MSP made easy

Why and how to add security
to your portfolio

Kaspersky
United

Becoming an MSP – or adding security to your portfolio - is easier than you think

> "With Kaspersky, we have a real competitive advantage over other IT service companies. We have the customers, they have the solutions, we bring the two together and it's a great success."

Erwin Hotting,
Commercial Director,
Nemesys Group

With multiple reports highlighting the global managed IT services market's rapid double-digit growth, and security its fastest growing segment, what's your take on the opportunities this presents?

Are you an IT reseller thinking about offering easy-to-sell subscription-based security for the first time? A value added reseller (VAR) wanting to enhance your product offering with multi-award-winning security? A systems integrator (SI) looking for a white-label security solution to integrate with your existing hardware, software, storage and networking products?

If so, becoming a managed service provider (MSP) with Kaspersky is easier than you think.

And what if you're an established MSP in need of a trusted partner who doesn't make extending your portfolio into security feel like starting your first day at school again? Or one with the global presence and expertise needed to guide you to becoming a security service specialist?

Either way, with Kaspersky you just complete an online form, choose your local distributor and you're good to go.

So let's make this as easy as we can.

- If you're a reseller, VAR or SI, you'll find straightforward answers to your questions about managed services – including security - in our introduction to **all things MSP**.

- If you're an established MSP who simply wants to know the benefits of our award-winning **MSP program** and **MSP-ready security**, you can jump straight to those sections instead.

- Whatever your business, we hope you'll find this guide helpful and informative - and we're already looking forward to welcoming you to our **MSP family**.

MSP: what's it all about?

If you're new to the market, MSPs are typically IT specialists who remotely and proactively manage one or more aspects of a customer's IT infrastructure on a subscription basis.

Typical customer profile

MSPs are mainly used by small and medium-sized businesses (SMBs) with limited in-house IT capabilities, who view an MSP's service offering as the best way to obtain IT expertise.

Larger enterprises may also contract with MSPs – for example if they're facing budget pressures, hiring limitations, or simply can't find skilled personnel to supplement their in-house IT staff.

In either case, the MSP subscription model gives customers of all sizes the advantage of access to skilled resources and predictable IT support costs. And, because MSPs take a proactive approach, they can help to prevent IT problems occurring and disrupting business operations.

To meet these needs, an MSP typically:

- Provides IT services to customers in return for a regular monthly fee.

- Serves mainly SMB customers.

- Provides services on a subscription model which enables customers to account for these through operating expenses (OpEx) rather than capital expenses (CapEx).

- Offers the flexibility to up- and downscale customer licenses, without the need to commit to minimum quantities or extended periods.

- Uses automation tools like Remote Monitoring and Management (RMM) and Professional Services Automation (PSA) to simplify and manage service delivery.

MSP market opportunity

According to research published by **Research and Markets**, the global managed services market is expected to grow to US$731 billion by 2030 with a CAGR of 13.4%.

In particular, the managed security segment is expected to register the highest CAGR over the forecast period, owing to the adoption of managed security services in end-use industries due to benefits such as security monitoring and management, email threat management, restoral management and backups, and support and maintenance management.

These findings are amplified by Kaspersky's own research[1], which found that the top reasons to use MSPs / managed security service providers (MSSPs) are requirements for specialist expertise (52%), financial effectiveness (50%), meeting compliance requirements (49%), efficiency in delivering cybersecurity solutions (45%) and scalability (44%).

[1] Source: MSP market focus in 2021

What's in it for you?

Everybody wants to get involved in a market growing at a rapid 13%+, and using security as the means to achieve this makes the proposition even more attractive. So if you're currently a reseller or VAR, what difference could becoming an MSP make to your business?

If you're a **reseller**, you probably focus on finding and customizing products to meet the needs of specific projects, and offering reactive (break-fix) support, potentially supplemented by hourly-based professional services. This is likely to generate a gross profit of around 50%, while Kaspersky figures suggest 34% of your customers will be longstanding ones.

If you've evolved your business into a **VAR**, you've probably consolidated your tools and moved your contracts to a proactive model delivering recurring revenue. As a result, you'll be generating a gross profit of around 50-75%, while our figures suggest 53% of your customers will be longstanding.

So what happens if you take your business to the next level by offering monitoring, automation and security based on a flat fee model, and acting as a trusted advisor and/or virtual CIO? As an **MSP**, you could boost your gross profit even more, and we'd expect 63% of your customers to be longstanding.

