



AI Is Not Killing Consulting. It Is Killing the Knowledge Premium.

For decades, one of consulting's greatest advantages was scarcity.

Consultancies had access to specialist knowledge, market benchmarks, analytical resources and experienced people that most organisations could not readily assemble themselves. Clients paid not only for advice, but for access to information and insight they could not obtain elsewhere.

Artificial intelligence is dismantling that advantage.

Information that once required days of research can now be assembled in minutes. Data can be summarised, compared and presented almost instantly. A credible-looking analysis can be produced before a traditional consulting team has finished organising its first workshop.

This does not mean that expertise has become irrelevant.

It means that knowledge alone is no longer enough.



The traditional moat is disappearing

The most significant impact of AI on consulting is not simply improved productivity. It is the commoditisation of knowledge.

General information, established methodologies, industry frameworks and preliminary analysis are becoming widely and cheaply available. A client no longer needs to engage a consultancy simply to explain a market, summarise a dataset or identify a list of possible actions.

AI is raising the baseline.

It can help an inexperienced person produce competent work. It can give an internal team

access to capabilities that previously required external support. It can make almost every organisation feel better informed.

That creates a genuine challenge for the consulting industry because knowledge has historically been one of its strongest moats.

When everyone can access an answer, the value of producing an answer falls.

The differentiator becomes knowing whether that answer is correct, relevant and capable of being implemented.



Analysis now feels like a click

There is also a question of perception.

Even when meaningful analysis requires clean data, careful interpretation and experienced judgement, clients increasingly perceive it as something technology can produce with a click.

That perception changes the commercial value placed on analytical work.

A client may reasonably ask why they should pay for several weeks of analysis when software can process the information almost immediately. The fact that the automatically generated answer may be incomplete, misleading or based on poor assumptions does not remove the question.

It makes validation more important.

AI can identify a pattern. It cannot always determine whether the pattern reflects a genuine commercial opportunity, a temporary anomaly or a problem with the underlying data.

It can compare prices. It may not understand differences in service levels, contractual obligations, operational risk or supplier performance.

It can recommend changing a supplier. It does not carry responsibility for the disruption if the recommendation proves wrong.

This is where the role of the expert changes.

The expert is no longer valuable simply because they can produce the analysis. They are valuable because they can test it, challenge it and determine what should happen next.

From producing answers to validating decisions

In an AI-enabled market, expertise is demonstrated through judgement.

The valuable consultant is the person who can distinguish an interesting observation from an actionable opportunity. They understand which assumptions need to be challenged, which benchmarks are genuinely comparable and which apparent savings would create unacceptable operational consequences elsewhere.

This requires more than data.

It requires experience of real organisations, suppliers, negotiations and implementation. It means understanding how a market behaves in practice rather than merely describing how it

should behave in theory.

In cost optimisation, for example, a dashboard may indicate that a business is paying more than an external benchmark. That does not automatically mean the supplier is overpriced.

The difference could reflect geography, volume, specification, service requirements, risk allocation or contractual history. A credible expert investigates those variables before presenting a conclusion.

Validation protects the client from confidently acting on the wrong answer.

That ability becomes more valuable, not less, as the quantity of AI-generated analysis increases.

Execution is where value becomes real

The second major shift is from recommendation to execution.

AI can generate a list of opportunities. It cannot take ownership of delivering them.

It does not engage internal stakeholders, prepare a negotiation strategy or manage a supplier relationship. It does not anticipate resistance from an operational team or redesign a recommendation when new information emerges.

Most importantly, it does not remain accountable until the result appears in the client's financial performance.

A recommendation without execution is still only an idea.

The modern consultant therefore needs to close the gap between identifying an opportunity and realising its value. That means working alongside the client, engaging suppliers, managing implementation and measuring what was actually achieved.

At ERA Group, this principle has shaped our model since 1992. We do not charge clients simply for the time spent analysing their expenditure. Our remuneration is linked to the savings delivered.

That distinction matters more in the age of AI.

When analysis becomes faster and more accessible, clients should not be asked to pay a premium merely for producing it. They should pay for the judgement, validation and execution that convert analysis into measurable results.



“ A recommendation without execution is still only an idea. ”

Speed changes the value equation

AI also changes expectations around speed.

Clients will no longer accept lengthy projects simply because that is how consulting engagements have traditionally been structured. They will expect technology to accelerate data processing, research and the early identification of opportunities.

But speed should not mean bypassing judgement.

The opportunity is to combine the pace of technology with the experience of specialists. AI can reduce the time required to reach an initial hypothesis. An expert can then determine whether it is credible, refine it using market knowledge and move quickly towards implementation.

The result should not simply be a faster report.

It should be a faster route to a better decision and, ultimately, a measurable outcome.

That combination of speed and accountability will increasingly separate valuable consultants from those whose proposition still depends on lengthy analysis and billable hours.

What expertise looks like now

ERA Group has more than 1,000 specialists across over 60 countries, working across more than 50 cost categories. The value of that network is not simply that it holds more information.

Information is becoming easier for everyone to access.

Its value lies in knowing how markets operate, what suppliers will accept, which benchmarks are meaningful and how changes can be implemented without compromising service, quality or resilience.

It also lies in knowing when not to proceed.

For Carmim, one of Portugal's largest wineries, our specialists identified categories where meaningful savings could be achieved, producing results

ranging from 4.5 per cent to 20 per cent. In areas where the evidence showed that no significant opportunity remained, the team said so rather than manufacturing a recommendation.

That is an important form of value.

Expertise is not demonstrated by finding an opportunity in every dataset. It is demonstrated by providing a conclusion the client can trust.

Similarly, CUGA, Portugal's largest producer of fresh mushrooms, described the difference as moving beyond a theoretical diagnosis to a team capable of examining the detail, comparing the market, negotiating and generating concrete results.

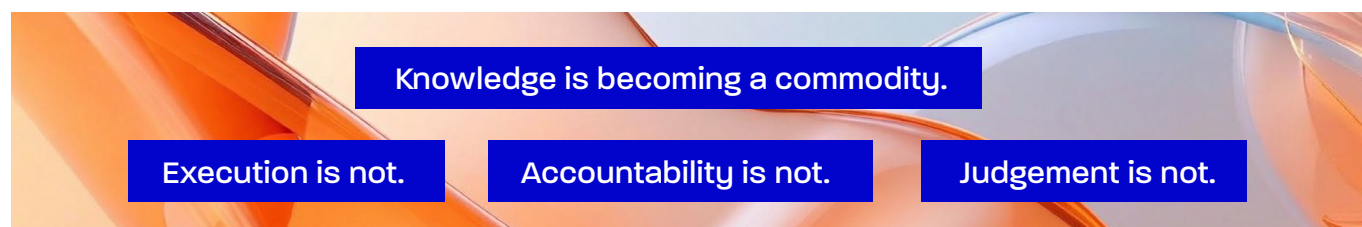
That is the journey AI cannot complete alone.

The new consulting advantage

AI is not removing the need for consultants. It is removing the protection enjoyed by consultancies whose value rests primarily on access to knowledge, analytical capacity or polished recommendations.

The future belongs to experts who use technology to move faster but do not confuse speed with certainty.

Their role is to validate the analysis, apply commercial judgement, navigate complexity and remain involved until the outcome has been delivered and measured.



The question for clients is therefore no longer whether a consultancy has access to information. Almost everyone now does.

The question is whether that consultancy can turn information into a validated decision, and turn that decision into results, with speed.



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Your costs are
where they've
always been.
The question is:
should they be?

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