

MSP Global

State of the Industry Report

MSPs prioritize implementation of fundamentals as AI hype cools.

The Winter 2026 data reveal a critical market maturation: After months of AI enthusiasm, MSPs are shifting from technology-led expansion to execution-focused fundamentals. Cybersecurity, client understanding, and professional go-to-market now define competitive positioning as the industry transitions from growth-at-all-costs to sustainable business models.



2026
WINTER 2026

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In fulfilling its value promise of bringing industry insights, this year MSP Global launched a series of quarterly surveys of Managed Service Providers about their business concerns, goals, and needs. The benchmarking nature of this series will enable MSPs to track shifts in industry-wide sentiment and priorities moving forward.

The initial installment of this series launched in July 2025; the report dedicated to that pulse is available at <https://www.mspglobal.com/state-of-the-industry-report/>. This report details shifts in findings between summer and fall 2025, beginning our tracking of vital industry trends. These learnings will also be presented on the main stage at MSP Global's 2026 conference (October 22-23, 2025).

Report Highlights:

The following are highlighted findings from the January 2026 survey of 300+ MSP professionals from around the world.

In prior surveys, we saw the MSP industry at large demonstrate strong confidence in its future trajectory. This was tied largely to a focus on automation-based growth, as well as faith in continued consumer need in the face of ever-evolving technology...and technological threats. We've also heard from MSPs about a growing recognition of the benefits from working together. However, trust and competitive tensions surfaced as significant barriers to those efforts at mutual success.

Last quarter's report theme was "the partnership pivot," as we saw Managed Service Providers (MSPs) enthusiastically embracing the realization that we're stronger together. MSPs are dramatically shifting toward ecosystem collaboration in order to bolster individual businesses and the industry at large against cybersecurity and economic stressors.

With our latest pulse survey, we clearly see a number of emerging trends to monitor, and optimally seize upon, for MSPs' not just long-term, but also short-term positive evolution.

1. Cybersecurity Urgency Intensifies (+4.7pp)

Cybersecurity climbed from 26% to 31% as a business health priority, reflecting heightened threat awareness and regulatory pressures (GDPR, NIS2) driving MSPs to strengthen protective measures for client data. This is also paired with increased focus on compliance and security for MSP business leaders.

Strategic implication: Security is no longer optional infrastructure—it's core differentiation.

2. Looking Past New Technology Hype (-8.5pp)

MSPs are deprioritizing new technology adaptation (dropped 8.5pp) signaling market maturation beyond shiny-object syndrome. Instead, focus shifts to security (+4.7pp), client understanding (+2.7pp), and professional go-to-market capabilities (+3.6pp digital marketing).

Strategic implication: Security expertise and client intimacy stands out more than technology breadth.

3. Client Relationships Evolve (+2.7pp, -8.4pp)

'Clearly understanding what clients need' rose from 25% to 32% as a top priority, while 'enhancing customer experience' fell 10pp. MSPs appear to be prioritizing deeper client insight over satisfaction metrics, which may be based on more surface-level offerings.

Strategic implication: Quality of relationships driven by client needs is increasingly valued.

4. Partnership Prioritization Is Being Fulfilled (+7.1pp)

The partnership momentum from fall continues: 'regular' collaboration jumped 6pp (26% to 32%) as MSPs move from theory to practice. While trust barriers persist—54% cite competitive tension—behavioral change is outpacing attitude change, signaling market maturation.

Strategic implication: Execute on partnerships now, as collaboration is shifting from a competitive advantage to table stakes.

5. Confidence Remains Remarkably Stable

Despite declining hype cycles, both industry confidence (4.16 → 4.12) and business confidence (4.26 → 4.15) held steady on 5-point scales. MSPs maintain optimism even as priorities recalibrate.

The Bottom Line

The MSP market is maturing. After a period of technology-led expansion and a spotlight on AI, focus is shifting to fundamentals: protecting clients, understanding their needs, and building systematic go-to-market capabilities. AI remains important but is no longer the dominant narrative. Security, client intimacy, and professional marketing now define competitive positioning.

This reflects a healthy market transition from growth-at-all-costs to sustainable, value-driven business models.

Methods

MSP Global partnered with Open Eye to author and field surveys in July and October 2025, and January 2026, sending the online questionnaire to MSP Global members worldwide.

Changes of ± 5 percentage points or more across waves represent statistically meaningful shifts given sample sizes and confidence intervals.

Across three quarterly waves (n=868 total), regional distribution remained remarkably consistent (70-74% EMEA), providing confidence in trend analysis rather than sampling artifacts.

The total survey response was a statistically significant total of 868 (360 in July, 192 in October, 306 in January). Both survey result datasets have a confidence level of 95%. Key demographic breakdowns of respondents include:

Size of business:

	July '25	Oct. '25	Jan. '26
<10 employees	27%	41%	31%
10-50 employees	33%	26%	34%
51-100 employees	18%	13%	12%
100-250 employees	8%	3%	8%
250+ employees	14%	18%	14%

Typical client size:

	July '25	Oct. '25	Jan. '26
SMBs only	24%	29%	20%
Mid-market	25%	16%	28%
Large/enterprise	8%	14%	10%
Mix of all three	40%	38%	41%
I'm not sure	4%	4%	1%

Business type:

	July '25	Oct. '25	Jan. '26
Managed Service Provider	45%	46%	46%
Value-Added Reseller/Distributor	8%	9%	11%
Direct Market Retailer	5%	2%	5%
Independent Service Vendor	16%	17%	14%
System Integrator	n/a	n/a	12%
Other	16%	14%	14%

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Business revenue:

