

# 2021 MSP BENCHMARK SURVEY REPORT

EMEA EDITION



# INTRODUCTION

For managed service providers (MSPs), like about everyone in general, 2020 was an unpredictable year. Since the outbreak of the pandemic, cloud-based solutions have seen a significant growth due to the adoption of remote work by enterprises. Many offline businesses shifted online, leading to a rise in the demand for managed services. In this very uncertain climate, the skillsets, knowledge and expertise of MSPs have become truly essential for businesses to survive.

Moreover, the MSP industry is expected to grow dramatically in the coming years. The global managed services market that was valued at €125 billion in 2020 is expected to reach €226 billion by 2026. <sup>1</sup>

However, the MSP industry in the European market has faced its own share of challenges to survive the impact of the COVID-19 pandemic. In this 2021 MSP Benchmark Survey Report – EMEA Edition, we take a deeper look at the various factors driving the growth of MSPs in the Europe, Middle East and Africa (EMEA) region, the challenges they face, the services they provide and their pricing structures.



# KEY FINDINGS

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Five key themes emerged from the 2021 MSP Benchmark Survey results.



## Three Main Problems for MSP Clients in 2021

MSPs worldwide expect IT security, remote workforce management, and business continuity and disaster recovery (BCDR) to be the biggest problems for their clients in 2021. While security is expected to be the most significant problem for MSP clients in the EMEA region, managing a remote workforce is expected to be a predominant problem in the Americas region.



## Primary Challenge MSPs Anticipate Facing in 2021

Acquiring more customers is the primary challenge most of the MSP respondents (about 42 percent) anticipate facing in 2021. Around 16 percent of MSPs are worried about dealing with advanced and sophisticated security threats.

While customer acquisition is the top challenge worldwide, only 15 percent of EMEA-based respondents said vendors could better support them with “sales and marketing enablement.” This is a significant disconnect. MSPs need better sales and marketing to grow their business. Their vendors and peer groups can help.



## Post-Pandemic MSP Growth Opportunities

The majority of MSPs in the EMEA region believe cybersecurity, digital transformation and cloud migration will present huge opportunities for growth after the pandemic. In the Americas region, cybersecurity and remote workforce setups are seen as major opportunities for growth.



## MSP Services Revenue Growth

Of all service offerings, security services revenue has gone up in the past 12 months for the largest percentage of MSPs (57 percent). For about 56 percent of MSPs, cloud management revenue has gone up.



## Importance of RMM and PSA for MSPs

Remote monitoring and management (RMM) applications are undoubtedly the most important for most of the MSPs (64 percent). Also, the majority of MSPs (76 percent) said that the integration of core applications, like RMM and professional services automation (PSA) solutions, helps their organizations drive better bottom-line profits.

## MEET OUR RESPONDENTS

This report is based on data provided by around 1,000 owners and technicians of MSP firms of all sizes, spread over 50 countries, with 16 percent coming from the EMEA region. Of the remainder, 80 percent are from the Americas region and 4 percent are from the Asia Pacific (APAC) region.

Among the respondents in the EMEA region, 45 percent are from the UK/Ireland, 15 percent from the Benelux Union, 11 percent from Africa, and the remaining are from Southern and Eastern Europe, Middle East, Nordic and DACH regions.

EMEA Region	Respondents
Benelux	15%
Southern Europe	7%
DACH	8%
Nordic	2%
Eastern Europe	3%
Middle East	8%
Africa	11%
UK/Ireland	45%



## MSP Profile

MSPs provide varied IT services. While some specialize in providing certain service offerings, most provide all the services required for IT management. Two-thirds of EMEA MSPs described their profile as general purpose while 13 percent said they consider themselves managed security service providers (MSSPs). About one-fifth of the MSPs described themselves as Network and data-center focused, while the remaining 2 percent are specialized by market vertical.

MSP Profile	EMEA	All Respondents
General purpose	67%	63%
Managed security service provider (MSSP)	13%	19%
Network and data-center focused	14%	11%
Specialized by market vertical	7%	7%

## DETAILED FINDINGS

Below is the detailed analysis of the responses we have received from MSPs in the EMEA region.

### MSP Business Challenges in 2021

The pandemic has brought with it a host of challenges for MSPs worldwide. Acquiring more customers is the primary challenge MSPs anticipate facing in 2021. Dealing with advanced and sophisticated security threats is also going to be a challenge for about 16 percent of MSPs.

