

A Canalys special report

The platform economy: a guide for MSPs

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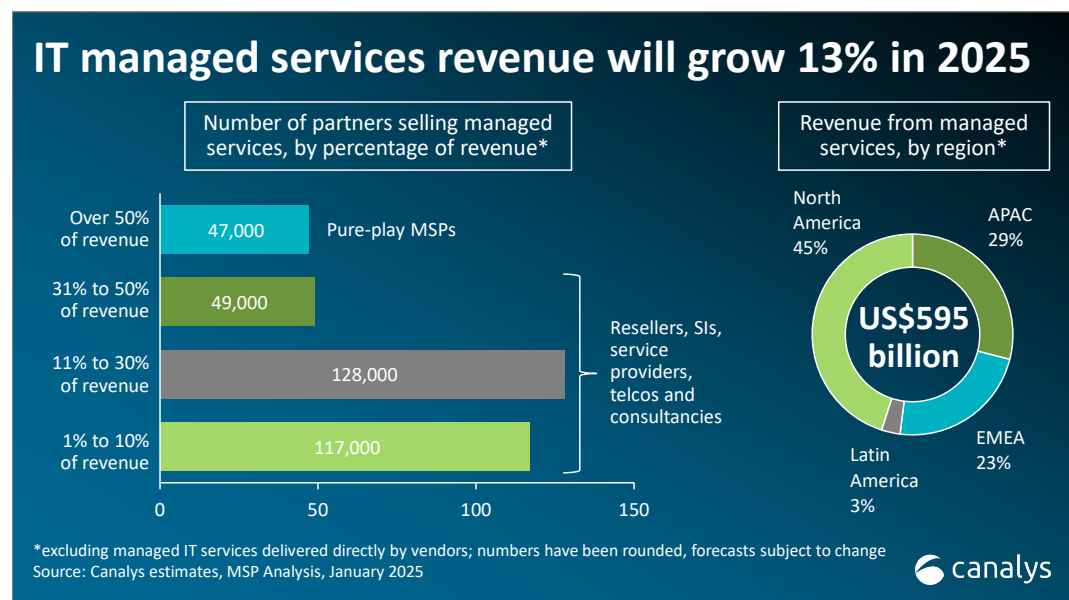
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The platform economy has fundamentally reshaped the way we live, work and consume. From ride-hailing services to online marketplaces, platforms have disrupted traditional industries and created new opportunities for businesses and individuals alike. To thrive in this dynamic ecosystem, understanding the key principles and strategies for success is essential.

As the technology industry moved into the cloud era, we have seen powerful platforms serve buyers in new ways. The SaaS industry, focused on business applications, has spawned over 250,000 different companies competing for different buyers. There has been a natural roll-up of a small number of large platforms that serve these buyers and help orchestrate services partners, technology alliances and digital marketplaces. Companies such as Salesforce, ServiceNow, Workday, Marketo, NetSuite and HubSpot have capitalized on this trend.

In the cloud infrastructure market, three hyperscalers have moved away from the pack and built powerful platform multipliers for different types of partners to be successful. A similar trend happened in cybersecurity in 2024, as a small number of powerful platforms formed inside the 6,500 vendors competing for the US\$97.5 billion hardware and software security market.

The expansion from edge computing to hybrid to cloud has created a large opportunity for managed services providers to offer even more customer value across a growing and more complex infrastructure. Customers will spend US\$595 billion on channel partner managed services in 2025, exceeding the spending on SaaS at US\$420 billion and cloud infrastructure at US\$399 billion.



Cybersecurity services have been a natural extension to this opportunity as MSPs add two dollars of services on top of each dollar of software and hardware product. These services are also growing faster than the products (13% versus 11%), and managed security services even faster (15%).

There are even more growth opportunities for MSPs in the years ahead as generative AI will be a true edge-to-cloud solution, with most business data still residing on-premises. This data will need to be extracted into data lakes and then cleansed, indexed, inferred, trained and tuned into large language models. The skills needed for this, combined with additional cloud infrastructure and business application skills, will provide the foundation for the next decade of double-digit growth in this industry.

