. Drivers of Change

Cloud computing is seeing rapid adoption across industries, driven by the need for greater collaboration and productivity, and by volatile economic conditions leading companies to embrace flexibility, innovation, and investment discipline. The need for digital transformation accelerated during the pandemic, as companies used digital tools to meet the challenges across their workforce, customers, suppliers, and systems. Demand for digital capability rapidly accelerated, from e-commerce, from traditional sectors such as retail, hospitality, travel, and their supply ecosystems, but across technology categories and industries. These broad trends in technology investment and digital transformation are expected to accelerate and extend over the next decade. Consulting Services make decisions that define how a business uses technology for years to come, yet demand fluctuations, variable cost structures, and complex internal resource allocation create challenges as these firms seek to innovate, scale, and maximize profit. Non-Cloud-Based consulting models have thrived on market complexity and uncertainty, but these market dynamics are about to undergo a transformation, similar to that seen in the software industry. Digital platforms can bring needed productivity at all levels of consulting services, from the analytic foundation that underpins decision making to the training and mentoring of talent to the project and portfolio management tasks that define the economics of the business. These tools and methodologies can accelerate project velocity, extend talent capability, and enhance client access and connectivity throughout the process. The vectors of change are varied, in the form of talent

constraints, market characteristics, and data access and analytic tools. But every client and industry is beginning to use Cloud tools to drive firm growth – why not consulting?

4.2. Market Trends and Insights

The transition to a digital platform for information distribution, recommendations, and decision support is gaining greater market support for many reasons. Business is practiced outside of an office; and the office has transitioned to a mobile unit. Work is done during hours that the traditional service partner has chosen to provide. Client requirements for service are now 24 hours a day, acquired and paid through a platform during off-hours and delivered when required. Clients find they can explore many areas of interest in greater depth on their own. This provides the initial questions on which to engage a specialized expert; and consequently, removal of the first layers of advisory firm fees. The businesses offering specific country and industry regulations and guidance, or the providers of a standard family office function, now populate the consulting landscape. These smaller niche players deliver advice far below those of the large establishment firms.

The business itself requires information to be collected and decisions made which could benefit from specialized assistance only in identified areas. Focused digital consultation can alleviate fees generated by "taking the meeting" on areas that can be well serviced asynchronously. We see this travel and meeting load increasing but not the need for in-person sessions to be part of every advisory relationship. Business owners and executives have come to expect information available at their convenience. Employees at every level are channeling estimates supporting tailored modeled recommendations through discussion with the digital interface. They appreciate the institutional knowledge held in the system and its output during their personal utilization of the search function. This expedites the development of potential future actions available to the client. Even more interesting

is the ability of the new digital advisor to encapsulate formal memory, structured thought processes, and informal company culture. This potential addresses the need experienced by traditional business in an economical fashion.

5. Cloud-Based Consulting Frameworks

Traditional consulting services are centered on strong personal relationships where experts, in-house or freelancers, provide tailored service to their customers. In contrast, cloud-based consulting services take expert knowledge and place it on a scalable cloud service platform that makes it easily accessible to users without reliance on traditional one-to-one relationships and direct expert involvement. This development is an example of a more general trend of companies reinventing their traditional business models by transforming their offerings into cloud-based services delivered via advanced digital and mobile technology platforms. When traditional consulting models transform to a cloud-based delivery platform, the services they provide change into a different character to deliver more scale and continued ongoing value. This involves some modified frameworks for cloud-based consulting services that are based on how the transformation is structured and done as a consulting service to the user, how it interfaces with the customer, on what scale the service delivered is, and how much real-time expert interaction is involved in the service delivery. Delivering cloud-based consulting services in these alternate frameworks has proven to be the most effective. The models include consulting advisory services that operate like traditional consulting but revised for different execution and revenue models; informal, crowd-sourced expert and peer platforms; digital and digitized self-service advisory diagnostics; and bundled and integrated technology solutions. These frameworks allow for engaging with potential customers at different points in their adaptation journeys while providing varying degrees of expert engagement and analytics.

Fig 5 : Top Cloud Security Frameworks

5.1. Common Frameworks and Their Applications

Recent industry reports have referenced leading companies leveraging various frameworks to promote efficiency, quicker implementation, and lower costs while transitioning digital assets internally while also developing them for local and international clients. A careful examination indicates three common frameworks based on the guiding principle organizations drive their foundational strategy consistently regardless of the organizational barrier or the corporate environment where they are positioned. The digitization frameworks evaluated have proven effective around the globe across all advisory components – technology, processes, people, and information.

The digitization of consulting service delivery processes is frequently referred to as information technology-enabled services consulting. This model describes when consulting services are automated via technology and are low cost, fast, low or no touch, and provided by nonexperts. Consulting services are digitized and provided over the Internet with automation technology platforms at scale. This describes the delivery of inquiry management, market research, business intelligence, advisory, and prediction services over the Internet and delivered 365 days a year, without expert human consultants being centrally involved.

