

Kaseya Connect Global 2023: Kaseya is building momentum in the MSP market

May 2023

Joseph Bertran

Kaseya is taking steps to become the preferred vendor for managed service providers (MSPs) while expanding its brand recognition beyond this space. The IT management and security solutions provider made a significant investment to acquire the naming rights for the Miami Heat basketball arena. This move could enhance Kaseya's name recognition beyond the MSP community. In addition, Kaseya has demonstrated its commitment to growth by announcing plans to add 3400 new jobs in Miami over the next 3 years, a notable move at a time when many IT firms are reducing the size of their workforces.

Kaseya's partner event, Kaseya Connect Global 2023, which was held in Las Vegas in April 2023, highlighted Kaseya's commitment to MSPs. Several announcements generated excitement among attendees and recent initiatives suggest that Kaseya is well-positioned to gain a stronger foothold among MSPs and beyond. Kaseya is working to address lingering concerns, particularly related to its acquisition of Datto. Kaseya's strategy is to provide many of the solutions that an MSP needs in one place, but many MSPs are reluctant to commit completely to one vendor. Kaseya will need to continue to build trust to persuade MSPs that it is the right choice for delivering IT services to end-customers.

Kaseya is focusing on four areas that are important to MSPs

Kaseya's Connect Global event highlighted Kaseya's focus on areas that are important to MSPs including cyber security, offering a full suite of solutions, seamless product integration and ongoing support for MSPs.

- Cyber security was prominent throughout the event. Kaseya introduced its Cyber Insurance Fast Track Program in which it has partnered with Cysurance to help MSPs to qualify for cyber insurance at lower premiums. The programme will also allow MSPs to help their end customers to purchase insurance at lower rates. Many small and medium-sized businesses (SMBs) find it challenging to invest in cyber-security solutions, so keeping additional security products at a reasonable cost will be critical to onboarding end customers. Kaseya has also been steadily building its cyber-security offerings, primarily through acquisitions, to establish itself as a security provider. Its portfolio of cyber-security offerings includes Datto EDR, Dark Web ID, BullPhish ID, Graphus, Vulscan, Cyberhawk and most recently Vonahi.
- Kaseya is filling in gaps in its overall MSP offering by continuing to grow through acquisition. The result is a well-rounded suite of solutions for MSPs and IT teams. This effort is a sound strategy considering that many MSPs are looking to consolidate the number of vendors they work with to reduce vendor fatigue. Kaseya announced its acquisition of Vonahi, a pentesting automation company, at the event. Kaseya will reduce the price of the service to MSPs to enable them to increase the frequency of testing among customers. Kaseya also acquired audIT (in April 2023), a sales automation and proposal generation software for MSPs. Kaseya is now offering up to five free licences for new customers and five additional free licences for existing customer to help them to automate and boost their sales activity.



- The IT Complete 2.0 announcement promised integration of all Kaseya (and Datto) solutions into a single platform. Kaseya's goal according to CEO Fred Voccola, is to have "one place with every tool MSPs need at their fingertips." Kaseya claims that all tools within the platform will have a familiar feel so it will be intuitive to work across solutions. The experience of working with different tools should be as seamless as using different products within Microsoft 365, according to Nadir Merchant, General Manager, IT Glue.
- **Increasing support for MSPs was a key focus of the event** and MSPs at the event were generally happy with the announcements and direction Kaseya is going in. It appears that Kaseya is starting to win over some MSPs that were unhappy with the Datto acquisition and concerned about the ransomware attack in 2021. Most of the MSPs I spoke to were excited about upcoming improvements and the company's efforts to support MSPs. Some areas that stood out include the following.
 - Kaseya announced the roll-out of its Remote IT and Security Management (RITSM) Certification Program to support technicians in getting the most out of IT Complete. The 40-hour programme prepares qualified users to provide remote IT and security management services.
 - The partner programme is expanding with additional tiers and benefits. Kaseya is increasing its marketing development funds (MDFs) and adding a new tier to its partner programme to give additional benefits to high-performing MSPs. This is something that many partners had been requesting.
 - MSPs that were previously using Datto solutions are starting to see the benefits of the acquisition. There is a sense that Kaseya is supporting continued development of Datto products and is allowing the solutions to stand on their own. Kaseya has also increased the number of engineers that are working on Datto-specific solutions.

Kaseya will continue to face challenges, but competitors should take notice

Kaseya will continue to face competition from players such as ConnectWise and N-able as well as smaller players offering MSP-focused solutions to smaller MSPs. Kaseya will need to convince some partners that it is a one-stop-shop for MSPs, especially those that are wary of the company's takeover of former competitor Datto.

Even though the MSPs at the event were positive about the direction Kaseya is going, many are still concerned at this relatively early stage of the Kaseya-Datto integration. The MSP market is leaning towards purchasing more of its solutions through a single partner vendor. However, some MSPs are hesitant to commit to one just one supplier. Kaseya will need to work to convince such MSPs that Kaseya can meet their requirements while remaining secure.

MSPs want to protect themselves and their customers from over exposure to risks of working with a single vendor. End customers will also have a say in which solutions MSPs work with. Overall, it appears Kaseya is taking the right steps to continue its growth trajectory in the MSP market by making a name for itself in the mainstream and furthering its efforts to support its MSP partners.