Primary Challenge	EMEA	Americas	APAC	All Respondents
Acquiring more customers	42%	44%	35%	43%
Dealing with advanced and sophisticated security threats	16%	20%	21%	19%
Shrinking IT budgets and spending as a result of the pandemic	16%	16%	9%	15%
Supporting remote work for staff and clients	13%	13%	9%	12%
Reduced service offerings to fit shrinking customer budgets	7%	5%	16%	6%
Reduced staffing	7%	3%	9%	4%



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### MSP Customer Problems in 2021

Security is the biggest problem or service need of MSP clients in the EMEA region. When it comes to the Americas region, remote workforce management seems to be the biggest customer problem.



Top three problems for MSP clients in 2021	EMEA	Americas	APAC	All Respondents
Security	54%	58%	51%	57%
Remote Workers	48%	61%	44%	58%
Business continuity and disaster recovery	35%	43%	49%	42%

Other Top Problems	EMEA	Americas	APAC	All Respondents
Digital transformation	32%	16%	49%	20%
Meeting audit and compliance requirements	25%	23%	23%	24%
Managing public cloud adoption/migration/support (IaaS, PaaS, SaaS)	24%	23%	14%	23%
Legacy system replacement	23%	26%	33%	25%
Patching and updating for Windows, Mac and third-party applications on- and off-network	19%	13%	16%	14%
Supporting collaboration platforms (Office 365/Google Apps)	16%	18%	7%	17%
Microsoft Lifecycle Management (e.g., Windows 10 automatic updates)	15%	8%	2%	9%
Support for new business models or markets	8%	10%	12%	10%
Other	1%	1%	0%	1%

## Post-Pandemic Growth Opportunities for MSPs

In the EMEA region, cybersecurity and digital transformation being in demand due to the pandemic, has translated to the biggest growth opportunities for MSPs.

MSP Growth Opportunities	EMEA	Americas	APAC	All Respondents
Cybersecurity	35%	38%	21%	37%
Digital transformation	18%	6%	19%	9%
Cloud migration	17%	19%	23%	19%
Remote workforce setup	14%	21%	19%	20%
Business continuity	10%	12%	16%	12%
Communications setup	5%	3%	2%	4%

## General Managed Services Provided by MSPs

When it comes to services offered, endpoint management, security (e.g., antivirus and antimalware management), patch management and backup management for server and SaaS applications, such as Office 365 and G Suite, are the ones most provided by MSPs in the EMEA region.

### General Managed Service EMEA

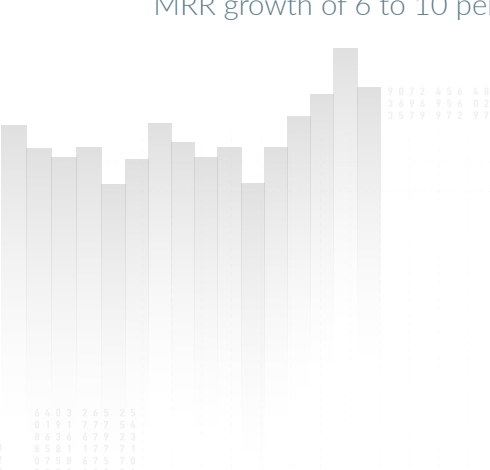
▶▶ Endpoint management (servers, desktops, laptops)	86%
▶▶ Antivirus/antimalware	85%
▶▶ OS Patching and updates	81%
▶▶ Server backup	75%
▶▶ Office 365 or G Suite management	73%



General Managed Service	EMEA	Americas	APAC	All Respondents
Endpoint management (servers, desktops, laptops)	86%	91%	77%	89%
Antivirus/anti-malware	85%	93%	74%	91%
OS Patching and updates	81%	83%	67%	82%
Server backup	75%	85%	58%	82%
Office 365 or G Suite management	73%	81%	58%	78%
Email security (e.g., anti-phishing or anti-spam)	72%	81%	63%	79%
Network monitoring and management	68%	80%	60%	77%
Third-party software patching and updates	62%	64%	58%	63%
Disaster recovery as a service	56%	73%	58%	70%
Identity and access management security (e.g., 2FA, SSO and password management)	54%	59%	47%	57%
Workstation backup	54%	68%	33%	64%
SaaS backup (e.g., O365, G Suite, Salesforce)	51%	58%	40%	56%
Public cloud hosting services (e.g., IaaS, PaaS, SaaS)	45%	45%	40%	44%
Security awareness training	40%	62%	37%	58%
Private hosting services (MSP data center)	39%	34%	33%	35%
Managed detection and response (security operations center)	25%	43%	26%	39%
Dark Web monitoring	25%	53%	37%	48%
Regulatory compliance management and reporting	20%	42%	37%	38%

## MSP MRR Growth

Almost half of the MSPs (44 percent) had an average MRR growth of more than 10 percent over the past three years. One-third (33 percent) had an average MRR growth of 6 to 10 percent.