Consulting services do not need to be entirely automated and digitized to benefit from cloud-enabled technology disruption. Cloud-enabled IT – it's low cost, globally scalable, and allows rapid customization of services that clients can consume

directly or through nonexpert workers – can be leveraged to combine more traditional consulting services with low-cost technology-driven components to provide a more incisive and integrated solution at a lower cost and quicker time frame. An industry banking regulator could take the human-based services of an international consulting firm and use combined technology and testing workers in various geographies to assist in the auditing of banks for compliance with international financial and customer service standards.

5.2. Evaluating Framework Effectiveness

The previous section presented background information about some key cloud consulting frameworks, along with their driving forces and effective application domains. Although these frameworks vary significantly in formalism and representation, none were examined in great detail. Nevertheless, their capabilities, adequacy, limitations, and purpose still remain unclear. In particular, the rationale underlying each proposed framework's formalisms is generally lacking, thus making it impossible to answer the following fundamental question: why would a consulting firm decide to use framework W rather than V to develop one or multiple cloud-based services? The examination is important. We believe that answering the above question could help address a major challenge cloud consulting firms currently face, namely, that of differentiating themselves from the significant volume of cloud advisory service already offered on the market.

To enable a more in-depth examination and comparison of cloud-based consulting frameworks, we adapted software engineering framework evaluation models. Some of the proposed characteristics concern a framework's general and specific usage, while others concern particular formal and abstract representation concerns. The combination of these different dimensions allows us to present a global evaluation grid of the cloud-based consulting frameworks, covering almost all of the examined axes. The global grid allows the

reader to have a more complete examination as to the parameters behind why and how one consulting firm would decide to adopt one specific cloud consulting framework rather than use another one. Considering all of the parameters helps highlight the lack of certain considerations and formal description behind some of the current cloud-based consulting frameworks. It thereby permits us to suggest some complementary considerations needed to define a more extended cloud-based consulting framework
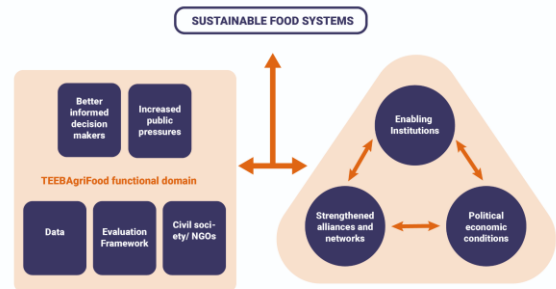

Fig 6 : sustainable food systems

6. Technological Infrastructure

Many cloud-based consulting models are built on existing technology elements, each of which has been enhanced in recent years. Cloud computing provides powerful, affordable infrastructures and platforms on which technology-enabled consulting services can be built and delivered. Among the plethora of existing cloud service vendors, those managed by major companies stand out, providing basic infrastructures of servers and storage, commensurate computing power, and platforms for development.

With cloud-based consulting, business advisors have access to a new set of development tools that facilitate technical enhancement of current consulting capabilities. Contact management and tracking, presentation building, spreadsheet and business planning, analysis of large data sets, survey gathering and analysis, cloud-based accounting, and research and decision support services are all enhanced with the use of new cloud services and tools, available on demand from anywhere. Increasingly, such cloud-based tools are

based on artificial intelligence services developed by major players. Vision, language, conversational, and recommendation tools are standard in the offerings of leading companies and are beginning to be bundled into services accessed by software developers.

The transition to digital actually brings new challenges to maintaining the security of sensitive proprietary client, business, and even staff data. With traditional consulting, it was standard operating procedure for both client and consultant to treat all client data and projects in strict confidence, and significant penalties for breach of confidentiality were included in contracts. Now, with the flow of sensitive information between client and consultant going through the internetworked banking of cloud, it is possible for sensitive data or applications to be compromised. Cyberthefts of proprietary data have become common, with hackers penetrating the security systems of a company's suppliers to gain access.
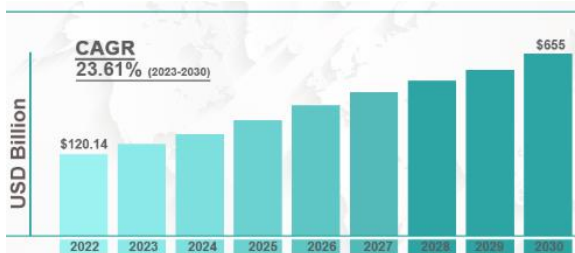

Fig Global Digital Infrastructure Market

6.1. Essential Technologies for Cloud Consulting

Consulting is a service that requires a high degree of human interaction to be effective. Over the past 30 years, advances in office automation, telecommunications, and computing have allowed more work to be done with less face-to-face interaction. Clients are now used to being served by companies that leverage technology within the service-delivery relationship. Video support, which was viewed as unreliable and awkward just a decade ago, has now reached a level of acceptance second only to the phone: There is no need to travel to communicate. The Internet enables firms to be built around clouds of partners filling specialized

niches, but used carefully, it can enhance a traditional firm's efficiency and client-service capabilities. However, implementing a cloud-based consulting model is not just a matter of plugging in new technologies: The technologies need to be integrated into a coherent model that reshapes the whole client-service process.

