

Highlights from the Global State of the MSP Report

In 2022, we surveyed more than 1,800 managed service providers (MSPs) worldwide to learn more about who they are and what they care about.

The result:

A wealth of data and insights from a diverse sample of MSPs on how they run their business, the solutions they use to serve clients and their predictions for 2023.

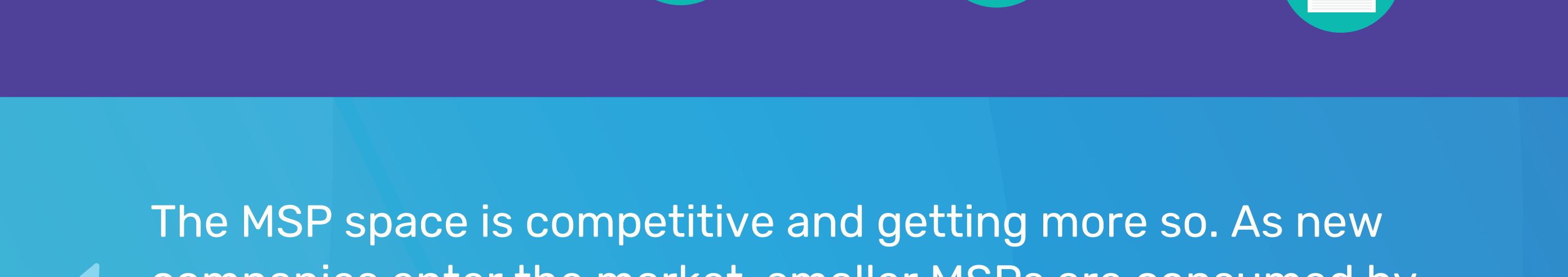
Survey respondents:



What's Keeping MSPs Up at Night?

The top challenge responding MSPs cited was competition (for the second year in a row), followed by revenue growth, with profitability, acquiring new customers and hiring tied for third.

This isn't particularly surprising, as MSP have consistently reported sales- and marketing-related challenges in our State of the MSP surveys.



The MSP space is competitive and getting more so. As new companies enter the market, smaller MSPs are consumed by larger MSPs and the race to provide security services becomes a higher priority for their clientele.

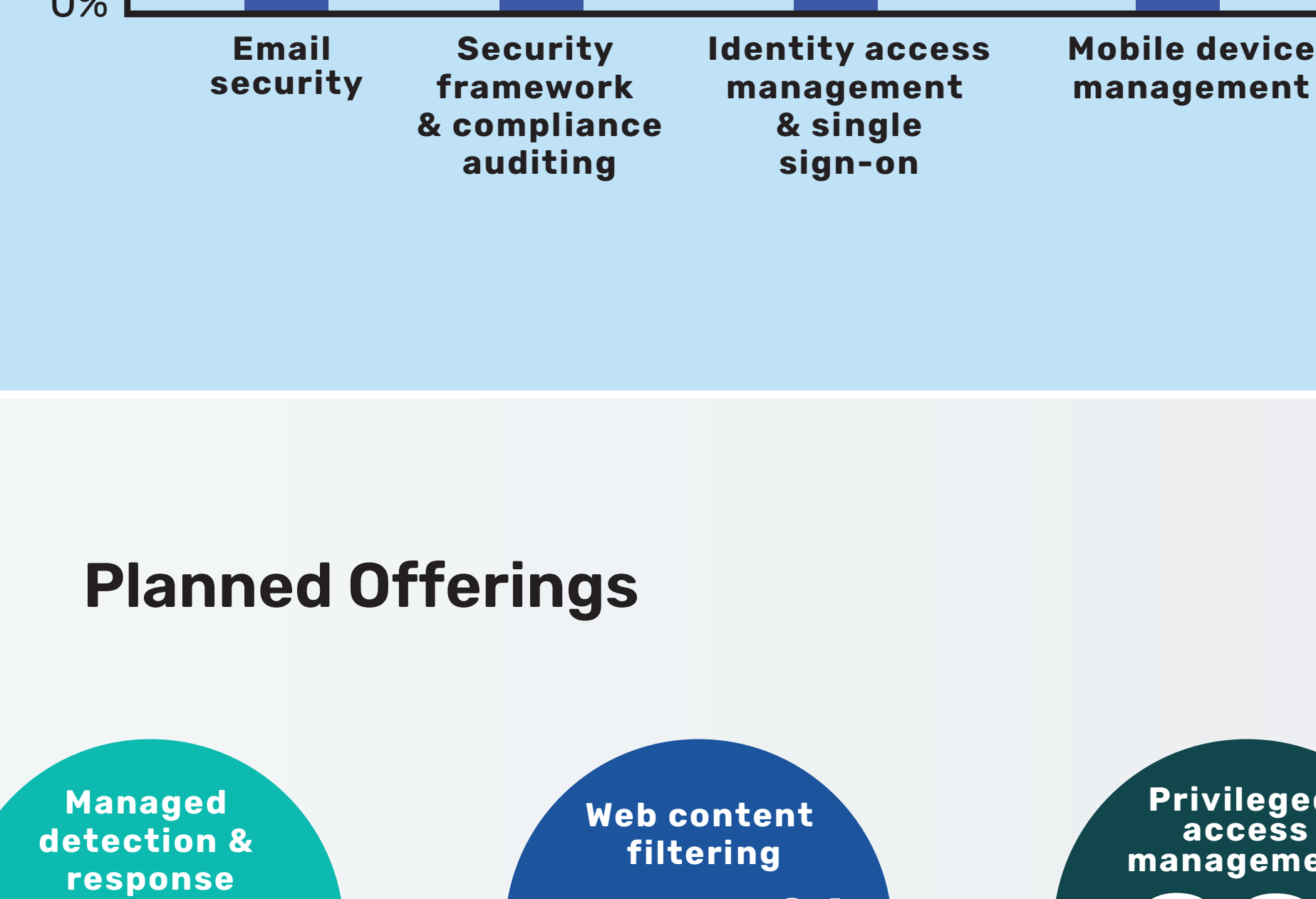
Top Products & Services Currently Offered