## Top-tier MSPs

(about 15 percent of respondents)

had more than

**20% MRR**  
GROWTH OVER THE  
SAME PERIOD.



Average MRR growth over the past 3 years	EMEA	Americas	APAC	All Respondents
Less than 0%	8%	5%	5%	6%
0% - 5%	15%	17%	23%	17%
6% - 10%	33%	27%	35%	28%
11% - 15%	20%	20%	19%	20%
16% - 20%	9%	15%	2%	13%
More than 20%	15%	16%	16%	16%

### Status of Service Revenue 2020 vs. 2019

Of all service offerings, the largest percentage of MSPs (57 percent) said security revenue was up compared to 2019. In addition, in 2020 service revenue for cloud management increased for 56 percent of MSPs.

Status of services revenue	Up	Down	Flat	Not Applicable
Security	57%	4%	29%	10%
Cloud management	56%	2%	28%	14%
Infrastructure monitoring and management (including server support)	46%	7%	40%	8%
Desktop support	46%	8%	35%	11%
Network and connectivity support	44%	4%	40%	13%
Business continuity and disaster recovery	38%	3%	41%	18%
Hardware/software resale	36%	14%	35%	15%
Compliance management	29%	1%	40%	31%
Application Management	26%	2%	46%	26%
Mobile device management	26%	11%	34%	29%

We collected data on the percentage breakdown of MSP revenue in certain categories of services —break/fix, BCDR, DevOps, security, hardware/software resale, managed services, private cloud, project based and public cloud. We found that most individual services represent less than 11 percent of total revenue for the majority of MSPs.

For about one quarter of MSPs in the survey, two services represented 11 percent to 20 percent of total revenue — managed services and project-based services.

Percentage of total revenue	Break/fix services	Business continuity/disaster recovery as a service	DevOps (delivering applications)	Enhanced security services	Hardware or software resale	Managed services (subscription based)	Private cloud services (hosting client infrastructure)	Project-based professional services	Public cloud services	Regulatory compliance management and reporting services	Other
0% - 10%	43%	73%	85%	85%	48%	24%	83%	62%	71%	100%	80%
11% - 20%	18%	14%	8%	8%	19%	22%	10%	29%	18%	0%	5%
21% - 30%	13%	12%	8%	8%	24%	22%	5%	5%	5%	0%	5%
31% - 40%	1%	0%	0%	0%	2%	11%	0%	0%	5%	0%	0%
41% - 50%	13%	2%	0%	0%	2%	8%	3%	2%	0%	0%	0%
More than 50%	10%	0%	0%	0%	6%	13%	0%	2%	0%	0%	10%

### MSPs Expand Service Offerings

Of the MSPs surveyed, 91 percent of MSPs — both worldwide and in EMEA — said they believe that frequently adding new service offerings is important for their business.

## Importance of Adding New Service Offerings

New Service Offerings	EMEA
Very important	36%
Somewhat Important	55%
Not very important	7%
Not important at all	2%



Their actions speak to this — 72 percent of MSPs have added as many as five new services to their list of offerings in the past two years.

New services added to offerings	EMEA	Americas	APAC	Grand Total
1 to 3	28%	37%	27%	35%
4 to 5	43%	37%	50%	39%
6 to 7	7%	11%	8%	10%
More than 7	18%	13%	12%	14%
None	3%	2%	4%	2%

### MSP Merger and Acquisition (M&A) Strategy

Of the MSPs surveyed, 35 percent are looking to acquire other MSPs or sell their own MSP within the next 24 to 36 months. A significantly higher percentage (15 percent) of EMEA MSPs are considering selling their business compared to MSPs in the Americas, where only 8 percent are considering selling in this timeframe.

M&A strategy	EMEA	Americas	APAC	All Respondents
We are investigating selling our MSP within the next 24-36 months	15%	6%	15%	8%
We have or are looking to acquire other MSPs within the next 24-36 months	20%	28%	23%	26%
We have no plans to acquire MSPs or sell our MSP	65%	66%	62%	66%

### Applications Important to MSP Operations

In the EMEA region, 68 percent of the respondents think RMM is important to their operations. This is not very different when compared to the global numbers. Globally, 65 percent of all MSPs said that RMM is definitely important to their MSP operations.