What are the cloud technologies that most relate to consulting? They include communications, project and task management, knowledge management, client relationship management, proposal and business development, estimating and financial management, work product production, work product presentation, quality-facilitation, digital delivery, feedback and rework, data and information gathering, workshops and meetings, and work product distribution. Every consulting firm will deploy a different set and combination of these cloud capabilities, with resulting differences in areas that are acknowledged by the owners of traditional firms: efficiency, cost, and speed to market.

6.2. Security Considerations

Information security is likely the most pressing concern when a consulting service model is transitioned to a cloud-based platform. Cybersecurity in the digital world is inherently difficult because it is highly reactive dealing with a world of vulnerabilities that is always changing. Pseudo-anonymity of data in a public network and the ever-present risk of compromise from hacking means that no protective measure, however technologically sophisticated or expensive, can guarantee to keep data safe. Are there special safety considerations for cloud consulting? Yes.

A vendor's cloud platform could be the target of a cyber-attack, in which case there are going to be much worse consequences. For investigators examining a breach of the vendor's server, a syndicated, multilateral investigation involving the vendor's security and law enforcement or a government cyber defense agency having jurisdiction at the location of the attack would be

triggered. For businesses that have personally identifiable information or protected health information on the vendor's server protected by, respectively, state or federal laws governing cybersecurity, the vendor is likely facing crippling consequences for exposing the data of thousands of customers to inevitable loss through negligence.

Your businesses should insist on superior data safeguards to make it certain that the cloud platform they are using is highly resistant to attacks that could cause massive damage to many customers at once. If there is a breach, the consequences will be theirs too, including civil liability exposed to class action lawsuits and the inevitable impact on their stock price.

7. Service Delivery Models

Despite declining demand for traditional services, consulting firms still hold a unique and powerful position within major firms. This results from the nature of consulting services and the business models they adopt. As globalization has opened the world to complex challenges, consulting firms have retained their exclusive focus on solving problems through projects. In doing so, they generally organize teams to engage with clients to reach an agreed outcome. This is the service delivery model that drives consulting profitability.

New technologies, however, facilitate new ways of delivering world-class advisory services that significantly lower the cost to the expert. At the same time, clients are more willing than ever to consider high-quality digital solutions to solve their problems. Widespread familiarity with various platforms sets the expectation for fast, integrated, and easy solutions to almost any request. For today's executive, there is no reason that legal, tax, financial optimization, marketing, or other support services should be any different. Why should only core competencies remain handcrafted offerings while everything else is prone to industrialization?

While all service businesses are moving toward more digital solutions, consulting and advisory services have lagged. Digital is applied currently only for the most mundane of tasks. In the future, however, technology will allow even the most specialized and complex company strategies to be delivered digitally. The question is just when. Some of the major consulting firms have moved to hybrid services models recently, adding public digital tools to support their services portfolio. In what follows, we take a closer look at three on-demand consulting services, subscription-based models, and hybrid approaches.

7.1. On-Demand Consulting Services

On-demand consulting services represent a significant shift in how advisory services are delivered, focused on just-in-time requirements of clients that need short bursts of expert input. These services cater, primarily, to the needs of small- and medium-enterprises (SMEs) that cannot or do not want to engage the more traditional consulting firms for large-scale company-wide consulting engagements, as there is frequently less complexity and lower stakes involved. Virtual reality technologies provide rich ground for linking clients with experts across the globe, providing expert advice and consultation as the need arises. In such an environment, the technology enables many expert advisors to offer their advice and consultation services on-demand to address those specific client needs. In recent years, a number of companies have emerged that offer the model as a technology platform, enabling the matching process. With management consultants historically facing barriers to entry due to difficulty in scaling their businesses without massive infrastructure investment and the risk of diluting their brands, such technology platforms create an exciting opportunity for thought-leaders to consult for a number of companies in a flexible manner, with both client and consultant benefitting from economies of expertise. Widespread promotion, clear networking, abundance of collaboration tools and product roadmaps have started to blur the boundaries of potentially exclusive practices. When reduced to its logical conclusion, all specialist

knowledge becomes universally accessible and available at the touch of a button or click of a mouse. The savior complex of controlling and defining a consultant-client relationship, where the client is totally dependent on the consultant for specialized knowledge, is being replaced by an on-demand services paradigm where the knowledge, skills and attitudes of all generalist consultants can be made ubiquitous.