	July '25	Oct. '25	Jan. '26
<\$5 million	48%	53%	52%
\$5-150 million	25%	18%	24%
\$51-250 million	8%	6%	6%
\$250 million+	6%	9%	9%
I'm not sure	13%	15%	8%

Region of focus:

	July '25	Oct. '25	Jan. '26
North America	5%	6%	7%
Latin America	6%	7%	2%
Asia Pacific	5%	1%	5%
Europe, Middle East & Africa	70%	70%	74%
Global reach	14%	17%	12%

Number of MSP clients served:

	July '25	Oct. '25	Jan. '26
<10	21%	23%	20%
11-30	20%	23%	20%
31-50	12%	9%	9%
51-100	13%	11%	14%
100+	25%	27%	30%
Not applicable	11%	7%	8%

Number of endpoints managed across MSP clients:

	July '25	Oct. '25	Jan. '26
<500	20%	25%	26%
500-1,000	21%	19%	17%
1,001-5,000	14%	13%	18%
5,001-10,000	16%	6%	9%
10,000+	15%	16%	12%
Not sure	13%	7%	7%
Not applicable	13%	15%	11%

The MSP Outlook

Confidence remains stable despite shifting priorities.

MSPs demonstrate mature confidence, not wavering despite demonstrated cooling interest when it comes to AI. This signals belief in core business models rather than dependence on any single technology trend.

When asked about agreement with optimism statements about their professional endeavors, as well as the overarching MSP industry, Managed Service Providers are consistently aligned to a positive view moving forward. These optimism metrics have dipped since July, but continue to come in over 4 on a 5-point scale.

On a scale of 1 to 5, where 1 = Not at all optimistic and 5 = Extremely optimistic, how would you rank your agreement with the following statements?

"I feel very confident about the future of the MSP industry." = 4.1 (July) → 4.3 (October) → 4.12 (January)

"I feel very confident about the future of my specific business." = 4.2 (July) → 4.3 (October) → 4.15 (January)

Explanations of optimism agreement echo those from prior survey pulses, predominantly that MSPs are in demand now and believe they will continue to be in years ahead, in order to address continually changing tech opportunities and threats for clients. AI in particular was identified in both pulses as a driver for growth when it comes to client offerings, and for internal growth thanks to operational streamlining and innovation.

Primary reasons for optimism about the industry are:

- **Demand is structural, not cyclical.**

"New technologies keep popping up and our clients always seem to need more support, not less. Add to that all of the new regulations that companies have to abide by, makes our offering of services even more necessary for most businesses to thrive."

"The growing shift from pure infrastructure management to business-outcome-driven services makes me optimistic. Customers increasingly value MSPs that can combine cloud, security, data, and automation with real business understanding. The rise of AI, FinOps, and compliance requirements is also creating sustained demand for specialized, trusted partners rather than commodity providers."

- **Tech change drives ongoing MSP relevance.**

"I'm optimistic about the MSP industry because businesses are more dependent on IT than ever, yet most don't want the cost or complexity of managing it in-house. The shift to cloud, cybersecurity, remote work, and subscription-based services fits perfectly with the MSP model. Add AI and automation..."

"Cloud/Subscription base is the future. Most companies would rather subscribe than own a product. I believe if they see the benefits in reducing their CAPEX/OPEX with cloud methodology, most companies would opt into this."

- **Security is not just an IT concern, but a business imperative.**

"As clients negotiate the increasingly complex security/cyber/data protection regulatory environment, they are looking to their MSP for help, guidance and support. The opportunity for MSPs to offer a Compliance service is great and it is now"

"What makes me optimistic about the future of our industry is the rapid acceleration of digital transformation, the growing demand for reliable and secure managed services, and the constant evolution of customer needs in areas such as cybersecurity, cloud, and IT management. Ecosystems like MSPGlobal foster collaboration, knowledge sharing, and innovation among partners."

- **A complexity gap in tech together with skills shortages means increasing value for MSPs.**

"Due the continue marketing growth of digital transformation and need of specialized services and the lack of professionals our industry can capture a lot of value from this gap."

"Is the better system of assurance for the customer, HW & SW monitored 24/7, best technical on the market are MSP"

When it comes to top priorities for current and future business health, **we see a significant downward shift in importance placed on “Adapting to new technologies.”** While this is still the top priority, it’s 8 points lower than in October and far closer in importance to other concerns more directly related to client satisfaction and security.

When asked to select what’s most important regarding the current and future health of their business, MSP professionals responded this time with greater diversity of focus. New tech persists as a need, but the rise we’d seen before in partnerships and client needs continued.

Which of the following are most important to you, when it comes to the current and future health of your business? (select up to 3)

Bold = top 3 for January '26; **red shading** = persistent drop across pulses; **green shading** = persistent rise across pulses

	July '25 [n=224]	Oct. '25 [n=132]	Jan. '26 [n=199]
Adapting to new technologies	42.86%	44.7%	36.68%
Enhancing customer experience and satisfaction	37.05%	28.03%	27.64%
Clearly understanding what my clients/customers need	30.36%	31.82%	34.67%
Strengthening cybersecurity measures to protect client data	26.79%	25.76%	31.16%
Expanding service offerings to diversify revenue streams	26.34%	31.06%	24.62%

	July '25 [n=224]	Oct. '25 [n=132]	Jan. '26 [n=199]
Clearly explaining the value of my services to clients/customers	26.34%	32.58%	27.64%
Having good partnerships with other MSPs	23.21%	28.79%	27.14%
Finding and retaining quality talent	15.63%	4.55%	9.05%
Managing my portfolio of vendors/contractors	15.18%	21.21%	21.61%
Navigating rising costs	11.16%	7.58%	6.53%
Increasing ARPU across my client/customer base	9.38%	12.88%	8.54%
Navigating changing regulations	8.48%	6.06%	9.55%
Navigating global geopolitics	6.70%	7.58%	8.54%
Navigating vendor lock-in or consolidation	5.36%	3.03%	9.05%

We see persistent rises across all three pulses in:

- Clearly understanding what my clients/customers need
- Strengthening cybersecurity measures to protect client data
- Managing vendor/contractor portfolios

And notable, continued drops in:

- Enhancing CX
- Focusing on rising costs

This indicates a continued re-focus on determining and then delivering on what matters most to clients, and finding the best ways and partners with which to do this.