Applications most important to your MSP operation	EMEA	Americas	APAC	All Respondents
Remote Monitoring and Management (RMM)	68%	66%	41%	65%
Professional Services Automation (PSA)	15%	16%	18%	16%
IT documentation	10%	14%	35%	14%
CRM	6%	3%	6%	3%
General ledger/accounting	1%	1%	0%	1%

Similarly, 64 percent of EMEA MSPs find the integration of core applications – RMM, PSA and IT documentation solutions – to be important. The vast majority of EMEA MSPs (76 percent) believe the integration of their core MSP applications can help their organization drive better bottom-line profits.

Importance of integration between core MSP applications	EMEA	Americas	APAC	All Respondents
Critical	21%	24%	23%	23%
Very important	43%	48%	50%	47%
Somewhat important	31%	25%	19%	26%
Not important	5%	3%	8%	4%

Do you feel that the integration of your core MSP applications (RMM and PSA) can help your organization drive better bottom-line profits?	EMEA	Americas	APAC	All Respondents
Yes	76%	84%	92%	83%
No, and my core MSP applications are not integrated	17%	5%	4%	7%
No, it doesn't make a difference	7%	11%	4%	10%

## Security and Compliance

As cyberthreats escalate, security and compliance needs keep growing. Below are the security and compliance findings from the survey.

### MSP Business Risk

MSPs realize they have a bullseye on their backs – primarily as a target of cyberattacks. Nearly half (47%) say their business is more at risk today.



How at risk do you feel your MSP business is to cybercriminals compared to one year ago?	EMEA	Americas	APAC	All Respondents
Significantly more at risk	18%	12%	18%	13%
More at risk	29%	25%	41%	26%
About the same	31%	34%	24%	33%
More secure	19%	22%	12%	21%
Significantly more secure	3%	8%	6%	7%

### MSP Customers Looking for Cybersecurity Advice

Of the MSPs surveyed, 71 percent in the EMEA region say that 10 to 20 percent of their clients have experienced at least one cyberattack in the past 12 months.



Percentage of MSP clients that have experienced at least one cyberattack	EMEA	Americas	APAC	Grand Total
10% to 20%	71%	78%	65%	77%
21% to 40%	22%	10%	35%	13%
41% to 80%	4%	7%	0%	6%
More than 80%	3%	5%	0%	4%

Armed with evolving technologies and the advantage of less-secure environments due to the shift to remote work, cybercriminals were more active than ever in 2020.

As a result, a high percentage of MSPs (57 percent) now have their clients turning to them for cybersecurity plans and best practices.



To what extent have clients turned to you for advice on cybersecurity plans and best practices	EMEA	Americas	APAC	All Respondents
All of our clients	15%	20%	23%	19%
Most of our clients	42%	44%	50%	44%
Some of our clients	36%	34%	27%	34%
None of our clients	7%	1%	0%	2%

Also, 86 percent of EMEA MSP clients use as many as five security solutions.

No. of security solutions used by clients	EMEA	Americas	APAC	All Respondents
1 to 3	47%	53%	53%	52%
4 to 5	39%	36%	41%	37%
6 to 7	7%	5%	6%	6%
More than 7	7%	5%	0%	5%

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## Compliance Requirements Impacting MSPs and MSP Clients

In the EMEA region, GDPR impacts more than four out of five MSPs, while PCI DSS and HIPAA impact 28 percent and 17 percent of MSPs, respectively.

Compliance requirements impacting MSPs and clients	EMEA	Americas	APAC	All Respondents
GDPR	81%	20%	53%	30%
PCI DSS	28%	46%	47%	43%
HIPAA	17%	76%	41%	66%
Other	15%	6%	0%	7%
None	15%	11%	12%	12%
SOX	8%	21%	18%	19%
CCPA	6%	13%	6%	12%
CMMC	6%	12%	0%	11%
NIST CSF	4%	28%	6%	23%
DFARs	4%	13%	12%	11%
FINRA	3%	13%	0%	11%
CJIS	3%	8%	12%	7%
NY SHIELD	1%	11%	0%	9%
FERPA	0%	7%	0%	6%

MSP customers continue to face compliance challenges. Nearly three out of four EMEA MSPs said they agree that their clients struggle to meet compliance requirements.

Statement: Our customers struggle to meet their regulatory compliance requirements	EMEA	Americas	APAC	All Respondents
Strongly agree	19%	20%	19%	20%
Somewhat agree	55%	47%	58%	49%
Somewhat disagree	23%	26%	19%	25%
Strongly disagree	3%	7%	4%	6%

Despite the need for compliance services, not many MSPs provide these services currently. Only 39 percent of the respondents in the EMEA region offer compliance services to their customers. However, MSPs are catching up with the demand. About one-third of the EMEA MSPs surveyed said that they plan to offer compliance services within the next 24 months.