Understanding the platform economy

At its core, a platform is a digital infrastructure that facilitates interactions between two or more distinct groups. These groups, often referred to as “sides”, can include vendors, distributors, customers and the partners they trust. Platforms such as [ConnectWise Asio](#) create value by connecting these sides, providing advanced automation, tighter integrations and the power of generative AI. These platforms also serve customers to, through and with MSPs with co-marketing, co-selling, co-innovation, co-development and retention activities, in addition to a robust global transactional system.

To win in the platform economy, MSPs, vendors and distributors must focus on the following key principles:

1. Network effects

- **Critical mass:** Attract a large number of users to the platform to create a virtuous cycle and provide new growth opportunities, both with existing and new clients.
- **Foster interdependence:** Encourage users to rely on each other, making the platform more valuable as it grows. Engaging with a new digital-first buyer is less linear than in the past and a platform must be able to connect moments of value. Platforms enhance already strong communities, such as IT Nation.
- **Leverage data:** Utilize user data to improve the platform’s functionality and personalize the user experience. The promises of generative AI show up in the future of these platforms – being able to orchestrate these moments of value without manual work. Point solutions hit a threshold of productivity at a certain point and then offer diminishing returns, while a platform continues to expand.

2. Platform design

- **Intuitive user experience:** Create a seamless and enjoyable user experience that minimizes friction. The technology industry is getting infinitely more complex for MSPs, and the ability to serve customers who rely on more layers of a solution with more vendors and partners needs a straightforward design and powerful architecture.
- **Clear value proposition:** Articulate the unique benefits that the platform offers to all sides. Customers, partners, vendors and distributors all need to extract value from the platform. The economics change from a pure margin model to a multiplier model where customers are delighted before, during and after the transaction, and partners, vendors and distributors benefit from sticky customers for life that keep

enriching their outcomes. MSPs are best suited to these long-term benefits as they serve the customer month in and month out forever.

- **Efficient matching mechanisms:** Develop algorithms that optimize matches between customers and providers. Platforms are driven more by the “multiplier” opportunity, which encompasses the spin-off services that partners can execute more effectively (and efficiently) than customers can themselves. Matching the right vendor solutions based on a customer’s job role, industry, location, capabilities, technical solution and best economic model requires the processing of trillions of permutations and combinations.

3. Governance and trust

- **Establish trust:** Build trust with customers through transparent practices and strong security measures. A platform must be reliable, repeatable and scalable for all sides to benefit. Simplified contracting, service workflows, invoicing, billing and payments drive compliance and governance, and reduce time and friction in manual tasks.
- **Fairness and transparency:** Maintain fair and equitable policies for all participants. Platforms can reduce the multiple layers of customization and unique services that have slowed down MSPs in the past and created unprofitable customer engagement. More “off the shelf” processes, logic and solutions drive efficiency and growth as well as better customer satisfaction over the long term.

4. Continuous innovation

- **Iterative development:** Platforms such as Asio have years of development and real-world testing behind them and significant roadmaps for innovation. Based on MSP and customer feedback and data insights, these platforms can continue to evolve and stay in front of the rapid change this industry is known for.
- **Embrace emerging technologies:** Platforms tend to stay ahead of the curve because they are leveraging emerging technologies such as generative AI, machine learning and marketplaces. With the core objective of serving all sides of the network, from customers to partners to vendors to distributors, platforms will ensure that all boats continue to rise equally.
- **Foster a culture of innovation:** The economics of partnering are changing from the linear, point-of-sale-focused past to a broader value chain that measures and manages moments of customer value from the very early stages of the buying journey through the initial point of sale and every renewal afterwards. This potentially creates a cycle that may never end and MSPs are uniquely positioned to win in this environment.

Conclusion

Winning in the platform economy requires a combination of strategic thinking and technological innovation and a deep understanding of MSP and customer needs. Partners and vendors should be encouraged to employ creativity and experimentation within their organizations as platforms take us through the next generation in the technology industry.

Asio is a comprehensive IT management platform designed specifically for MSPs. It provides a unified data layer that integrates various ConnectWise products and third-party applications, enabling seamless data flow and advanced automation capabilities. It deploys a unified data layer that connects disparate tools, leverages AI-powered insights to recommend actions and automate routine tasks, enables collaboration across different tools, scales to support new and larger workflows, and, importantly, offers robust security measures to protect sensitive data.

The next generation of successful MSPs is looking for improved efficiency in processes, enhanced productivity on high-value work, better data-driven decisions through AI, stronger security postures and, in the end, more differentiation against a growing competitive base.

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