Bringing the optimism and priority scores together, we see persistent positivity in the course of re-focusing energy and investment. While AI/automation priorities dropped 8.5 percentage points, MSP confidence remained steady at 4.1+/5.0, suggesting the industry has moved beyond technology-dependent optimism to confidence in delivering for clients.

Security Becomes Strategy

As noted, strengthening cybersecurity for client protection continues to rise as an MSP priority. **Cybersecurity climbed from the sixth-ranked business health priority in October (26%) to the third in January (31%)—a five percentage point increase that represents the largest gain across all measured priorities with significant selections.** This isn't incremental adjustment; it's fundamental repositioning as MSPs recognize security as not just an infrastructure requirement but a core differentiator.

The trajectory tells the story: security priority actually dipped slightly from July to October, then surged five percentage points in the most recent quarter. This Q4 acceleration suggests a market inflection point; whether driven by regulatory pressures (NIS2, GDPR enforcement deadlines), high-profile breaches, or client demand shifts, security has moved from technical concern to strategic imperative.

MSPs are reframing security from compliance checkbox to competitive positioning. As one respondent noted in explaining industry optimism: *"As clients negotiate the increasingly complex security/cyber/data protection regulatory environment, they are looking to their MSP for help, guidance and support. The opportunity for MSPs to offer a Compliance service is great and it is now."*

This sentiment appeared in nearly one-quarter (23.7%) of optimism responses, with MSPs citing security threats, compliance complexity, and regulatory evolution as fundamental drivers of sustained demand. The message: security isn't a feature—it's the foundation of client trust. This winter finding builds on trends identified in fall 2025. Among technology and product innovation professionals, concern about "meeting evolving security and compliance demands" doubled from 27% in July to 53% in October. Plans to add Compliance-as-a-Service grew five percentage points in the same period.

What was a specialized concern in Q3 has become a universal priority by Q4. Security is no longer confined to technical teams; it's now a business health priority across all MSP roles and functions.

With 70-74% of respondents across all three waves based in EMEA, this security surge likely correlates with region-specific regulatory pressures. The NIS2 Directive's October 2024 deadline and ongoing GDPR enforcement have made compliance a board-level concern, not just an IT consideration. This fits with the rise in prioritizing understanding client needs, anticipating regulatory requirements on behalf of customers.

One respondent captured this dynamic: *"What makes me optimistic about the future of our industry is the rapid acceleration of digital transformation, the growing demand for reliable and secure managed services, and the constant evolution of customer needs in areas such as cybersecurity, cloud, and IT management."*

Of note, while security priority surged among MSPs, actual security service offerings remain relatively stable. Among those answering service portfolio questions, cybersecurity services (SOC, MDR, firewall management) are currently offered by 43% of MSPs—consistent with prior waves but not growing dramatically. However, plans to invest in security operations dropped in response from 4 in 10 in July and October to only a third of respondents in January.

This suggests two possibilities:

1. Security is being repositioned, not added. MSPs already offering security are elevating it from buried service line to lead value proposition. The shift isn't operational; rather, it's marketing and positioning.

2. Security is being integrated, not isolated. Rather than standalone security services, MSPs are embedding security expertise across all client touchpoints—backup strategies, cloud migrations, endpoint management—making security a differentiating capability rather than a separate offering.

Regardless, the takeaway is clear: security is evolving from what MSPs do to how MSPs define themselves.

The five-percentage point increase in security priority is a repositioning opportunity, not a trend. But there's still space to stand out with prioritizing this now in brand positioning, rather than when security inevitably is regarded as table stakes.

This window is limited. As one respondent noted: *"The growing shift from pure infrastructure management to business-outcome-driven services makes me optimistic. Customers increasingly value MSPs that can combine cloud, security, data, and automation with real business understanding."*

The integration is happening: security married with business outcomes grants MSPs strategic partner status.

The AI Reality Check

The AI story in Winter 2025 defies simple categorization. Technology adaptation as a business priority plummeted 6 percentage points—the largest decline across all measured metrics—from 43% in July to 37% in January. Plans to expand AI/automation services remained steady at approximately 56%, while current AI service offerings declined eight points (39% to 31%) from July to January. However, at the same time we saw strategic investment in automation and AI hold as a top-three priority among business leaders across all pulses.

We can see this as market maturation rather than contradiction. Declines appear across multiple dimensions of AI engagement. As a business health priority, technology adaptation dropping indicate MSPs seeing adapting to new tech as less critical to their business success. The urgency around AI is cooling or leveling off whether measured by present concern, current deployment, or future intention.