## Do you offer compliance services to your customers?



Do you offer compliance services to your customers?	EMEA	Americas	APAC	All Respondents
Yes	39%	56%	29%	53%
No, but we plan to do so in the next 12 - 24 months	31%	29%	47%	30%
We do not offer compliance services and have no plans to do so in the future	31%	15%	24%	18%

### Backup and Disaster Recovery Findings

We received a few mixed results when it came to backup methods used, SaaS backup and disaster recovery testing.

#### Primary Method of Backup for MSPs

The majority of the MSPs surveyed in the EMEA region (69 percent) use a combination of local and cloud backup methods to back up their data. Fewer than one in five MSPs use only cloud backup, and a mere 7 percent rely solely on local backup.



Backup method	EMEA	Americas	APAC	All Respondents
Cloud backup	19%	18%	19%	19%
Local backup	7%	3%	15%	5%
Local and cloud backup	69%	77%	65%	75%
We do not provide backup services	4%	1%	0%	1%

## MSP Clients' SaaS Backup

Almost all organizations have some SaaS applications in their stack. This year, 67 percent of EMEA MSPs back up their clients' SaaS applications like Office 365, G Suite and Salesforce.

Do you currently back up your customers' SaaS applications?	EMEA	Americas	APAC	All Respondents
Yes	67%	70%	65%	69%
No	33%	30%	35%	31%

## Disaster Recovery Testing

Fewer MSPs are testing disaster recovery programs weekly and monthly, however. Many more (36 percent) are testing only annually.

How regularly do you simulate disaster recovery capabilities?	EMEA	Americas	APAC	All Respondents
Annually	36%	29%	29%	30%
Quarterly	26%	30%	35%	29%
Monthly	11%	11%	6%	10%
Weekly	3%	5%	12%	5%
Never	13%	7%	6%	8%
Whenever the environment changes	11%	18%	12%	17%

## PSA Findings

Ticketing, dashboards and integrations with key tools like RMM and IT documentation are the most important features and functions of a PSA solution for MSPs in the EMEA region.

Most important features of PSA	EMEA	Americas	APAC	All Respondents
Ticketing	68%	76%	47%	73%
Dashboards	68%	49%	59%	52%
Integrations with other key tools, for e.g., RMM and IT documentation	65%	62%	35%	61%
Tracking time	44%	56%	29%	53%
Customer relationship management (CRM)	43%	49%	59%	48%
Business intelligence/reporting	42%	38%	47%	39%
Billing	39%	51%	53%	49%
Project management	39%	40%	53%	41%
Standard operating procedures (SOPs)	36%	29%	35%	30%
Other functionality	3%	3%	0%	3%



## MSP Billing Model

Billing models seem to be pretty evenly distributed across the four types we provided in the survey. Of the MSPs surveyed in the EMEA region, 33 percent use a per-user and per-device billing model combination.



Billing model for managed services	EMEA	Americas	APAC	All Respondents
Combination of per user and per device	33%	29%	29%	30%
Per user (all-in seat price)	21%	24%	24%	23%
Per device	19%	23%	18%	22%
Tiered bundles for managed services (e.g. Gold, Silver and Bronze)	22%	20%	29%	20%
Other	4%	4%	0%	4%

## CONCLUSION

Managed service providers have been fortunate to be in a position to help their clients not only survive the pandemic but to find new ways to thrive. There has been a significant increase in demand for managed IT services over the past year. In the EMEA region, cybersecurity, digital transformation and cloud migration are the top three areas of opportunity to drive revenue growth in 2021.

MSPs must leverage an integrated IT management platform that improves operational efficiency and significantly reduces costs. Core components of that platform include unified remote monitoring and management, PSA and IT documentation. This integrated solution will enable them to establish efficient remote management capabilities, streamline IT workflows and secure their clients' IT environments.



# APPENDIX A

## Additional Pricing Data

Below are the current pricing details of the various services MSPs offer their customers.

### Most Frequently Quoted Standard Hourly Rate

In the EMEA region, 40 percent of the respondents quote an hourly rate of €42 to €82 per hour.



Most frequently quoted standard hourly rate	EMEA	Americas	APAC	All Respondents
Up to \$50/hour	19%	3%	35%	6%
\$51 - \$100/hour	40%	12%	18%	17%
\$101 - \$200/hour	32%	70%	29%	63%
\$201 - \$250/hour	1%	5%	0%	4%
More than \$250/hour	0%	2%	0%	1%
We don't have an hourly rate option	7%	8%	18%	8%

### Ongoing Support and Maintenance Charges (Per Server, Per Month)

In the EMEA region, the per-server charge is evenly distributed across the ranges from less than €21 up to €41 per device, per month.