7.2. Subscription-Based Models

To communicate regularly, particularly during turbulent times, organizations should react to the diverse expectations of different stakeholder groups. A subscription model is an elegant and practical solution for all sharing and exchange parties. By sharing research and market knowledge, advisories can stimulate internal organizational learning. It expands upon the traditional quarterly and annual updates with deeper and more frequent content for the in-between periods. Subscription clients find value in having the ability to call upon experts, mentors, researchers, and strategists about specific issues, changes, surprises, and insights on a one-off chargeable basis yet also have continuous access to regular market thought leadership.

Subscriptions create value for the client organization by giving access to a host of different analysts and experts that are published and prominent in their field of research. Subject-wise, a subscription model provides business-to-business clients with a combination of both anticipated and unanticipated information and advice. The former is accomplished by a schedule of regularly delivered research context reports, expanded analyses, and rationales behind events affecting key industry players. It is driven largely at the research initiative of the advisory agency and the readiness of its consultants. Such reports invite clients ranging from journey mapping to go-to-market strategy discussions. In addition, the advisory firms expect their periodic touchpoints to develop into advisory keys to broader-based paid consulting projects.

7.3. Hybrid Approaches

Some consulting companies may find that their distinctive positioning works best when delivered via a blended platform approach. For example, through the insights gathered from specialization and dominant positioning, core value propositions are then delivered on a specific advisory subject matter domain – for example, business and strategic planning modeling services, transformation planning, mergers and acquisitions advisory, capital attraction advisory, information interfaces and platforms, back-office and industry structure, or strategic positioning and development. Potential auxiliary service offerings could consist of other types of advisory offered by other specialized companies, software and mobile apps created for the business, training services, business coaching, complexity mapping and management services, project and improvement program management support, database services, or models created for direct sales.

The hybrid approach may include processes, consulting suites, and tooling from a series of cloud-based solution providers. Standard offerings, additional after-market assistance, and accouterments include service training, concept and model artwork design assistance, programs of continuous education and communications, stakeholder intimacy models, design assistance, trademark recommendations, startup business services, and investor-introduction services. Hence, the typical consulting company that identifies an opportunity and steadily builds their brand across a series of advisory domains, proprietary platforms, and technology supplemented solutions may ultimately disrupt the traditional model of the advisory company.

8. Client Engagement Strategies

With Market Ready Deliverables now available and organized into a navigation structure designed for easy exploration, firm professionals can concentrate on getting the client engaged and aligned with their expanded service delivery offering. In the past,

obtaining a meeting might consist of a combination of calling clients, scheduling meetings, and hoping that the client agenda coincided with a reason for meeting. Each party had their own agenda, and the belief that the meeting was a two-way engagement was often lacking.

The digital environment lends itself to new dynamics. For existing clients, exploring Market Ready Deliverables provides opportunity for insightful discussions. Watching what Market Ready Deliverables a company is exploring along with their click rates is a great lead in to open-ended questions. Perhaps "I noticed you were exploring several Market Ready Deliverables in the HR area, is there something going on in that area you'd like to talk about?" is a good conversation starter. For companies not yet clients, encouraging them to explore the site is a good way to start de-personalizing the conversation. Asking them to look over the Market Ready Deliverables related to their area and "What did you think — did we miss anything? Are there any areas you'd particularly like to spend some time on?" makes it easier to provide the answers they are looking for as well as allowing your connections to take ownership of the topics.

8.2. Utilizing Data Analytics for Client Insights

Having that type of conversation without being up to date on what they have been looking at doesn't present you as knowledgeable or preparing ahead of time. Neither of those qualities bodes well for building a long-term business relationship, because that's the goal — a long-term business relationship. This initial engagement leads to the deeper conversations about business priorities and results where connection and mutual understanding across business functions occurs. Both these functions are key to leading to the work — the projects and advisory engagement — where value is created. Cloud-based technology is a facilitator — but your business judgment has to be on target.

8.1. Building Relationships in a Digital Environment

Traditional advisory services are all about building clients' trust through long-term relationships. Empathically engaging with clients and understanding their business and personal priorities are key attributes that forge strong relationships. This can lead to high fees and a large share of the clients' wallet. For some consulting firms, the cost of giving that personal touch is absorbed in the premium fees paid by clients. However, in the new world of web-based advisory services, the ability to create personalized touches will be a key differentiator.