Yet the steady prioritization of this as a strategic investment indicates that MSPs are becoming more strategic about AI deployment while becoming less promotional about AI capabilities. The shift suggests a fundamental repositioning: from AI-as-service to AI-as-capability, from client-facing offerings to internal efficiency tools. **While the forward-looking pipeline isn't surging and AI as a current offering softens, the continued high ranking as a strategic investment points to a redirection rather than abandonment of this new technology.**

This pattern strongly suggests MSPs are pivoting from selling AI to clients toward deploying AI internally for operational efficiency. As one Fall 2025 respondent noted: *"Tools like Copilot for Microsoft 365 and advanced monitoring platforms let MSPs automate routine tasks—patching, compliance reporting, ticket triage—freeing engineers for higher-value work."*

The emphasis and proven results point to internal productivity rather than external revenue. AI becomes infrastructure, not offering.

That pattern of re-focusing AI value is reinforced by open-ended responses. When asked what makes them optimistic about the industry's future, nearly a quarter of respondents mentioned AI, technology evolution, or automation but notably, not as a dominant theme. Growing client demand and security concerns showed up more often in unaided responses.

More revealing is how MSPs discuss AI in their optimism responses. It's rarely the headline, it's typically the add-on. One respondent captured this: *"I'm optimistic about the MSP industry because businesses are more dependent on IT than ever, yet most don't want the cost or complexity of managing it in-house. The shift to cloud, cybersecurity, remote work, and subscription-based services fits perfectly with the MSP model. Add AI and automation..."*

Another framed AI as integrated capability rather than standalone offering: *"The growing shift from pure infrastructure management to business-outcome-driven services makes me optimistic. Customers increasingly value MSPs that can combine cloud, security, data, and automation with real business understanding."*

The message here, a few years into AI adoption, is that automation matters, but it's one ingredient in a broader value proposition rather than the showcase meal. The divergence between declining AI offerings and rising strategic AI investment suggests three non-mutually-exclusive possibilities:

1. Failed market experiments. MSPs tried selling AI-as-a-service in mid-2025, clients didn't buy (or didn't buy at profitable prices), prompting a retreat. The lesson: clients care about outcomes, not the underlying technology stack.

2. Invisible integration. AI is being embedded into existing services rather than sold separately. RMM tools now use predictive analytics, ticket systems leverage natural language processing, backup solutions employ intelligent threat detection, but these aren't marketed as "AI services." Like security is on track to do, the technology becomes table stakes, not differentiator.

3. Internal-first strategy. MSPs learned that the immediate ROI comes from using AI internally (faster ticket resolution, automated reporting, proactive issue detection) rather than trying to monetize it externally. Build efficiency first, translate efficiency into competitive advantage second.

Whichever explanation proves dominant, the implication is the same: the era of AI-as-standalone-service hype has ended. What replaces it is more pragmatic: **AI as a tool for operational excellence that indirectly drives client value through better service delivery.**

MSPs are learning in real-time. Early excitement about AI created numerous experiments in client-facing AI services. Those experiments have now been tested in market, and the results are informing strategy adjustments. This is exactly how market maturation works: try, learn, adapt.

The cooling of AI hype isn't cause for concern—it's evidence of healthy market evolution. MSPs are moving from "we should do something with AI" to "here's specifically how AI improves our service delivery."

This transition creates opportunity for those who get the framing right. The winning approach isn't to lead with AI ("We're an AI-powered MSP!"), but to lead with outcomes ("We resolve tickets 40% faster and prevent 60% of incidents before they impact your business"). The technology enabling those outcomes can include AI, but that's implementation detail, not marketing message.

As one respondent articulated: *"I'm optimistic because the problems MSPs solve are becoming more important, the tools we have are getting better, and the industry is moving toward higher-value, more strategic work."*

The value is the story; the tools are the enabler.

The Collaboration Story Continues

The gap between collaboration philosophy and partnership results is finally closing, not through improved sentiment, but through action despite persistent doubt. MSPs actively partnering "regularly" with other providers surged from 26% in July to 33% in January, a seven-percentage point gain that represents the most significant behavioral shift across all measured activities.

This acceleration happened while trust barriers actually worsened (from 52% citing competitive tension in July to 56% in January) and collaboration attitudes remained essentially flat. MSPs aren't waiting for perfect conditions or industry-wide trust. They're partnering pragmatically, structuring deals that work around competitive tension rather than holding out for its elimination.

As we saw with AI and security, this is market maturation in action. MSPs are moving from aspirational rhetoric to operational reality.

Our Fall 2025 report introduced a framework tracking MSPs' progression from collaboration philosophy to tangible results. Winter data reveal this journey continues, with one critical development: the philosophy-to-practice gap is narrowing through behavioral change, not attitude adjustment.

