



# Managed service provider services: North America forecast 2018–2023



Polytimos Kontos

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- 12. MSPs' core target market is businesses with around 10–250 employees in NA, but businesses of all sizes offer revenue growth opportunities
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- 14. Infrastructure is one of the largest and fastest-growing components of MSPs' portfolios, driven by the growing demand for cloud server and networking services
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# MSPs in NA will generate USD120 billion of revenue in 2023, which is around 13% of the total ICT market in the region

The total spend on ICT services in North America is expected to reach USD900 billion by 2023. We expect that MSPs will be one of the fastest-growing routes to market in the region. MSPs’ revenue will increase at a CAGR of 12% between 2018 and 2023 in NA, and their ICT services market share will grow from 10% to 13% during the forecast period.

North America is the largest and most-developed region worldwide in terms of ICT service spend and adoption. We expect that MSPs will become more important as ICT service providers during the forecast period due to increasingly complex ICT ecosystems and businesses migrating to the cloud.

Figure 4: Business spending on ICT services in 2018 and CAGR 2018–2023, by channel, North America

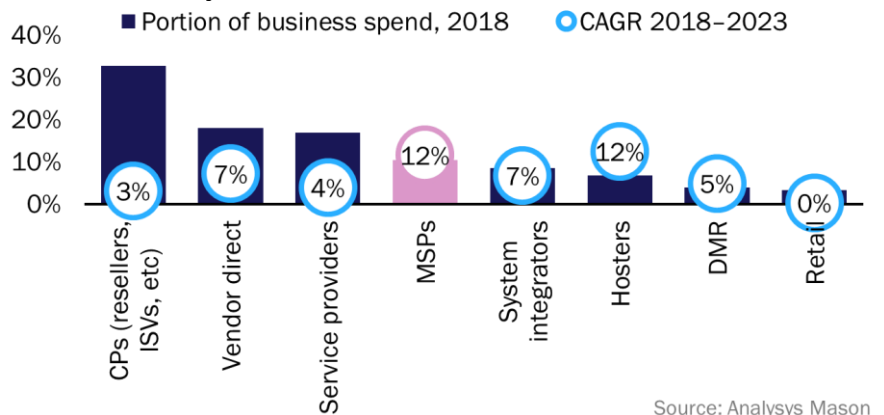
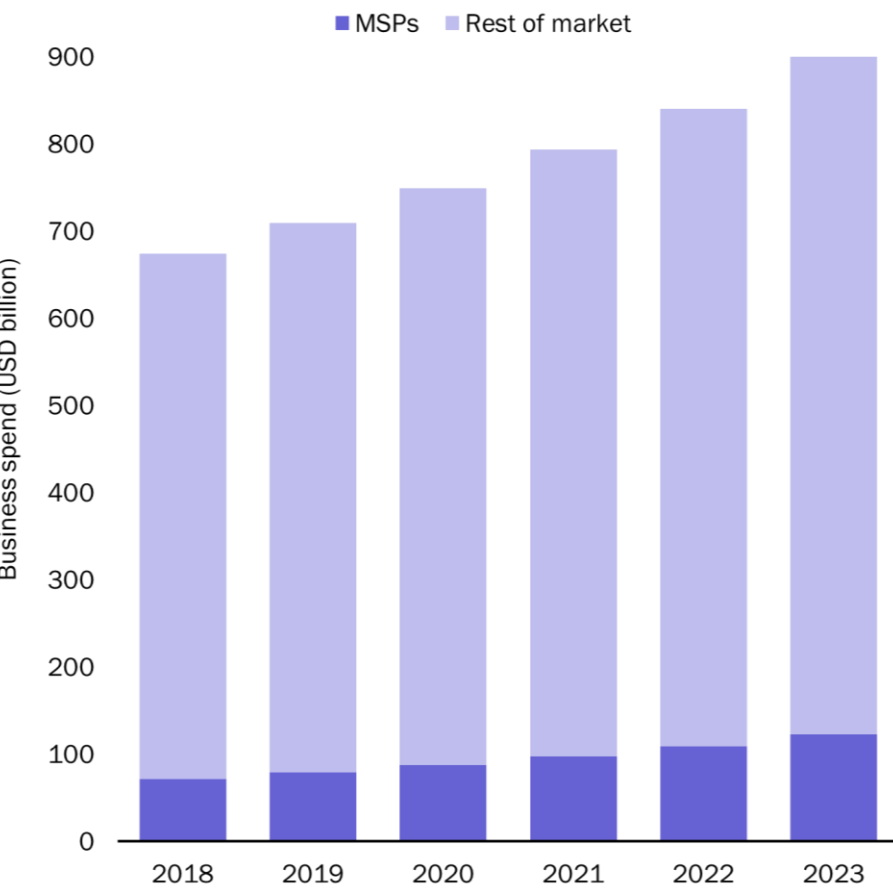


Figure 5: Total business spending on ICT services, and MSPs’ share, North America, 2018–2023



# IT and managed services, infrastructure and business applications account for 78% of MSPs’ revenue in NA and are expected to deliver significant revenue growth

We expect that MSPs’ revenue in NA will grow in all of the level 1 categories considered in this report. However, most of the revenue, and revenue growth, will come from MSPs’ core service categories of IT and managed services, infrastructure and business applications.