Eqn 1 : Expanded Digital Relationship Strength Equation

$$\text{Relationship Strength} = (C + T + V + R + E + S + U + D) \times (A + CE)$$

Where:

- C = **Communication Clarity** (clear, concise, consistent digital messaging)
- T = **Timeliness** (prompt responses, meeting digital expectations)
- V = **Value Exchange** (mutual benefit—content, feedback, or service)
- R = **Reliability** (delivering consistently on commitments, system dependability)
- E = **Empathy & Personalization** (understanding, tone, human-centered design)
- S = **Shared Goals** (alignment in objectives, collaborative intent)
- U = **Usability of Tools** (ease of using platforms like Zoom, Slack, MS Teams)
- D = **Digital Literacy** (fluency in virtual communication and etiquette)

Multiplied by:

- A = **Authenticity** (genuine, honest, transparent interactions)
- CE = **Cultural & Emotional Intelligence** (sensitivity to diverse norms and emotional cues)

To increase their scalability and profitability, digital advisory platforms must be able to personalize the advice offered and the delivery process. What this means in practice is that platforms must employ experts experienced in creating long-term relationships, who can create the personalized touches that will differentiate the service and the platform from the alternative sources of free advice on the web. These "relationship experts", who could also be niche market sector specialists, would be high-margin high-impact resources deployed in a small transaction advisory role. There are three main strategies consultants could adopt: hire and include experts as advisors, develop relationships with external experts, or, simply rely on internal capabilities. Platforms may then utilize Cost-Plus Pricing based on assembly costs, Value-Added Pricing based on the maximum perceived value added by internal expert contributions, or Value-

Based Pricing based on the market value addition of the offering.

The freelance and agile workforce, made possible by advanced technology, cloud computing, and digital connectivity, opens the possibility for digital advisory platforms to hire and utilize freelance experts on a flexible demand basis. AI, machine learning, blockchain-enabled contracts, and digital labor exchanges, combined with nimble agile consulting team structures created around available women and men hired on a task basis enable the cost of embedding inexpensive experts – with acceptable proximity levels to business action and strong analytical skills – to be lowered to traditional consulting levels.

8.2. Utilizing Data Analytics for Client Insights

The collection of vast amounts of data by organizations of all kinds is something that has been both a resource and a quandary for a long time now. Not only is the raw data a huge store of potential insight, but the methods of data analysis and the speed and volume of data crunching have also allowed some truly astounding insights and knowledge to be pulled out of that previously untapped resource. The fact that fundamental change may follow is presumably what has enticed consultancies to recruit so heavily from the ranks of data analytics specialists and practitioners, in the hopes of supplementing their traditional advisory and consulting services with advanced, data-driven advisory capabilities.

But it is not just the top-tier management consultants who have recognized the uptake in demand for data-driven knowledge. Data analytics capability and a data-driven ability to advise clients is also increasingly seen as being requisite among the advisory service providers aimed at the mid-tier of the consulting market. These firms realize that applying an analytical lens to the digital data exhaust being constantly generated by an organization's digital interactions allows insights and knowledge of incredible value to be created for the client – far greater insights than could ever be realized from traditional interactions with a client and their stakeholders. Indeed, recent years have seen the launch of a multitude of data analytics offerings, providing data processing tools that simplify and automate complex analytical tasks. The ubiquitous availability of cheap cloud computing also gives firms of all sizes direct access to highly capable data analytics infrastructure.

Eqn 2 : Client Insight Value Equation

$$\text{Client Insight} = (D + Q + A + M + V) \times U$$

Where:

- D = **Data Diversity** (variety of sources: behavioral, transactional, demographic)
- Q = **Data Quality** (accuracy, completeness, timeliness)
- A = **Advanced Analytics** (AI, machine learning, predictive modeling)
- M = **Meaningful Metrics** (KPIs aligned with client behavior and needs)
- V = **Visualization & Storytelling** (clarity through dashboards, reports, narratives)
- U = **Usability by Business Teams** (how well insights are understood and applied in decision-making)

9. Challenges and Risks

The challenges of pursuing a cloud-based consulting model are not to be seen as barriers to entry, but rather as enablers to validation and growth. Any new venture requires careful navigation. Understanding those hazards is critical to successful transition of advisory services from high touch, one-to-one engagements, with maximum daily input, to scalable models. This is important, because, given low startup costs, outsourcing, and easy market entry, new competitors will emerge from both the business incubation space and across the globe. In response, traditional consulting firms must shape, package, and deliver their services uniquely and more efficiently, embedding scale in their offerings so that they are not margin eroding, but in fact, margin accretive.

That said, every potential pitfall presents an opportunity to be smarter and wiser and better. Small teams illuminated by a single purpose of bringing an idea to life, repackaging knowledge assets, developing that a-ha factor that prompts purchase orders, remaining independent yet cohesive, with alignment to a business model, accountabilities, targets, and resources – whether time or cash – available is key. Consulting practices

must put in place checks and balances help limit overindulgence and watch for caution fatigue. Advisors must evaluate services to focus on areas accounting for maximum margin per project and minimum relative investment and consider moving current services towards elements that bear the biggest returns. Being lean and mean with clear lines of reporting, linking deliverables to cash flows and sales pipelines is more important than ever.