Nearly all MSPs responding to the survey now offer cloud-based infrastructure design and management, indicating that the shift to the cloud is well underway among SMBs. Bread-and-butter MSP offerings, office productivity and business continuity and disaster recovery (BCDR), rounded out the top three.



Managed Security Solution Offerings

The top three Managed Security Services currently offered are email security followed by security framework & compliance auditing and identity access management. Several areas are expected to grow, topped by managed detection & response, monitoring - dark web & compliance and privileged access management.



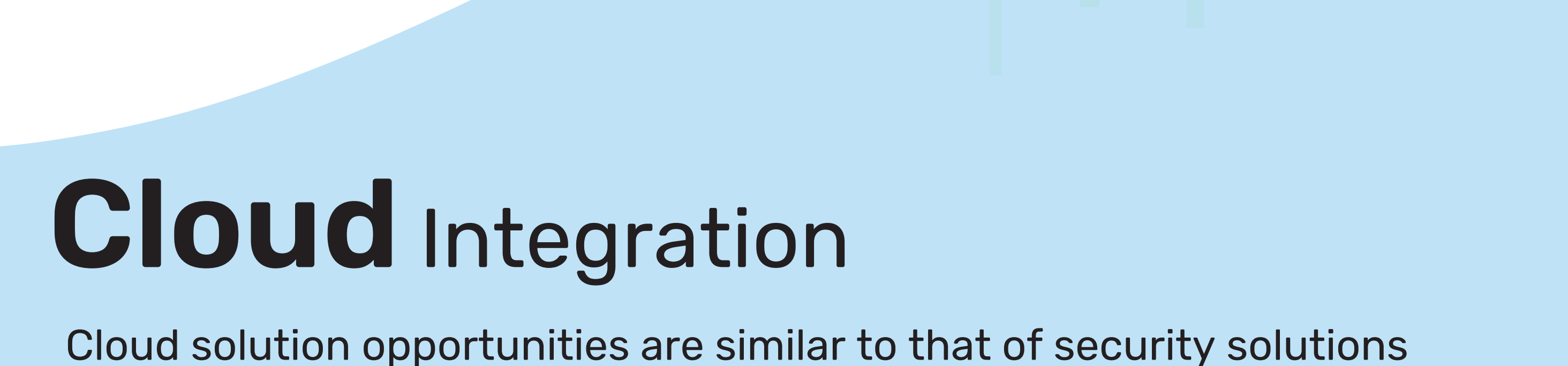
Planned Offerings



Break-Fix for Large Business

The revenue generated from break-fix appears to be increasing. This break-fix model, however, is not the same as what this industry saw 20 years ago. The revenue generated from break-fix MSPs are beginning to target larger companies with break-fix or what they now call co-managed IT services that assist over-stressed internal IT departments.

Once the MSP is onsite fixing an issue, discussions with the company's IT team about their managed services provide further opportunities specifically around changing landscapes in security and through education of an MSPs value to in-house IT departments. This approach is proving to be profitable for MSPs.



Cloud Integration

Cloud solution opportunities are similar to that of security solutions although some MSP clients have resisted moving to the cloud due to compliance security, or budgetary concerns.