MSPs generally have diverse portfolios in order to address a range of client requirements and to capitalise on the widespread revenue growth in the ICT market. Most MSP revenue comes from the core service categories, but other categories will also offer revenue growth opportunities. MSPs in NA will be able to exploit other emerging revenue growth opportunities such as cyber security, collaboration and communication by diversifying their portfolios and providing comprehensive, end-to-end ICT services.

Figure 6: MSPs’ revenue, by level 1 category, North America, 2018–2023

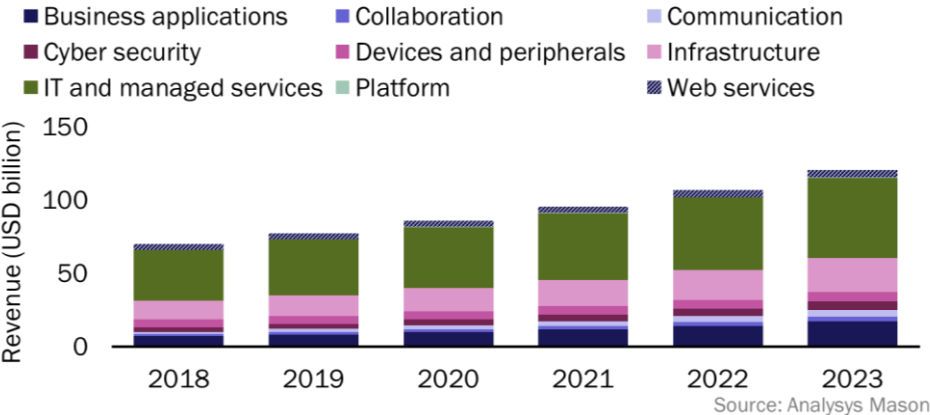
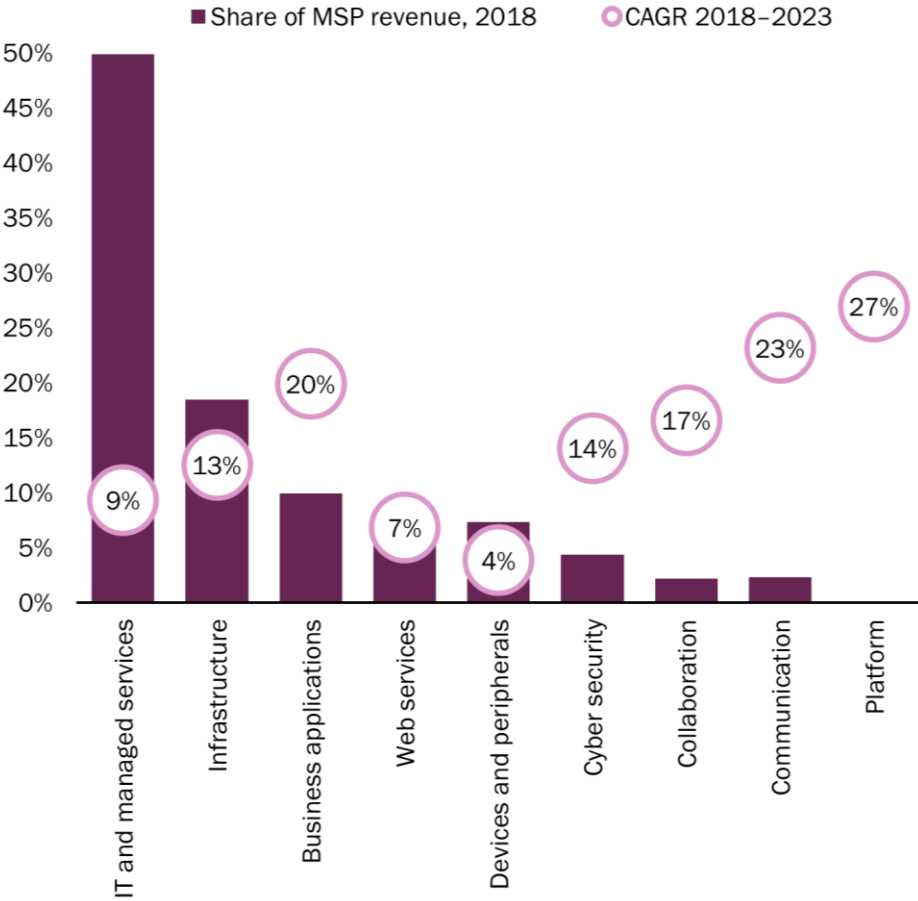