You'd therefore benefit from a mix of predictable recurring revenue, higher profitability and, by delivering greater value, increased customer retention and the ability to attract more new customers. And, with the right tools, you'd be able to save time and resources by standardizing and managing all customers from a single console. So what's not to like about that?
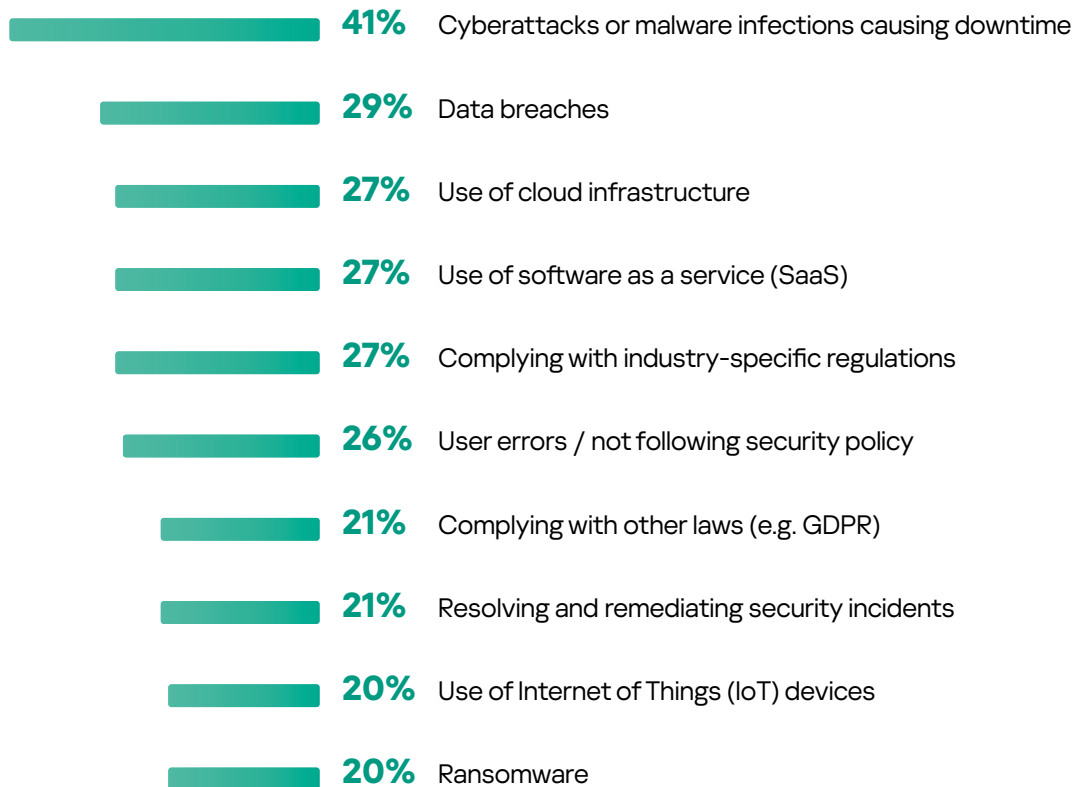
What are customers looking for?

Assuming these figures sound compelling enough for you to be considering getting into managed services, what are your potential customers looking for from an MSP?

In our report, MSP market focus in 2021, we talked to a variety of MSPs ranging from traditional IT service providers and large IT services companies to highly automated MSPs and MSSPs.

When we asked them about the Top 3 unsolved IT security challenges faced by their customers, the most often mentioned responses were:

41% Cyberattacks or malware infections causing downtime

29% Data breaches

27% Use of cloud infrastructure

27% Use of software as a service (SaaS)

27% Complying with industry-specific regulations

26% User errors / not following security policy

21% Complying with other laws (e.g. GDPR)

21% Resolving and remediating security incidents

20% Use of Internet of Things (IoT) devices

20% Ransomware

That's a lot of opportunities for MSPs who offer security to address their customers' most challenging pain points.

Why security fits the MSP model

Even from this brief introduction, it should be pretty clear why, if you're thinking about offering managed services, security is a great place to start.

To summarize:

- The global managed services market is expected to grow to US$731 billion by 2030 with a CAGR of 13.4%.

- Cybersecurity is currently the fastest growing segment.

- Security is ideally suited to the subscription model preferred by MSPs.

- Benefits of offering security as an MSP include predictable recurring revenue, higher profitability and, by delivering greater value, increased customer retention and the ability to attract more new customers.

As a result, it's hardly surprising that 93% of MSPs are looking to expand their IT security offering[2].

So now that we've whetted your appetite, all you need to do is identify a vendor with an award-winning MSP program and MSP-ready security product line.

Kaspersky's award-winning MSP program

Kaspersky was awarded Best Managed Services Partner (MSP) Program in Channel Partner Insight's 2020 MSP Innovation Awards Europe. And in both 2020 and 2021, Canalys named us a Champion of channel management in their Global Cybersecurity Leadership Matrix. So we know a thing or two about the challenges facing MSPs and how best to address them.

MSP challenges

In our MSP market focus in 2021 report, when we asked MSPs about their Top 3 challenges, those mentioned most often were competition from other service providers (32%), demanding clients and users (30%) finding new customers (30%), maintaining profitability (29%) and attracting and retaining staff (28%).

But while these challenges are typical of almost any business, the others on the list were far more specific.

These were the complexity of the solutions we offer (21%), dealing with vendors / distributors (18%), the trend towards cloud infrastructure (17%), maintaining data security across our clients' increasingly distributed infrastructure (15%), and too many separate systems / platforms involved to efficiently serve clients (14%).

Other general MSP needs include granular payment with an OpEx budget (monthly service), flexibility to add / drop customers or change conditions, the ability to manage multiple products from a single multi-tenant console for upsell and working with customers, process automation from license management to product operations, integration with tools like RMM/PSA, granular reporting, and help with onboarding new customers (including training and marketing).