The size and resources of small consulting groups should not negate the discipline required to maintain scaling or self-determined motivation to accomplish goals without incremental pushback from senior management. Helping advisors develop skills in these areas is critical to the success of any transition program. New cloud consultants must realize they need to invest resources into building and maintaining the central technology capabilities that can help them become and stay successful in a centered world.

9.1. Identifying Potential Pitfalls

Despite the unique advantages of Cloud Consulting Models, numerous challenges lurk beneath the surface. Many of these challenges are not apparent when the model is devised; rather, it has to be launched and external users begin exploiting it for the challenges to manifest. Some problems may be easily manageable while others could severely undermine the quality of the model or at worst, lead to the failure of the concept completely. Some of the most significant challenges are impersonal service, lack of proprietary knowledge, difficulty in establishing expertise, poor marketing, high dependency on practitioners, competition, and a narrow service range.

Eqn 3 : Pitfall Awareness Equation

$$Risk\ Visibility = (E + H + D + C + F) \div A$$

Where:

- E = **Experience from Past Projects** (lessons learned, known failure patterns)
- H = **Historical Data Analysis** (performance metrics, past risk trends)
- D = **Diversity of Perspectives** (input from cross-functional teams)
- C = **Critical Thinking** (ability to question assumptions and plans)
- F = **Feedback Loops** (early signals from stakeholders or systems)
- A = **Assumptions Made** (number and rigidity of untested assumptions)

Consulting at its core is an interaction between the consultant and the client, but this cannot always be the case in the digital world. Clients may need instant help or want to avoid hiring costs, and then automated tools are the logical solution. The impersonal use of tools employed in these models violate one of the core aspects of consulting. In such cases, models must enter a hybrid mode, where consultants react based on using the tools in the background.

Consultants are famous for combining scientific knowledge with proprietary knowledge that was accumulated through working with many different clients and countless projects. This proprietary knowledge is usually the assignment of a consulting firm that is not easy to transfer into standard modules. If a consulting firm accumulates knowledge into a more generic module, it is easily copied, and the advantage is lost. As proprietary knowledge diminishes, the offering becomes standardized and with that, the consultant risks becoming a 'just another tool or software provider', competing for market share with comparable tools, and finally losing the comparative cost advantage.

9.2. Mitigation Strategies

This chapter provides recommendations for overcoming hurdles to successfully implement a scalable consulting model that relies heavily on technology, but does not fully automate it. The research proposes a four-step implementation approach, including creating a shared vision of a scalable model, defining the securing critical operational capabilities, piloting the digitized and systematized workflow, and establishing solution

governance to secure quality and continuous improvement. Finally, the chapter discusses the different roles each stakeholder plays throughout the process and details a set of tools to facilitate its supervision.

Given the high upfront investment and longer time-to-value of digital advisory compared to mass-market disruptive technologies, firms lacking scale, capability, and possibly customers' interest will not be able to pull this model off. Incumbents that base their consulting and accounting services on proprietary knowledge, relationships, and trust building, and that have mastered the art of securing a stable revenue stream driven by loyal clients will find it harder to reinvent themselves than new entrants. Already well established in closing clients' specific need with their existing sales force, new entrants will feel less discomfort in spearheading a fully products-driven advisory approach, combining both standardized solutions with more complex, tailor-made full implementation services. Incumbents would then hold regular discussions with customers, taking the local and individual level into account, in order to inform customers about previously prepared solutions to patch up clients' pain areas, and give them visibility about their potential of customer journeys.

To lower the associated risks during the digital consulting model deployment, the implementation methodology proposed in this chapter forms a loop rather than a one-off exercise. It foresees a periodical checkpointing sequence after the initial systematized workflow is installed. Actualization calls for adaptation, especially during the first two years. A dedicated team should slowly adjust, unblock issues and annoyances, take feedback from junior consultants, supervise customers to ensure full project coverage, and handle edge cases.

10. Case Studies

In our case study analysis, we discovered several fascinating examples of previous transitions from traditional consulting practices to various kinds of cloud-based consulting models. These cases are directly relevant to our discussion of transitioning to

scalable, cloud-based digital consulting services. Five notable companies and their experiences serve as our examples: a cloud-based double-sided platform for software selection services; a large executive search firm that successfully expanded from personalized service to technology-enabled global talent services; a consulting firm that explored multiple consulting technology models, including the reverse auction model and productization; a boutique firm that moved online and focused on productization; and a management consulting firm that expanded its technology capabilities through partnerships. Together, their experiences provide guidance on service transition strategies and potential pitfalls.

