

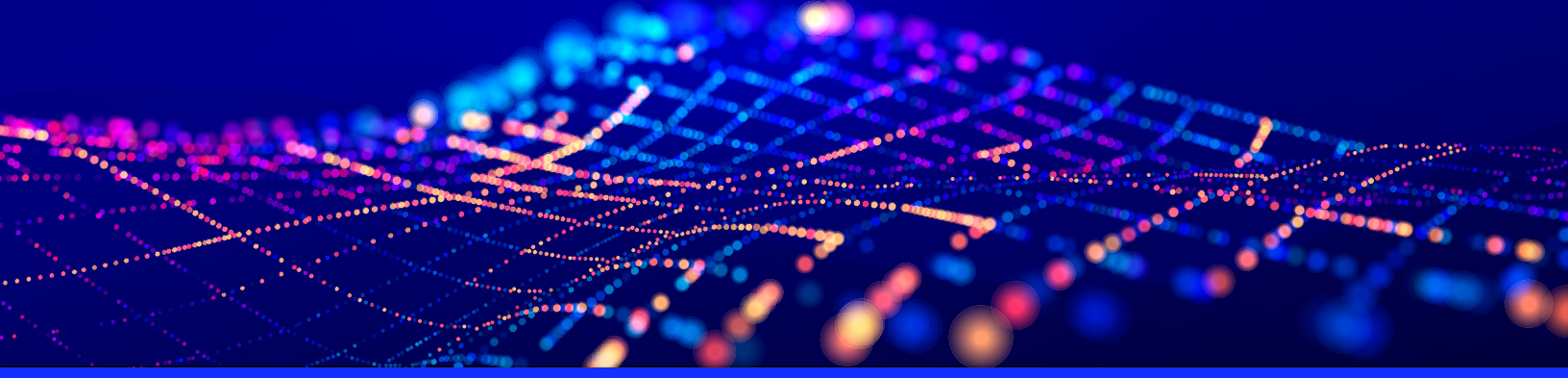
SECRETS OF \$10 MILLION+ MSPs

HOW TOP PERFORMERS DRIVE GROWTH

The 2024 Datto State of the MSP Survey collected insights from over 1,000 MSPs worldwide, revealing the trends, challenges and opportunities shaping today's fast-evolving market. To better understand what separates the best from the rest, we took a closer look at nearly 200 MSPs generating over \$10 million in annual revenue.

This infographic offers a glimpse into their winning strategies – covering everything from automation and security to customer acquisition and cloud services. Discover what the top performers are doing differently and how you can apply these insights to fuel your own growth.

Let's dive into the data and see what's driving success in the MSP industry today.



NAVIGATING TODAY'S MSP LANDSCAPE: GROWTH, REVENUE AND POTENTIAL

Our survey revealed that the MSP market is experiencing rapid growth, with most companies reporting increased revenue and expecting continued expansion over the next few years. To stay competitive, MSPs must address rising client demands for advanced security and technology expertise, especially in managing hybrid work environments.

INCREASING REVENUE
63% of MSPs saw revenue increase in the past 12 months, with 66% expecting further growth in the next three years.

MANAGED SECURITY EXPANSION
86% of MSPs currently offer managed security services and plan to expand these offerings in the next 12 months.

NEW CLIENTS' TECHNOLOGY NEEDS
61% of newer clients seek MSPs for their technology expertise, while 56% need help managing hybrid or remote workforces.

HYBRID ENVIRONMENTS AND SECURITY ON THE RISE
As client needs evolve, MSPs are focusing on meeting rising demands for faster, on-demand services, particularly in hybrid environments and security management.

BARRIERS MSPs MUST OVERCOME TO REACH THE TOP

MSPs face multiple challenges, including maintaining profitability, acquiring new customers and managing cybersecurity threats. According to our survey, these are the most pressing issues on the minds of MSPs as they navigate an increasingly competitive landscape.

THE PUSH FOR NEW CUSTOMERS
43% of MSPs are focused on acquiring new customers, while 36% cite revenue growth as a top issue, highlighting the pressure to grow and maintain profitability.

INCREASING PROFITABILITY MARGINS
63% of MSPs view profitability improvement as a priority over the next 12 months.

GROWING RECURRING REVENUE
While 70% of MSPs generate revenue through monthly recurring service fees, maintaining and scaling these models presents ongoing challenges in driving profitability.

AI-DRIVEN CYBERSECURITY THREATS
66% of MSPs have seen an increase in AI-supported attacks, intensifying the need for robust security solutions.

SOLVING PAIN POINTS: WHAT DO HIGH EARNERS DO DIFFERENTLY?

Top performers earning \$10 million or more per year focus on comprehensive security, automation and cloud migration to overcome these pain points and stay ahead of the competition.

97%
MANAGED SECURITY SERVICES
97% of top earners already offer comprehensive managed security services, such as email protection, endpoint detection and threat hunting.

48%
ENHANCING OPERATIONS THROUGH IT MANAGEMENT TOOLS
48% of high-earning MSPs agree that their IT management tools significantly enhance operational efficiency.

59%
SHIFT TO CLOUD SOLUTIONS
59% of the highest earners have migrated client workloads to public cloud platforms like Azure or AWS, providing scalable, flexible services that meet modern business needs.

44%
SATISFACTION WITH AUTOMATION
44% of high earners are satisfied with the level of automation provided by their current solutions, highlighting the importance of seamless automation in driving success.

HOW TECHNOLOGY SOLUTIONS FUEL SUCCESS

By leveraging advanced technology solutions, MSPs can boost profitability, scale services and outpace the competition.

ELEVATE SECURITY WITH COMPREHENSIVE SOLUTIONS
Security solutions, including endpoint detection and response (EDR), remote monitoring and management (RMM) and advanced email protection, enable MSPs to deliver robust cybersecurity.

BOOST PROFITABILITY WITH AUTOMATED, INTEGRATED SOLUTIONS
Automated, all-in-one solutions minimize manual tasks, boosting efficiency and lowering operational costs. Bundling products from the same ecosystem further enhances automation, as these tools are designed to integrate seamlessly, reducing vendor sprawl and simplifying management.

SCALE CLOUD SERVICES FOR GROWTH
MSPs to migrate workloads and infrastructure management empower MSPs to migrate workloads and create recurring revenue streams.

DRIVE EFFICIENCY WITH IT MANAGEMENT TOOLS
Expanding IT management tools to include solutions like remote monitoring and RMM, backup and disaster recovery (BDR) and a centralized professional services automation (PSA) platform can significantly enhance efficiency.

Are you ready to drive growth? Join the Datto partner community to discover how you can scale your MSP business and achieve success like the top earners – bringing in \$10 million or more in annual revenue.

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