Charge per server, per month for support and maintenance	EMEA	Americas	APAC	All Respondents
\$25 or less/device/month	22%	8%	18%	11%
\$26 - \$50/device/month	22%	14%	29%	16%
\$101 - \$150/device/month	11%	15%	6%	14%
\$51 - \$100/device/month	8%	16%	12%	14%
\$151 - \$200/device/month	1%	11%	0%	9%
More than \$200/device/month	3%	10%	6%	9%
We do not offer per-device pricing	32%	27%	29%	28%

### Ongoing Support and Maintenance Charges (Per Workstation, Per Month)

In the EMEA region, 50 percent of MSPs charge less than €42 per workstation, per month.

Charge per workstation, per month for support and maintenance	EMEA	Americas	APAC	All Respondents
\$25 or less/device/month	33%	18%	35%	21%
\$26 - \$50/device/month	17%	23%	24%	22%
\$51 - \$100/device/month	14%	18%	12%	17%
\$101 - \$150/device/month	3%	9%	0%	8%
\$151 - \$200/device/month	0%	2%	0%	1%
More than \$200/device/month	0%	0%	0%	0%
We do not offer per-device pricing	33%	29%	29%	30%

### Charges for SaaS Applications Backup

In the EMEA region, half of the respondents charge between €0.64 to €3.30 per user, per month for their customers' SaaS applications.

Charge per user, per month to back up your customers' SaaS applications	EMEA	Americas	APAC	All Respondents
Less than \$1/user/month	7%	4%	15%	5%
\$1 - \$2/user/month	23%	16%	23%	17%
\$3 - \$4/user/month	27%	29%	12%	28%
\$4+ user/month	16%	24%	27%	22%
We do not back up SaaS applications	26%	28%	23%	27%

### Cloud Monitoring Service Charges

In the EMEA region, 39 percent of the respondents charge less than €206 on a monthly basis for cloud monitoring services.

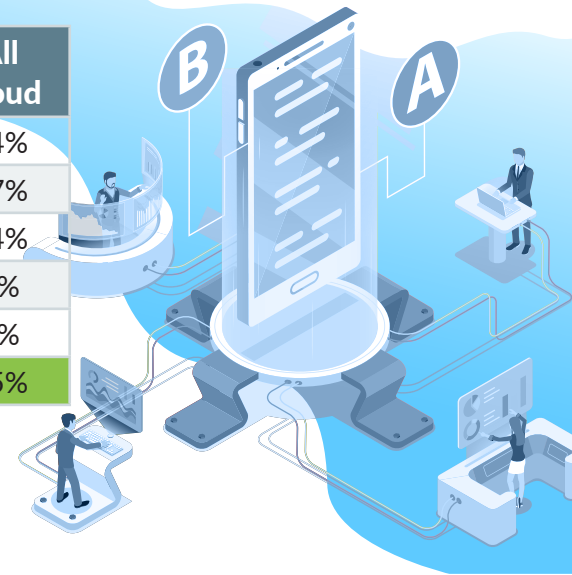
Cloud monitoring service charges on a monthly basis	EMEA	Americas	APAC	All Respondents
Up to \$250 per month	39%	32%	31%	33%
\$251 - \$500	17%	17%	15%	17%
\$501 - \$1,000	8%	12%	4%	11%
\$1,001 - \$1,500	3%	4%	4%	4%
\$1,501 - \$2,000	1%	2%	0%	2%
More than \$2,000	6%	3%	4%	4%
We do not provide these services	25%	31%	42%	30%

### Breakdown of MSP Client Base by Computing Environment

As you might expect for small businesses, most MSP clients have fully on-premises IT environments. However, a fair number have hybrid cloud or on-premises environments.

-  For about half of the respondents (45 percent), more than 50 percent of their client base have an all on-premises environment.
-  For about one quarter of the respondents, more than 50 percent of their client base have a combination of hybrid cloud and on-premises environments.
-  Only 15 percent of MSPs said that more than half of their clients are "all cloud." However, this outpaces Americas-based MSPs by about 4 percent.

Breakdown of client base by computing environment	All on-prem	Hybrid Cloud/ On-prem	All Cloud
0% - 10%	14%	19%	44%
11% - 20%	9%	19%	17%
21% - 30%	11%	13%	14%
31% - 40%	7%	10%	4%
41% - 50%	14%	17%	6%
More than 50%	45%	24%	15%



### Margin Range for Cloud Services

About half of the EMEA respondents have a gross margin range of 11 percent to 30 percent for cloud services.