In summary, the companies moved from technology-enabled services to consulting products, productized from the start, and partnered for consulting tech capabilities. The analysis of successes, roadblocks, and failures in transitioning to cloud-based consulting can help consulting organizations adopt cloud-based models and practices more effectively and navigate the transition smoothly. Cloud capabilities are set to transform consulting organizations, replacing or radically altering the classic business model. Embracing cloud-enabled change now, in a conscious and directed fashion, is far less risky than waiting until clients demand cloud-enabled models of consulting. On the other hand, our analysis highlights potential pitfalls and trade-offs that consulting firms must navigate to protect, preserve, and serve their unique capabilities and differentiators. Undertaking a considered and intelligent technology transition, rather than a blind rush into productization or automation, is critical for both market leaders and the boutique specialists – and for sustainable management advisory services positioned to see the economy through future cycles.

10.1. Successful Transitions to Cloud-Based Consulting

The case histories presented in this chapter provide an overview of how a diverse set of existing traditional consulting firms have recently adapted to attract new clients and enhance relationships with existing clients through cloud-based consulting offerings. Both established consulting firms and newer entries with little or no prior experience developing on-site advisory solutions have moved aggressively to develop their digital consulting practices, in many instances with the support of technology partners with extensive industry or functional experience. While no two consulting firms or cloud consulting practices have adopted identical development strategies, certain common themes can be identified.

No firm has entirely abandoned its long-standing traditional consulting practice, but several have moved quickly to bolster their digital consulting capabilities, integrating supporting structures into their core practice areas. These support structures include internal and external sources of cloud-based technical, process, and platform expertise for solution development, including external cloud technology partnerships. Beyond Enhanced Internal Offerings are relationships with key Cloud Consultancies focused on developing Cloud-Centric Offerings that drive cloud adoption and utilization success. Recent industry history is loaded with examples of partnerships to produce a package for the public sector to manage risks along the way. Also, being very unpopular with your existing clients is a sure way for a traditional consultancy to disappear without a trace. The impact of opening an unanticipated disruptive seam in the market offers new players a chance to get a strong foothold.

10.2. Lessons Learned from Failures

"Our whole approach is predicated upon our being able to bring a set of intellectual assets together quickly, and apply them in a unique way to a client's problem."

"By using a language that is synthetic, general, and very extensive; the computer draws on a carefully keyed data bank of designed principles and compares its calculations ... with what may be expected from an expert for only special classes of problems."

Business consultancies are increasingly moving towards "cloud-based consulting" – standardizing and digitizing the knowledge embedded in their traditional advisory services – utilizing scalable technology platforms, instead of relying solely on high-cost expert consultants. The hope is that such transitions will permit consulting firms to generate the standardized deliverables, analytics and insights typical of cloud-based IT solutions. As with any major innovation in consulting, several such efforts have met with limited success. While past failures will rarely dissuade brave innovators, unfortunately historical reluctance to document negative case studies has left consulting firms with little learning gleaned from these experiences.

Heeding our advice, we took special care with this manuscript to objectively catalogue the lessons learned from failed or less-than-optimal cloud-based consulting efforts. We draw on key insights derived from our previous research, which conducted extensive research interviews of seasoned consulting veterans involved with these various initiatives. As discussed below, we highlight some of the challenges, neither uncommon nor insurmountable. These transition difficulties are of particular importance because realizing the promise of cloud-based consulting will result in both fundamentally increased economic profitability and improved scalability within the industry. That is, cloud-based consulting has the potential for fundamentally transforming consulting firms into a new breed of high-margin, high-volume advisory services businesses.

11. Future of Cloud-Based Consulting

The past few years have seen drastic changes to each sector and industry, with changing consumer habits and accelerating technological advancements altering entire business models across verticals. The shift to digitalization has introduced many new challenges and concerns for organizations, that look to adapt and adopt digital solutions while reimaging

their operations and service offerings. Such transformations can take far longer than businesses would predict, but now more than ever businesses are forced to credit change and scale their operations relative to market expectations. Consulting services and advisory businesses have constantly been a guiding force in helping organizations survive and thrive during such transitions. The traditional operating models for many of these advisory services have remained unchanged for decades. While many would have expected these businesses to slowly yet steadily shift into the realm of cloud-based consulting services with self-help and subscription plans, it had hardly been touched upon.

However, the recent developments and changing market dynamics have accelerated the need for consulting organizations to rethink their service offerings and test the waters with cloud-based consulting services. With restrictive travel measures and lockdowns, the cutting down of travel-related expenses for both the service provider and client has forced many relationships into digital-only interactions. With traditional consulting augmentations taking a backseat, the extensive use of remote tooling, online resources, and collaboration platforms along with reduced overhead have set the stage for the future of how consulting can be done. Virtual consulting is fast becoming the preferred way to conduct strategic discussions and reimagine the future, while experts-on-demand platforms are testing the waters for the much discussed gig economy. Automation is also changing the way work is being done within organizations, reducing the reliance on time-consuming analysis and conceptualization advisory services.