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Source: Analysys Mason



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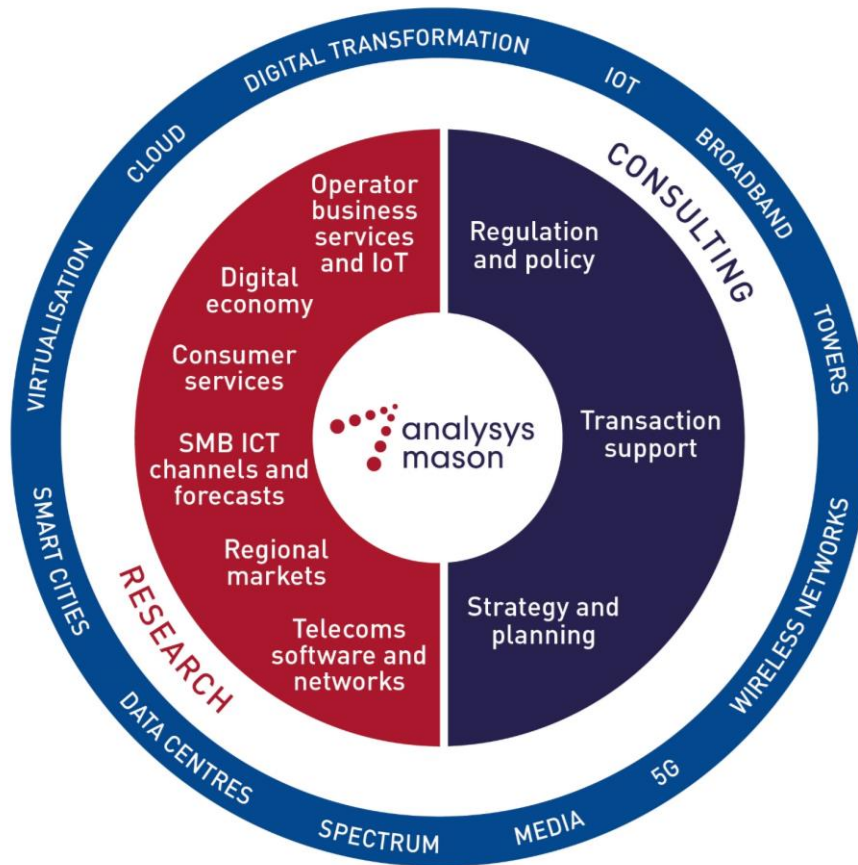
## About the author



**Polytimos Kontos** (Research Analyst) is a member of data research team in London, contributing primarily to the *Telecoms Market Matrix*, *European Core Forecasts*, *European Country Reports* and *Global Telecoms Data* research programmes. Polytimos holds an MSc in Management from London Business School and an MEng in Civil Engineering from University of Patras.

# Analysys Mason's consulting and research are uniquely positioned

## Analysys Mason's consulting services and research portfolio



### Consulting

We deliver tangible benefits to clients across the telecoms industry:

- communications and digital service providers, vendors, financial and strategic investors, private equity and infrastructure funds, governments, regulators, broadcasters and service and content providers

Our sector specialists understand the distinct local challenges facing clients, in addition to the wider effects of global forces.

We are future-focused and help clients understand the challenges and opportunities new technology brings.

### Research

Our dedicated team of analysts track and forecast the different services accessed by consumers and enterprises.

We offer detailed insight into the software, infrastructure and technology delivering those services.

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# Research from Analysys Mason

## Consumer services programmes

Mobile Services  
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Convergence Strategies  
Video Strategies

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Operator Investment Strategies  
Network Traffic  
Spectrum

## Telecoms software and networks programmes

Software Forecast and Strategy  
Telecoms Software Market Shares

## Network-focused

Next-Generation Wireless Networks  
Video and Identity Platforms  
Service Design and Orchestration  
Automated Assurance  
Network Automation and Orchestration  
Digital Infrastructure Strategies

## Customer-focused

Digital Experience  
Customer Engagement  
Monetisation Platforms  
AI and Analytics



## Digital economy programmes

Digital Economy Strategies  
Future Comms

## Operator business services and IoT programmes

Large Enterprise Voice and Data Connectivity  
Large Enterprise Emerging Service Opportunities  
SME Strategies  
IoT and M2M Services  
IoT Platforms and Technology

## SMB ICT channels and forecasts programmes

Managed Service Provider Strategies  
Cyber Security

## Regional markets programmes

Global Telecoms Data  
Americas  
Asia-Pacific  
Middle East and Africa  
European Core Forecasts  
European Telecoms Market Matrix  
European Country Reports

## DataHub

~2500 forecast and 250+ historical metrics  
Regional results and worldwide totals  
Operator historical data

## About AMI-Partners



An Analysys Mason company

**AMI-Partners is a global ICT research and consulting firm that focuses on the small and medium-sized business (SMB) market.**

- AMI-Partners was founded in 1996 and has over 20 years of expertise in the SMB ICT market. It was acquired by Analysys Mason in July 2018.
- Its specialisms include:
  - go-to-market opportunity assessment
  - tracking buying behaviour
  - customer segmentation
  - channel partner ecosystem dynamics
  - sales enablement.
- AMI-Partners has invested over USD50 million in primary SMB research to date, thereby setting a global benchmark.

### The Analysys Mason ICT Global Model



**75 million+ data points**



**130+ ICT business categories**



**52 Countries and  
5 'rest-of-region' areas**



**19 Industry verticals**



**13 Business sizes**



**8 Routes to market**



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