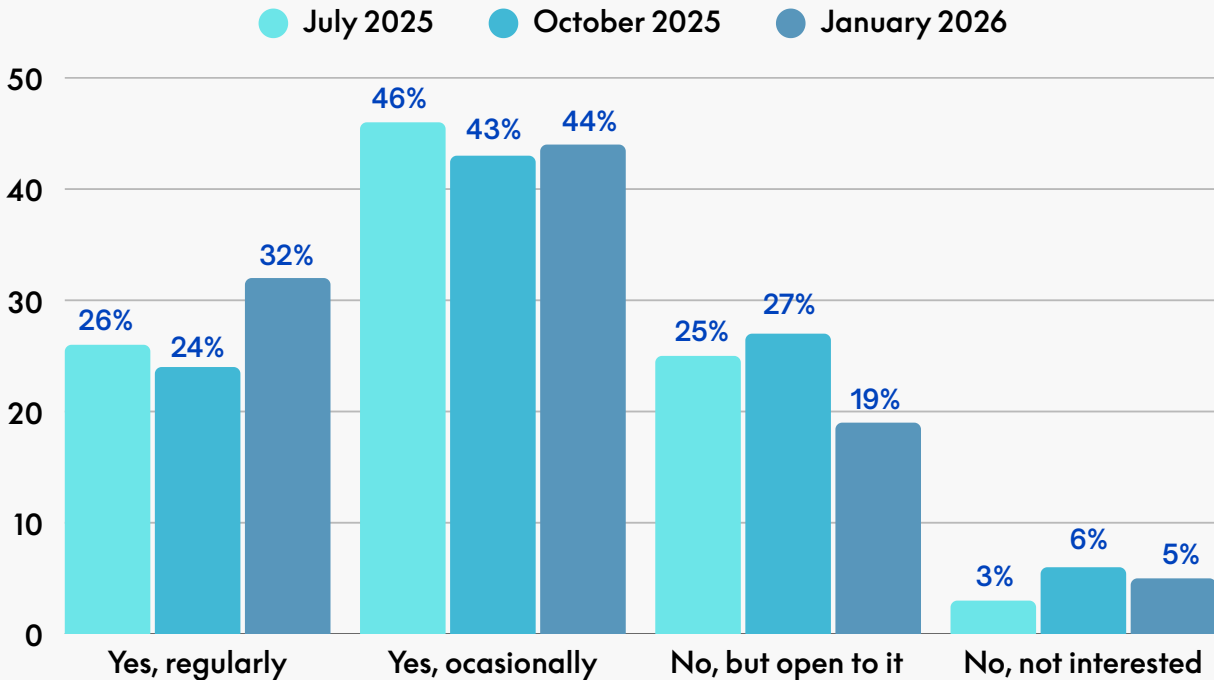
The Collaboration Journey (January 2026):

- 1. Philosophy:** "Trust is important for industry to thrive" = **4.12/5.0**
- 2. Strategy:** "I see mutual benefits from working together" = **4.03/5.0**
- 3. Openness:** "I'm open to co-selling/partnerships" = **4.01/5.0**
- 4. Priority:** "I make cooperation a priority" = **3.71/5.0**
- 5. Results:** "I've benefited from ecosystem cooperation" = **3.66/5.0**

The gap from philosophy (4.12) to results (3.66) stands at 0.46 points—down from 0.6 points in Fall. The narrowing comes not from rising sentiment scores (mostly flat) but from rising partnership activity. MSPs aren't feeling better about collaboration; they're just doing more of it.

The Fall 2025 report and our presentation at MSP GLOBAL 2025 stressed what we called "The Partnership Pivot." This was a rise in partnership priority between July and October, vaulting collaboration into the top five business health concerns. At the time, we noted this shift was more aspirational than operational: attitudes remained tepid, trust barriers persisted, and critically, actual partnership activity hadn't yet materialized.

Have you ever co-partnered or delivered a project in partnership with another MSP or vendor? [n=210 July, n=130 October, n=187 January]



Winter changes that narrative. Partnership priority held its elevated position, and this was matched by a jump in regular partnership activity from 24% in October to 33% in January, a 9 percentage point surge in a single quarter.

The three-wave data reveal partnership implementation following a distinctive pattern:

Summer (July): Baseline collaboration. Roughly one-quarter of MSPs (26%) partnering regularly, with 72% engaged in either regular or occasional partnerships. Partnership priority at 23%—notable but not top-five.

Fall (October): Priority surge, activity dip. Partnership priority jumped to 29%, signaling growing recognition of ecosystem value. Yet actual regular partnership activity declined slightly to 24%. The surge in priority hadn't yet translated to behavior. Trust concerns troubled more than half of respondents regarding barriers to collaboration.

Winter (January): Action acceleration. Priority held at 27%, but regular partnership activity surged to 32% (+8pp from October, +6pp from July). Total active partnerships (regular plus occasional) reached 77%, meaning more than three-quarters of MSPs now engage in ecosystem collaboration at some level.

MSPs spent Q3 2025 recognizing partnership importance; many in our industry spent Q4 2025 acting on it.

What makes this behavioral shift remarkable is that it occurred without corresponding attitudinal improvement. Trust barriers didn't ease; rather, they intensified. In July, 52% cited "trust issues / competitive tension" as the biggest barrier to collaboration. By January, that figure rose to 56%. Competitive concerns aren't dissipating; if anything, they're strengthening.

Yet partnership activity accelerated anyway demonstrating MSPs have learned that waiting for industry-wide trust is unrealistic and unnecessary. Instead, they're building selective partnerships with contractual structures that protect competitive interests: clear revenue sharing agreements, defined scope boundaries, mutual non-disclosure commitments, and partnership frameworks that enable collaboration without requiring complete transparency.

As one respondent noted in explaining industry optimism: *"The future is geared towards managed services and the best way to achieve this is through great partnership and collaborative workstreams."* Another emphasized structural evolution: *"Market is consolidating and maturing. Smaller, unfocused players will struggle, but well-run MSPs with strong processes, vertical focus, and partner ecosystems will grow faster than the market."*

In coming pulses, we look forward to digging in here more and learning about what kind of partnerships – notably with other MSPs and/or with vendors – prove most interesting and rewarding for strategic business growth.

The next competitive frontier isn't whether to collaborate, but how well businesses execute on collaboration. This requires capabilities that may not currently be top-of-mind for many MSPs: systematic partner identification, formalized partnership structures, clear communication protocols, established revenue sharing models, and operational integration that makes partnership feel seamless rather than exceptional.

As part of this research, MSP Global asked industry-specific questions of specialists within the broader Managed Service Provider audience, in order to go deeper on issues of interest to technology and IT professionals, marketing and sales professionals, and business owners and strategy leaders.