11.1. Emerging Trends and Technologies

Moving beyond integrated digital delivery model, natural language processing, machine learning, and artificial intelligence are now migrating from inherent capabilities of cloud-based consulting piers to being front-end delivery value drivers.

International expansion, emphasis on weaponized AI, and focus on electronic engineering will further accelerate the growth of the industry. New market entrants, technology start-ups will emerge, targeting specific segments of sophistication and domain expertise. As time will progress, these new market entrants will create acquisition attractions for the legacy giants. Telehealth, managed cloud services, data analytics, information security, managed application, and partner for cloud application management services will be the new key capabilities of these new matured integrated delivery model for cloud-based consulting service piers. Big data, quantum computing, 5G communication, special UX, and security and compliance engine will be the newly added inherent capabilities for the cloud-based consulting service piers. For cloud-based consulting piers, managing relationship with their clients will be the utmost concern and challenge, especially considering their unique business model, integrated digital delivery model. For traditional consulting firms who are slowly transitioning to cloud-based model, the biggest challenge for them will be their people. With attrition crossing over 30% for some of the leading consulting firms, many unique traditional consulting firms with their book of business can fall prey to cloud-based consulting players. The strategy for the cloud-based players will be different based on the lifecycle of consulting firms – Mergers, New builds or Disrupt. As demand accelerates from the virtual way of working and business continuity planning, new regulations take hold and businesses start deploying new cutting-edge platforms to untangle complex and specific challenges, the business landscape of consulting will quickly evolve into the new normal.

11.2. Predictions for the Next Decade

Technology-driven business transformation is one of the largest global markets. Over the next decade, enterprises will spend hundreds of billions annually on consultancy services to help them identify, implement and realise the value of digital

technologies and solutions. However, by 2025, technology consultants have to accept reality. You can either package up your thousands of hours of labour as software and automation or sell your human capital cheaper than entry level business analysts. Traditional commercial consulting services don't have many moats and are not that differentiated – and as services get commodified expect a relatively flat single-figure growth profile of the services for expenditure on commercial consultants. And Cloud consulting is an untapped niche that will only grow as the digital economy continues to accelerate over the next decade. As organisations continue to invest in digital transformation initiatives to digitise their operations and build digital consumer engagement channels, the IT services should benefit from the increasing business opportunities offered by companies and industries crossing their digitalization urgency.

Cosket Approach is anchored on a provider's expertise and knowledge, consulting support has comparatively high importance relative to development support complexity and cost, customers expect little proprietary framework relevant to their problem, and expect to pay relatively high margins for the knowledge and expertise provided. BDM model is useful, when customers need a service partner who can not only assist them develop a solution based on new technologies but also help integrate it as part of an overall solution space. Cloud consulting is a subset of Cloud consulting that encompasses services focused solely on delivering business solutions on Cloud platform or Cloud-based technologies. Cloud consulting services market seems to be growing at a robust pace as organizations are increasingly resourcing services specialized in cloud technologies. Ample capital landscape spreads among a number of players in Cloud consulting space, Cloud consulting companies have to carefully plan their strategies as they align positioning with future growth in both traditional and emerging services.

12. Conclusion

Business consulting is a strong and complex professional service oriented towards helping organizations to improve their performance. Traditionally, business consulting services have been delivered offering uncertainty reduction solutions, most of which have non-sophisticated businesses solving unique problems. These services still account for a large portion of the industry's revenue, with companies looking for innovative ways to outsource non-core activities with low added value. We have witnessed in the last decades an increase in strategic support being pursued as a cognitive capability, creating a great demand for services offered by experts with specific domain knowledge. The demand for advisory services offered is shaped by changes in the sophistication of the business sector. Today, it is acknowledged that businesses can create value by leveraging core supply chain activities that have the potential to reduce risks throughout their networks. There is also a consensus that consultancy and services must support companies in areas where they generate their core competencies, outsourcing only support activities that for the ones who offer them are considered as routines, providing specialization and economies of scale.

Cloud platforms have changed the way organizations operate and deliver their services, avoiding high fixed investments and providing software applications that could be selected by companies according to their processes and operational needs. Business consulting services could also be provided by specialized consulting companies, but charging lower fixed fees during a shorter period of time than traditional consultants. New technologies have changed the competitive environment of all sectors and the business consulting industry is no exception. Some traditional consultancy firms are investing on the cloud, associating with IT companies, to develop tools to reduce their dependence on human resources in the mass of business-specific repetitive

tasks while sending business-specific knowledge from the previously created knowledge repositories.

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