CRN
ESSENTIAL

MSP
Trends

REPORT 2021
EXECUTIVE SUMMARY

Welcome to the Executive Summary of MSP Trends 2021

We hear a lot about the growth of managed services, but little from end users themselves about what they really think of MSPs and the outsourced services model.

The full version of this CRN Essential report features exclusive data that reveals the good, bad and ugly of how over 300 UK IT decision makers view their MSPs and outsourced IT services partners.

We also sanity checked the data with the CEOs of some of the UK's top MSPs, including Content+Cloud, Air-IT, Arkphire and Clark IT to build a picture of the future of the managed services market.

The good news is that most end users intend to lean more heavily on MSPs in the future, and see the percentage of their IT estates that is managed by third parties rising sharply over the next five years.

On the other hand, not all respondents have had positive experiences with outsourced IT, with one branding their MSP's performance "dreadful". And some of the MSPs we spoke to conceded that the last 14 months has seen the rise of 'Covid discounts', renewed pricing pressure and even some instances of insourcing.

The full version of this report delves into the main factors driving firms to outsource or insource in the current climate, and to what extent Covid and the rise of remote working has shaken up the equation.

It also feature stats showing how these trends are playing out by company size and vertical, as well as qualitative feedback from the 300 respondents.

■ *Doug Woodburn is head of channel research at Incisive Media*

> "We've had a number of clients who we've had to provide what we're calling 'Covid discounts' to. Once we can get out and start showing value again it'll change"
> Austen Clark, Clark IT

> "You need a managed services provider now who's not just looking after infrastructure, but who's able to help organisations move into the cloud world. And it's not just about putting infrastructure in the cloud, but actually enabling those cloud environments to the benefit of the customer"
> Edel Creely, Akrphire Services

> "The only reason we want people back in the office is not because of productivity, or 'big brother' reasons, it's simply because we want people to be culturally aligned, have a good experience, be socially engaged, support new starters and help people develop, and enable cross-functional engagement"
> Peter Sweetbaum, Content+Cloud

> "Pre-pandemic, our contract [prices] were going up, and quality of service was a key part of that. Now the pandemic has hit, customers are looking more at price than quality"
> Todd McQuilkin, Air IT

A happy ending for managed services?

1. Which of these best characterises the industry of which your organisation is a part?

10% Financial services	**9%** Education
7% Media	**7%** Retail
6% Manufacturing	**6%** Telecoms
27% All other	**28%** Other professional

2. How many people does your organisation employ?

42% One to 25	**20%** 26 to 250
15% 251 to 1,000	**15%** 1,001 to 10,000
8% >10,000	

organisations that are seen as the main stomping ground for MSP and IT support companies.

MSP appetite
Managed services is primed by analysts for continued growth

services and outsourcing is positive across all customer sizes and verticals, our figures confirm.

Firstly, we asked respondents whether their appetite for entrusting certain IT functions (such as helpdesk support)

or slightly (25.2 per cent) and just 13.4 per cent saying it had decreased significantly (five per cent) or slightly (8.4 per cent).

The pattern held across all customer sizes (see figure 1a in the 'Size matters' box on page

There is a moment in the first series of US comedy...

in-sourcing functions due to...
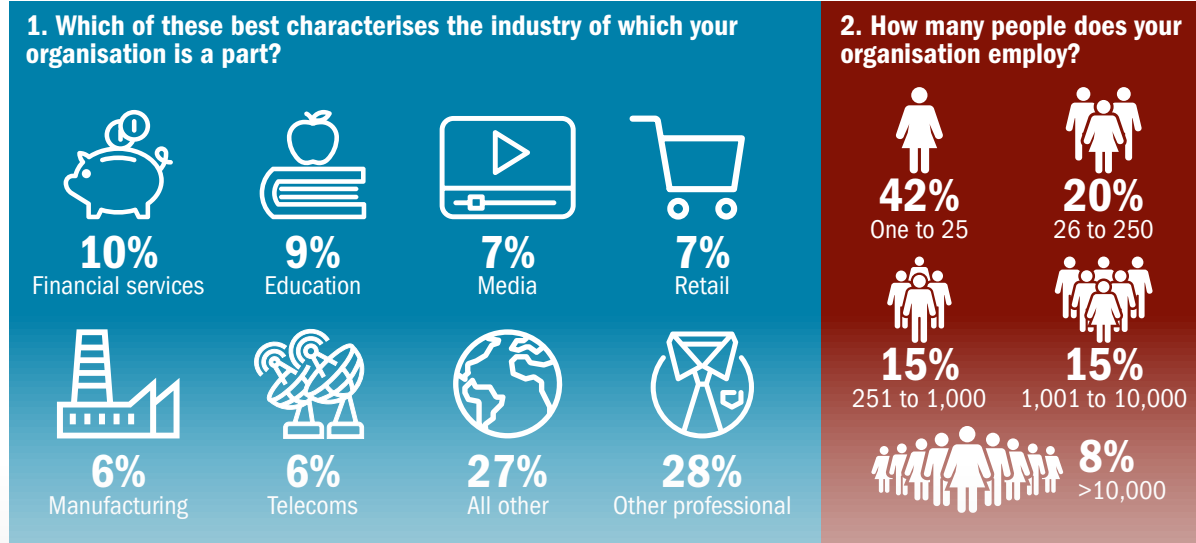
organisations to focus on their...

The full version of this report is available exclusively to *CRN* Essential subscribers

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The full report contains:

■ Analysis of end user appetite for outsourced services, and how this is changing

■ Breakdown of how this varies by customer size and vertical

■ Information on which services they are outsourcing

■ Written feedback from IT decision makers on how they view MSPs and the outsourced services model

■ Analysis of major trends impact MSP sector, with views from leading MSPs

Please contact Jessica.Richards@incisivemedia.com for more information