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Managed service provider services: North America forecast 2018–2023

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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

Source: Analysys Mason
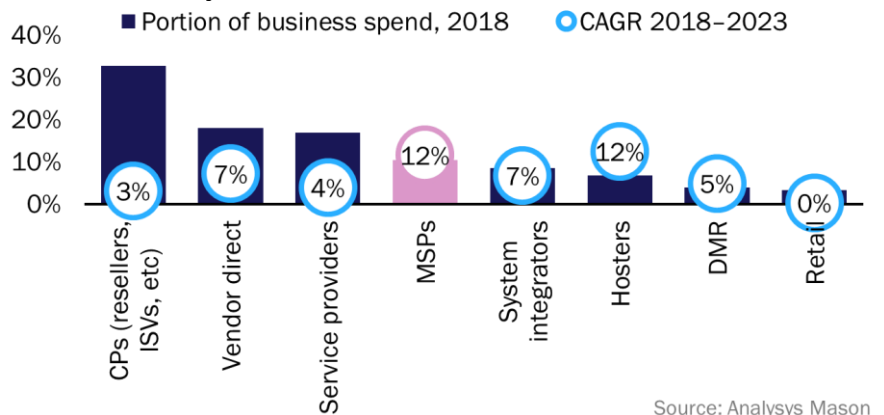
Figure 5: Total business spending on ICT services, and MSPs' share, North America, 2018–2023

Source: Analysys Mason
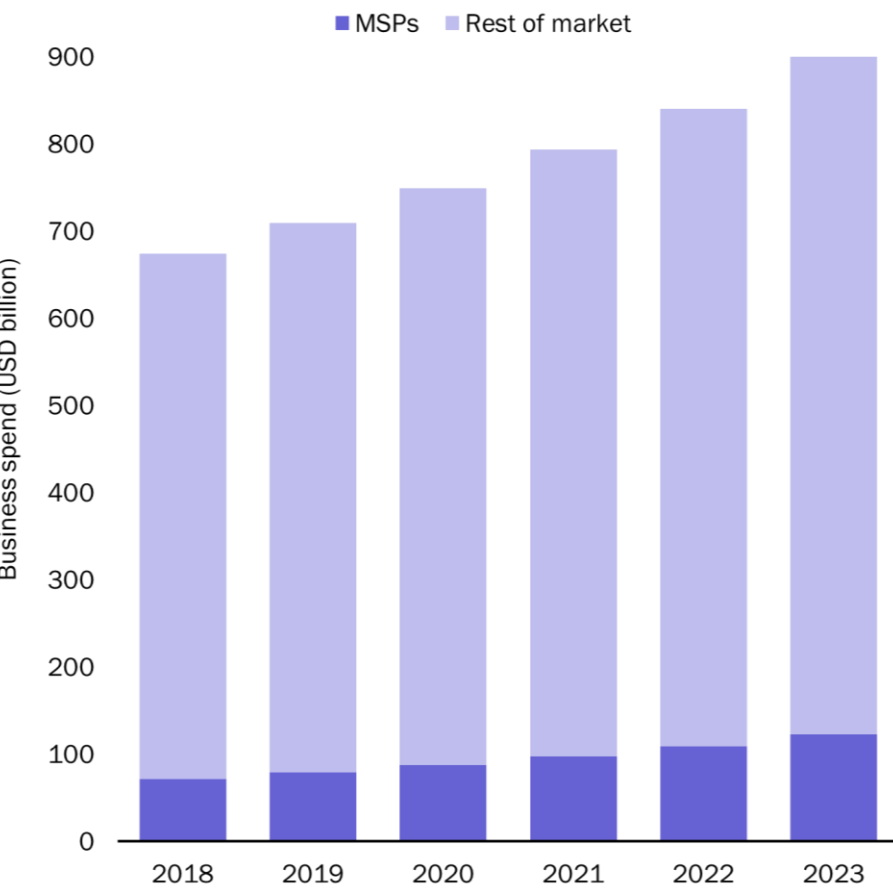
IT and managed services, infrastructure and business applications account for 78% of MSPs' revenue in NA and are expected to deliver significant revenue growth

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

Legend:
- Business applications
- Collaboration
- Communication
- Cyber security
- Devices and peripherals
- Infrastructure
- IT and managed services
- Platform
- Web services