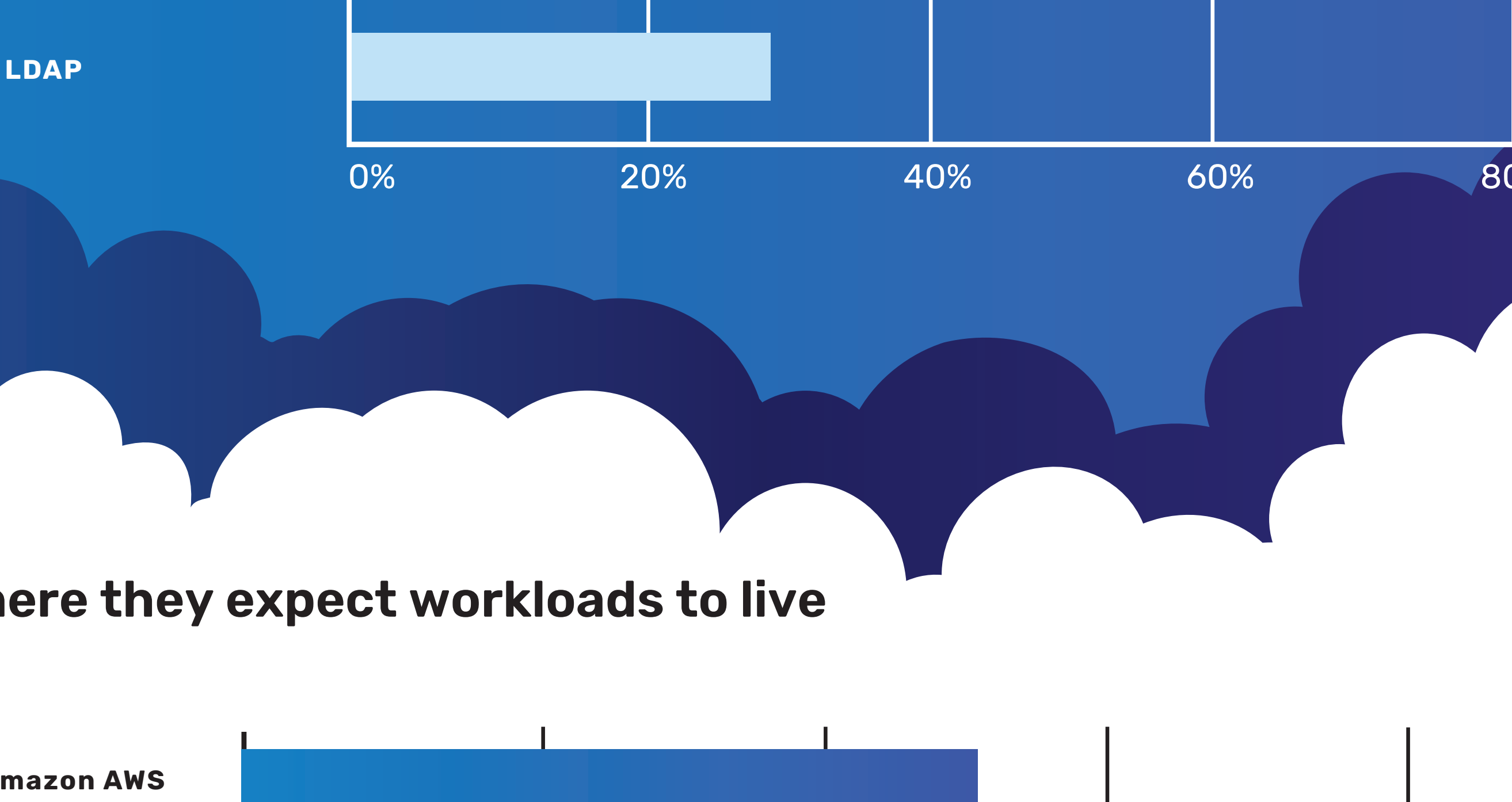
of MSPs see new market opportunity. More clients are looking toward the cloud for better storage design and implementation and to provide better productivity and collaboration across teams.

About half of MSP respondents expect 75%+ of workloads to be in the public cloud in 3 years, even higher in North America; currently only 7% have this level in the public cloud.

That said, North America has more reasons for keeping workloads on-prem: topped by resistance to converting spend, security compliance requirements, and more digital transformation than they are willing to undertake.

Clients adopting Infrastructure as a Service (IaaS) have moved all of these types of workloads to the cloud, especially email servers, databases and application servers. Going forward, North America based respondents anticipate a wider range of movement than other regions.

Current workloads moved to cloud



Where they expect workloads to live



Full report to be released

October 2022