Quick takeaways by sector:

Tech/IT: Compliance-as-a-Service expansion (+8pp) validates security's shift from cost to revenue opportunity, while AI service plans stabilize and MSPs embrace vendor platform integration over pure in-house builds.

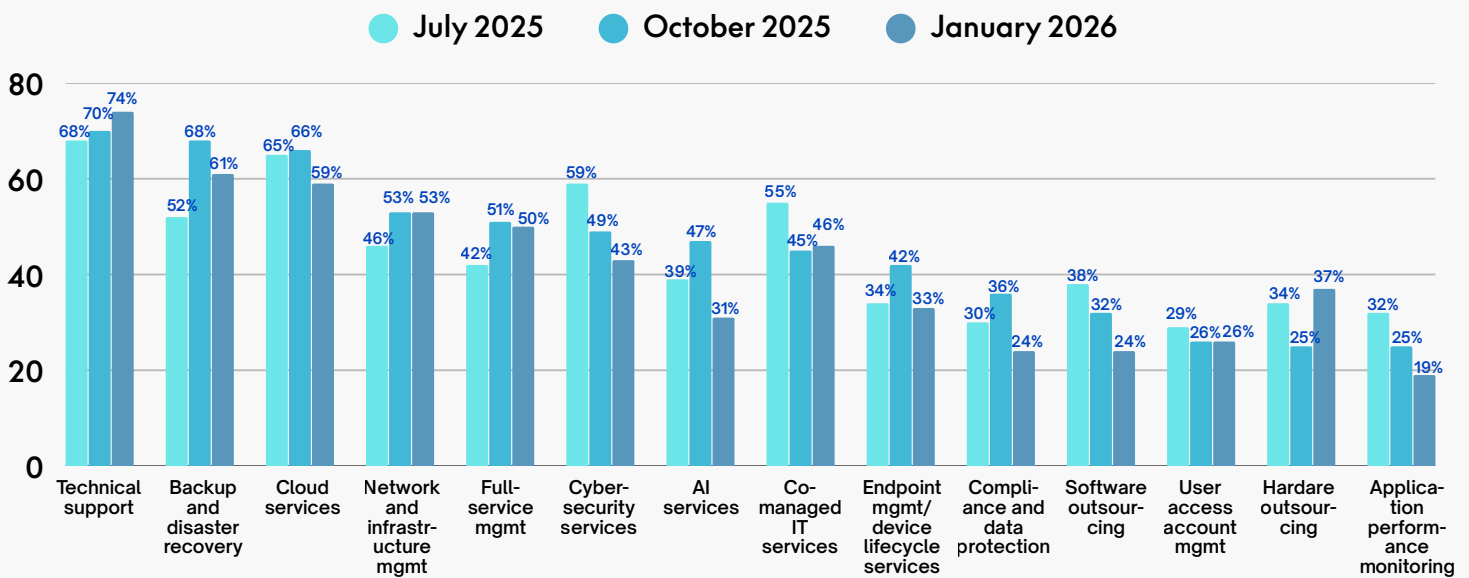
Business strategy: Commoditization fear nearly doubles (23% → 41%), revealing widespread anxiety about differentiation as technology-as-competitive-risk declines—MSPs recognize tech alone no longer creates sustainable advantage.

Marketing/Sales: Digital marketing priority more than doubles among these professionals, signaling early professionalization as lead quality challenges overtake resource constraints and MSPs begin investing in systematic inbound capabilities beyond referrals and events.

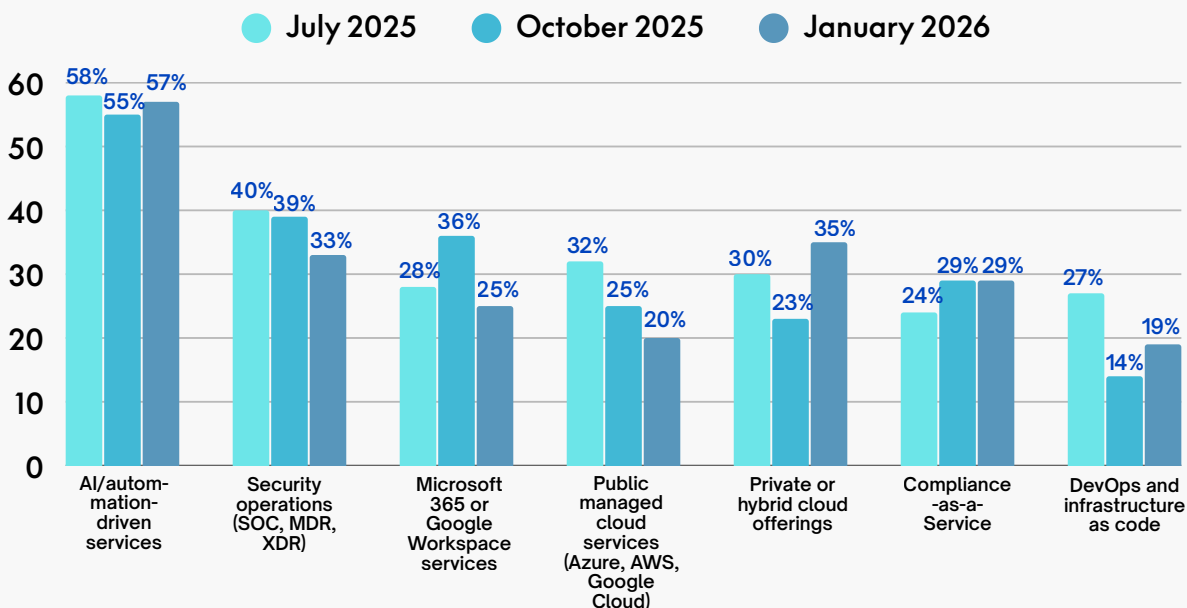
Technology & IT

Security rises, AI stabilizes, compliance gains traction. Among MSPs answering technology roadmap questions (n=62-85 across waves), the most notable shift is growing interest in Compliance-as-a-Service—expanding from 22% planning to offer it in July to 29% by January. This 7-percentage point gain validates the security priority surge documented in general business health concerns and suggests MSPs are translating security urgency into specific, monetizable service categories.