Gross margin range for cloud services	EMEA	Americas	APAC	All Respondents
Less than 5%	3%	7%	18%	7%
6% to 10%	22%	18%	35%	20%
11% to 20%	22%	25%	29%	25%
21% to 30%	24%	20%	6%	20%
31% to 40%	10%	9%	6%	9%
41% to 50%	4%	5%	0%	5%
More than 50%	8%	5%	0%	5%
We do not offer cloud services at this time	7%	10%	6%	10%

### Ongoing IT Support Charges

Half of the EMEA MSPs charge less than €41 per user, per month for IT support.

Per user, per month charges for ongoing IT support	EMEA	Americas	APAC	All Respondents
\$25 or less/user/month	22%	13%	12%	15%
\$26 - \$50/user/month	28%	18%	23%	20%
\$51- \$100/user/month	16%	21%	23%	20%
\$101 - \$150/user/month	4%	16%	15%	14%
\$151 - \$200/user/month	1%	5%	0%	4%
More than \$200/user/month	3%	2%	4%	2%
We do not offer per-user pricing	25%	25%	23%	25%

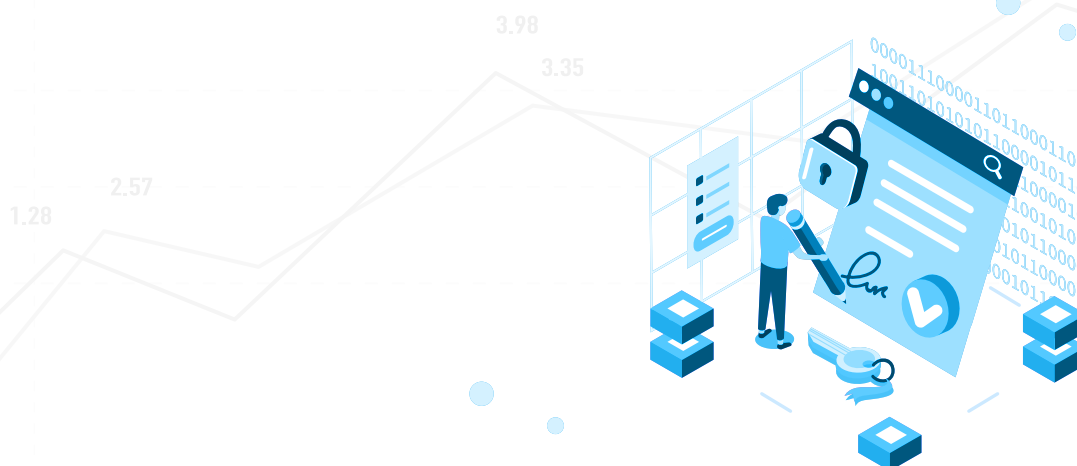
## Average Size of Monthly Managed Services Contract Per Client

In this year's survey, the average size of monthly managed services contract was less than €2,063 for 57 percent of EMEA MSPs.

Average size of your monthly managed services contract per client	EMEA	Americas	APAC	All Respondents
Less than \$1,000	31%	22%	12%	23%
\$1,001 - \$2,500	26%	29%	23%	28%
\$2,501 - \$5,000	9%	24%	23%	21%
\$5,001 - \$7,500	5%	10%	15%	9%
\$7,501 - \$10,000	5%	2%	0%	2%
More than \$10,000	4%	2%	8%	3%
Not applicable	19%	10%	19%	12%

## Percentage of Customer Base Represented by Certain Terms of Managed Services Subscription Contracts

Customer base represented by the following terms of managed services subscription contracts	Less than 1 year	1 year	Between 1 year and 2 years	Between 2 years and 3 years	More than 3 years
0%	47%	31%	36%	37%	36%
1 - 10%	25%	22%	14%	7%	7%
11-20%	6%	15%	13%	7%	2%
21-30%	2%	7%	14%	15%	5%
31-40%	4%	3%	9%	13%	7%
41-50%	1%	7%	7%	12%	13%
More than 50%	14%	15%	7%	9%	29%



# APPENDIX B

## Demographic Data

Get to know our respondents better.

### Company Size

About one quarter of our EMEA respondents are MSPs with fewer than five employees, while 58 percent of MSPs have fewer than 26 employees. A sizable 22 percent of EMEA-based MSPs have more than 100 employees.

### Company Size

Size of the company	Respondents
More than 100 employees	22%
51 - 100	11%
26 - 50	10%
10 - 25	26%
6 - 9	11%
Less than 5 employees	21%



### Endpoints Managed

About 47 percent of MSPs manage between 501 and 5,000 endpoints. Another 36 percent manage fewer than 500 endpoints.