Source: Analysys Mason
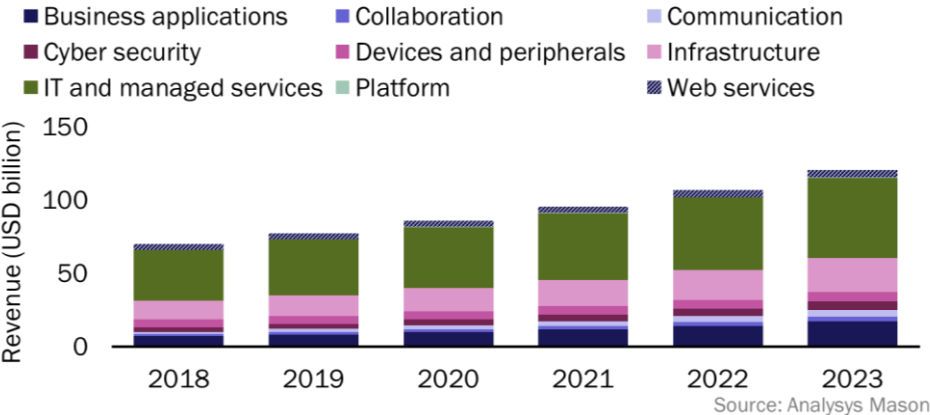
Figure 7: MSPs' revenue in 2018 and CAGR 2018–2023, by level 1 category, North America
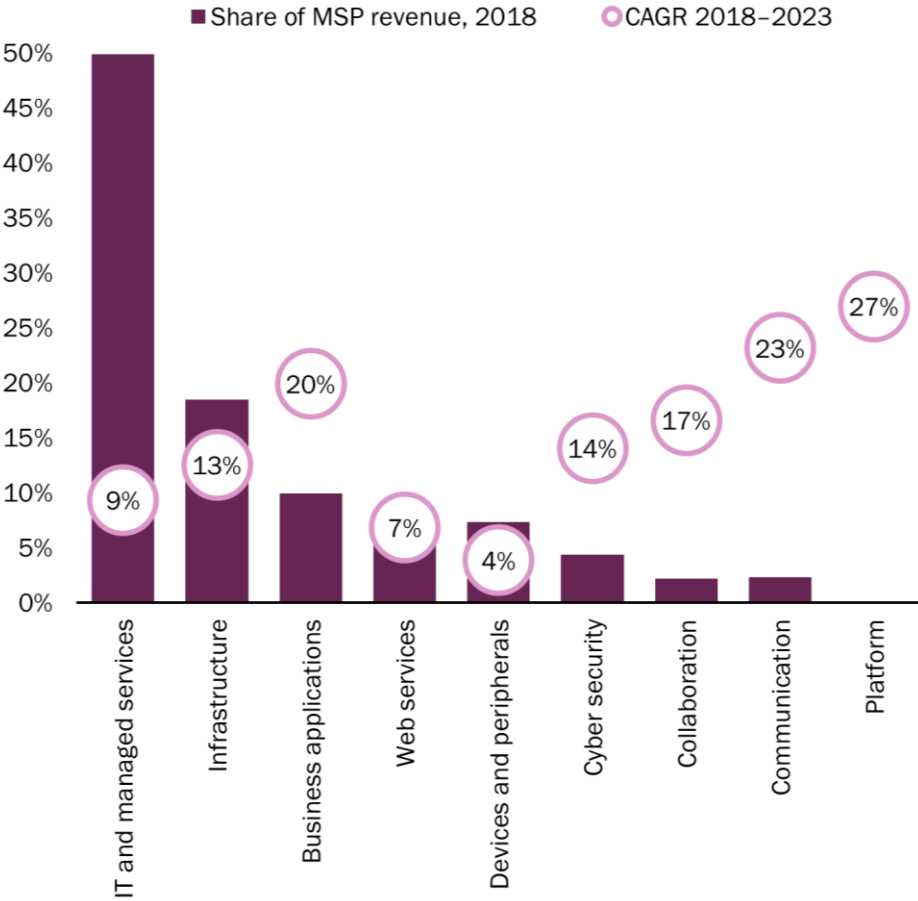
Legend:
- Share of MSP revenue, 2018
- CAGR 2018–2023

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.

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We deliver tangible benefits to clients across the telecoms industry:

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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.

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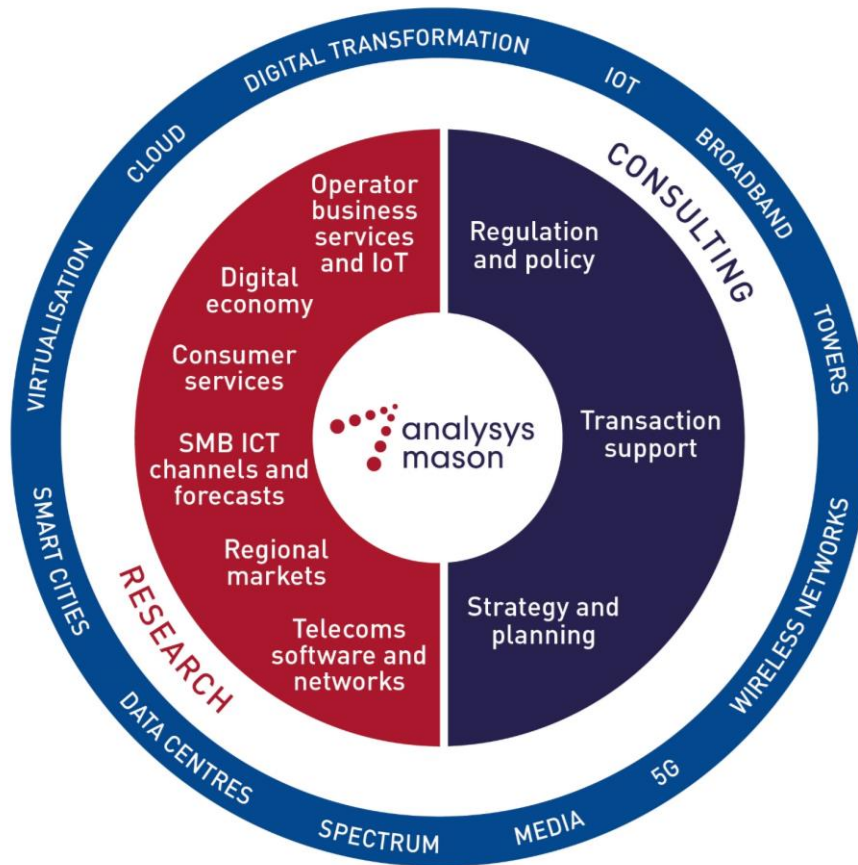Our dedicated team of analysts track and forecast the different services accessed by consumers and enterprises.

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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

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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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