Which of the following managed services do you currently offer to your clients?
[n=93 July, n=55 October, n=70 January]



Which new technology areas are you planning to launch or expand over the next 12 months?
(select up to 3) [n=88 July, n=55 October, n=69 January]

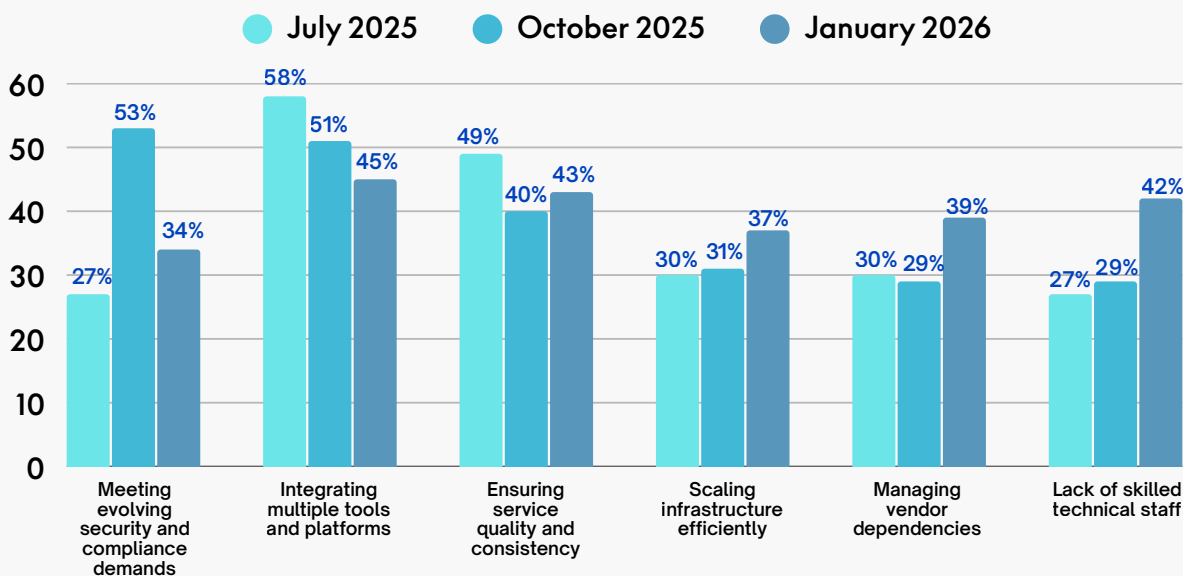


AI/automation expansion plans held relatively steady (59% to 56%), reflecting the paradox documented earlier in this report: strategic investment continues even as market-facing service plans cool. The stability in this metric suggests MSPs have moved past peak enthusiasm, but maintain pragmatic interest in automation capabilities.

Service delivery infrastructure shows maturation. Combination approaches (in-house tools plus vendor platforms) dominate at 38%, up from 37% in July after a Q3 dip. Pure in-house delivery declined from 27% to 22%, suggesting MSPs are recognizing the value of vendor ecosystem integration rather than building everything internally. This echoes our earlier discussion of the partnership pivot coming into play.

Compliance expansion aligns with EMEA regulatory pressures (NIS2, GDPR enforcement) affecting 70-74% of survey respondents. MSPs see compliance shifting from cost center to revenue opportunity, positioning regulatory expertise as client value rather than internal burden.

Which of the following are primary challenges you face when delivering or scaling technology services? (select up to 3) [n=88 July, n=55 October, n=65 January]

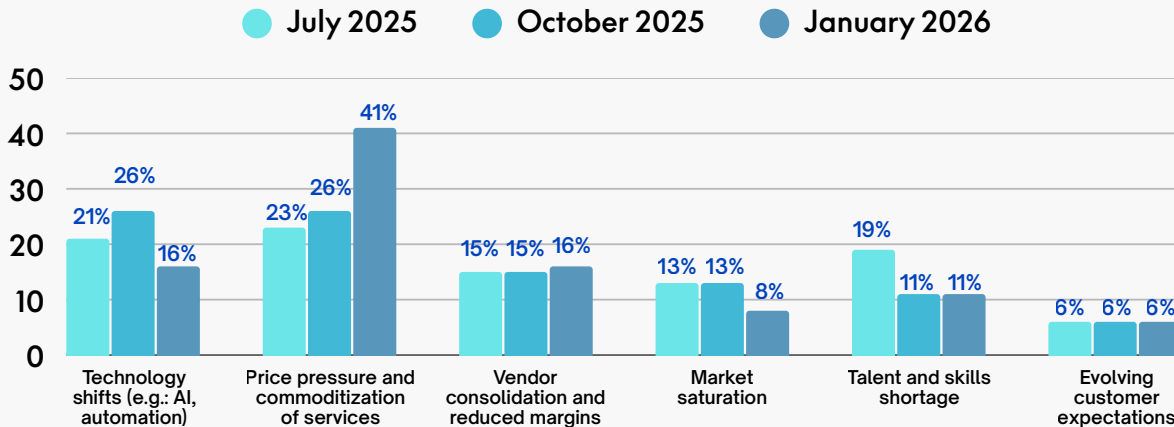


Strategic implication for technology leaders: Security and compliance capabilities are moving from technical infrastructure to strategic differentiators. MSPs investing in formalized compliance frameworks now will capture margin premiums as regulations tighten and client awareness grows.

