

Managed Service Providers (MSPs) extend services to meet evolving customer demand

[Amsterdam, 30 May 2018] Managed services providers must extend portfolios to provide more services, while narrowing their vertical market focus to add further value. This was the main message from the successful European Managed Services and Hosting Summit 2018 held in Amsterdam on May 29.

Discussions among the 200+ attendees from across Europe were concerned with establishing differentiation to customers while adding to their skills base. The first keynote, from Gartner's research director Mark Paine was all about the key message of change in the industry as it relates to customers. Yes, MSP Services are growing over 35%, but it is not going to last, and the survivors will need a strategy. When customers say that only 5% of managed services firms differ from all the others, then it will pay them to invest in skills and marketing. Otherwise, customers will go with larger, better established providers or ignore them altogether.

But the rewards are waiting for those MSPs who can prove what problems they solve and what makes them special, particularly when the MSP can show how the deal will work and how customers get value, he says. Research shows that product success and aggressive selling carry no weight with the customer, compared to laying out a vision for the customer's own growth and success.

The message on customer relationships was reinforced by input from local MSPs: Roel Knoppers from Netherlands' based myBrand told the Summit that "his customer surveys are not about SLAs but how the customer feels" as he promoted his message on building customer relationships.

European lawyer Ieva Andersone, from Baltic legal specialist Sorainen, identified that the compliance issue, including GDPR, was all about companies establishing trust. She also warned that the GDPR framework, while grabbing the headlines, was itself subject to "national peculiarities" in how individual countries enabled its legislation that and a lot more new compliance rules, some affecting business use of data, were being looked at across Europe, which might soon start to affect the use of public data.

With merger and acquisition activity high in the managed services sector and consolidation being driven by a fight for skills and for scale, technology M&A experts Hambleton's director Jonathan Simnett was quick to point out the opportunities. He said that in the last year, financial investors have returned to tech company buying and this was driving up valuations in certain sectors, including automotive tech and e-commerce. What defined the value of an MSP in particular was not its status so much as the vertical markets it was addressing. "Get that right and multiples soar," he told the conference.

With platinum sponsor Datto keen to broaden its message from backup to data resilience, and security still a key concern discussed by platinum sponsors Avast and Watchguard, there was plenty of opportunity for MSPs to learn about adjacent business areas. ConnectWise also indicated that it was continuing to invest in building out its management platform through links to other applications.

After just 30 months in Europe, platinum sponsor Cogeco Peer1's EMEA VP and GM Susan Bowen pointed to its success both as an MSP and as a partner for MSPs. "The journey to the cloud is ever more complex," she said. "Perhaps it should be called the maze to the cloud. There are so many choices to be made and each choice needs a decision, probably budget and contains risk." So customers are looking for help and advice, that can only come from a focused supplier, she said, reinforcing the main message of the event.

Press Release

The event provided a chance to hear from and talk to the most innovative vendors currently driving growth in Managed Services via the channel including: Avast Business, Cogeco Peer 1, ConnectWise, Datto, Fujitsu, WatchGuard, Altaro, CA Technologies, Duo Security, Identity Maestro, Kaspersky Lab, Park Place Technologies, RapidFire Tools, TOPdesk, Walhalla, Continuum, EG Innovations, Kaseya, LeaseWeb, LIREX, Login VSI, SolarWinds MSP, Sonic Wall and StorageCraft.

The next in the Managed Services Summit series of events, the UK Managed Services & Hosting Summit, will be held in London on 19 September 2018. MSPs, resellers and integrators wishing to attend the summit and vendors, distributors or service providers interested in sponsorship opportunities can find further information at: <http://www.mshsummit.com/>

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