### Endpoints Managed

	Respondents
More than 15,000 endpoints	6%
10,001 - 15,000 endpoints	2%
5,001 - 10,000 endpoints	10%
3,001 - 5,000 endpoints	9%
1,001 - 3,000 endpoints	21%
501 - 1,000 endpoints	17%
101 - 500 endpoints	21%
1 - 100 endpoints	15%

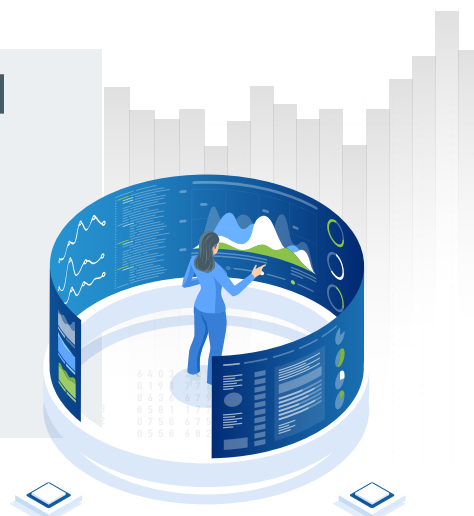


## Individual Client Sites Supported by MSPs

Most survey respondents support a relatively small number of locations (individual client sites). About 53 percent support fewer than 50 individual client sites and about 17 percent support between 50 to 100 individual client sites.

### No. of Individual Client Sites Supported

Individual client sites supported	Percentage of respondents
0 - 50	53%
51 - 100	17%
101 - 200	10%
201 - 500	12%
More than 500	8%



## MSP Customer Size Range

Most MSPs in the EMEA region support relatively small businesses. For more than a third (35 percent) of MSPs, more than half of their customer base is between 1 and 25 users. For the vast majority of MSPs, clients with more than 75 users are less than 10 percent of their customer base.

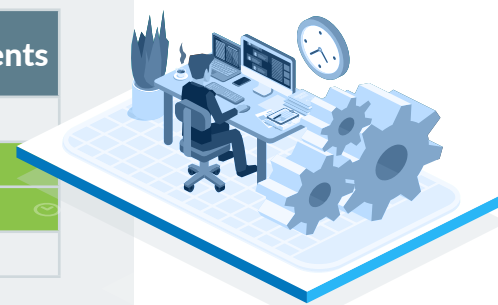
Percentage of customer base	1 - 25 users	26 - 50 users	51 - 75 users	76 - 100 users	101 - 200 users	201 - 300 users	301 - 400 users	401 - 500 users	More than 500 users
0% - 10%	28%	31%	49%	64%	68%	66%	72%	71%	57%
11% - 20%	9%	27%	27%	20%	17%	24%	21%	16%	10%
21% - 30%	13%	20%	17%	12%	5%	4%	5%	6%	6%
31% - 40%	2%	8%	3%	1%	2%	1%	0%	3%	4%
40% - 50%	13%	13%	3%	1%	2%	3%	0%	3%	4%
More than 50%	35%	2%	2%	2%	4%	1%	2%	0%	18%

## Employees in Technical Roles

Technical roles dominate in the EMEA MSPs. About 37 percent of the respondents have more than 75 percent of their employees in a technical role. Another 47 percent have about 50 to 75 percent of their employees in a technical role.

### Employees in a Technical Role

Percentage of employees in a technical role	Percentage of respondents
100%	8%
75% - 99%	29%
50% - 74%	47%
Less than 50%	16%



## Breakdown of MSP Client Base by Operating System

The Microsoft Windows operating system (OS) of course dominates MSP client environments. A relatively small percentage of clients have macOS and/or Linux in the mix.

- Of the respondents, 96 percent have more than 50 percent of their clients using Windows OS.
- Of the respondents, 81 percent have less than 10 percent of their clients using Mac OS and 39 percent have less than 10 percent of clients using Linux.

## Survey Methodology

Kaseya conducted its annual MSP Benchmark Survey in December 2020 using structured questionnaires. To simplify the questionnaires, pricing and revenue information was requested in U.S. dollars and respondents were asked to select from price ranges rather than to specify exact figures.

To provide an indication of trends, the report includes comparable results from 2019 where applicable. Results have been broken down by region where responses differ significantly across geographic areas. All current results are included in the global statistics described as '2020.'

Overall, we've made every attempt to provide the data in a format that is most useful to the widest audience possible. Note that several questions include intentionally generalized data, given that the replies are highly variable (e.g., specific services offered in per-user pricing agreements, certain service contracts offered in remote regions of the world).

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### Sources

1. Managed Services Market - Growth, Trends, Covid-19 Impact, And Forecasts (2021 - 2026), Mordor Intelligence





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