Business Strategy

Commoditization fear surges as innovation approach stabilizes. The most striking strategic shift appears in perceived long-term risks: concern about "price pressure and commoditization of services" jumped from 23% in July to 41% in January—an 18-point increase that dwarfs all other risk concerns. By January, commoditization worry had nearly doubled from July levels, signaling widespread anxiety about competitive differentiation.

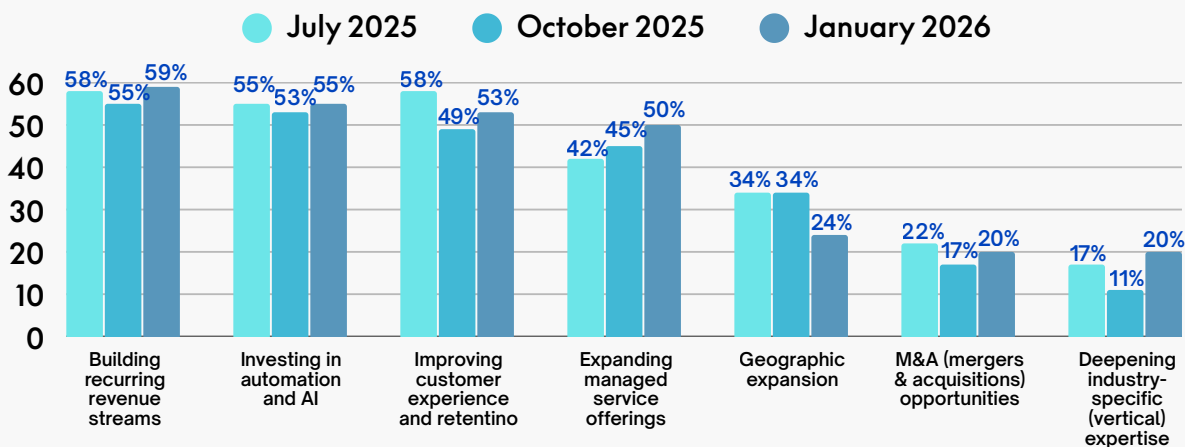
What do you believe is the biggest long-term risk to your MSP business model? [n=62 July, n=47 October, n=64 January]



Notably, fear of "technology shifts" (including AI) as a risk declined from 21% to 16%, inverting the traditional MSP worry hierarchy. MSPs are less concerned about keeping pace with technology change than about becoming indistinguishable from competitors.

This tracks with broader findings: as technology adaptation priority declined, technology-as-competitive-risk fell 5 points. The market is learning that technology alone doesn't create differentiation—a mature realization that explains rising focus on security expertise, client understanding, and partnership ecosystems.

Which of the following areas are your company's top strategic priorities for the next 12-24 months? (select up to 3) [n=64 July, n=47 October, n=66 January]



Innovation approach remained remarkably stable: 53% pursue "balanced" adoption (proven innovations when they show value), 37% remain "proactive" (early experimentation), and only 5% are "cautious" (waiting for maturity). This stability across three waves suggests MSPs have settled into comfortable innovation postures rather than chasing trends reactively.

Strategic implication for business leaders: The commoditization surge demands differentiation beyond technology. MSPs competing on service breadth or platform expertise will face margin pressure. Winners will differentiate through specialized expertise, relationship quality, or unique partnership ecosystems—capabilities competitors cannot easily replicate.

Sales & Marketing /Communication

Professionalization signals emerge despite persistent lead generation challenges. Among sales and marketing professionals responding to these questions (still a small part of the population with n=23-31 across waves, approximately 12-15% of total sample), directional patterns suggest systematic capability-building is gaining priority. Please note that these modest sample sizes require interpretive caution.

"Improve digital marketing performance" doubled as a priority—from 24% in July to 48% in January. While absolute numbers remain small, the trajectory suggests that MSPs are beginning to invest in inbound infrastructure: SEO, content marketing, lead nurturing systems, and digital conversion optimization.

This shift occurred even as "attending industry events" remained the most commonly cited effective lead generation method (58-78% across waves), and "customer referrals" held steady at 52-55%. MSPs aren't abandoning proven channels—they're adding systematic capabilities to complement them.

Lead generation itself remained the top sales and marketing priority across all waves (65-68%), with "upsell existing customers" close behind at 64-70% (except for an October dip to 39%, likely sample variation).

Obstacles to sales and marketing success show important movement. "Difficulty generating quality leads" rose from second place (24%) in July, to first place (29%) by January, overtaking "limited internal resources." Meanwhile, "limited marketing budget" emerged as second-place concern (19%) by January. This suggests the constraint is shifting from time/people to money and lead quality; MSPs may be recognizing they need to invest systematically, not just work harder.

Strategic implication for sales & marketing leaders: The digital marketing investment surge (24% to 48%), though from a small sample, aligns with broader market maturation patterns. MSPs who build systematic lead generation infrastructure now—content engines, SEO foundations, nurture sequences, conversion optimization—will compound advantages. The future belongs to MSPs who can generate predictable pipeline, not those waiting for serendipitous introductions.

But this professionalization requires budget allocation. The rising prominence of "limited marketing budget" as an obstacle (now second place), suggests MSPs recognize investment necessity, but face resource constraints.

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