So whether you're dipping your toe in the water or a seasoned MSP, all these issues, capabilities and how vendors address them are well worth considering when selecting your security partner.

Dan Driezen
ESW IT Business Advisors quote supplied

[2] Source: MSP market focus in 2021

What MSPs want from security vendors

To help them successfully deal with the issues outlined above, our report found that when asked about the Top 3 things MSPs look for from IT security software vendors, those most often mentioned were:

45% Competitive pricing

41% Quality of protection in tests

36% Ability to offer additional services (e.g. cybersecurity awareness training, malware analysis)

34% Vendor reputation

33% Additional functions / products for different needs (e.g. encryption, patch management)

27% Profitability / level of margin

22% Offers innovative technology (e.g. 'next-gen', 'AI-driven')

22% Quality of training and certification given to our staff

20% Ease of management and integration with our tools e.g. RMM system

9% Support of vendor account managers

7% Presales / marketing support offered

5% Simple license purchasing and management (i.e. from vendor's own console)

How our MSP program meets these needs

Kaspersky's MSP approach is based on three pillars:

- **Solutions and expertise:** we provide a comprehensive portfolio with premium support, and integrations with key RMM and PSA platforms.

- **Simple and flexible licensing:** with monthly subscriptions, aggregate license discounts and pay-as-you-go billing.

- **Ease of doing business:** no upfront investments, no contract, no minimum license requirements, and dedicated account managers to support you throughout your MSP journey.

Flexible financial and development opportunities

- Aggregated, tier-based pricing for monthly subscriptions. The more you sell, the better your endpoint price and the less you pay.

- Pay-as-you-go billing for monthly subscriptions on a daily basis, and annual billing for annual subscriptions.

- Silver, Gold and Platinum partner status – all attracting higher margins.

- Wide-ranging upsell and cross-sell opportunities across the whole Kaspersky portfolio.

Benefits of our subscription business model

- Turn CapEx into OpEx with no upfront commitment or investment, and predictable monthly recurring revenue for more accurate budgeting and forecasting.

- Flexible license management lets you scale up and down with pay-as-you-go billing, keep up with customer demand and rapidly add new technologies.

- One activation code forever reduces administration overhead.

- Acquire more customers faster, and increase loyalty as customers only pay for capabilities they need (no upfront charge), you can be more adaptable to their demands (increasing value) and reduce customer churn through continuous engagement.

Increased profitability

- Expand your range of security service offerings with our comprehensive portfolio.

- Increase your revenue per customer with a myriad of upsell / cross-sell scenarios.

- Enjoy better margins and aggregated billing discounts - so you get more revenue for the same effort.

Improved productivity

- Simplify day-to-day management and operations with MSP-ready product consoles and third party integrations.

- Reduce your vendor management overheads by consolidating with a unified security solution provider.

"It's not lost on us that a multinational business such as Kaspersky, a world leader in cybersecurity, really cares about our business and wants to work closely with us to help us succeed."

Brian Oleksiuk
President and Founder
Oxygen Technologies

Easy license management

You can order Kaspersky subscription licenses through your distributor's marketplace or our License Management Portal (LMP), which also lets you:

- Manage all your customers, licenses, ordering and billing through a single dashboard.

- Choose between monthly pay-as-you-go or annual subscriptions, or a combination of both.

- Track real-time license usage and consumption.

- Trial new products and spot up-sell opportunities highlighted by customer usage reporting.

- Use the same set of credentials across all Kaspersky portals including our Partner Portal, LMP and product consoles.

- Streamline license ordering, management and reporting for subscription-focused resellers including Cloud Service Providers (CSP), Hosting Providers and SaaS resellers.

Rapid technical support

- Choice of standard or premium technical support to prevent unexpected downtime.

- Dedicated account manager, with MSP-specific expertise, on-hand to give advice.

- Your critical issues solved with the highest priority.

- Support for 5 premium incidents included when you join.

Sales support and training

- Fast and efficient automated on-boarding.

- Online sales, technical training and product webinars to help turn your team into cybersecurity pros.

- Wide range of resources including dedicated product and marketing materials, thought leadership and competitive battlecards.

MSP-ready security

Where do you want to start?

The sections above should have given you a clear picture of the opportunities presented by the MSP market and how our award-winning MSP program helps you make the most of these. But what if you've never sold security before? Where do you start?

Let's say you're currently providing IT services meeting customer needs like network, infrastructure, helpdesk, backup, disaster recovery, etc. and using third-party automation tools like RMM and PSA. Let's also assume that you don't have any in-house IT security expertise (either technical or sales), you're short on resources (hardware, staff or time), and so you're looking to add security services without any pain.

Our MSP Foundation Security Services let you start with simple out-of-the-box services focusing on easy-to-sell security for endpoints, mail, Microsoft Office 365 etc. These use default security profiles and best practices, integrate with third-party automation tools, and let you provide self-supporting security services based on advanced built-in features.

Not only are they easy to position, sell and manage, they also give you a solid basis on which to start developing your own delivery capabilities, growing your business, and advancing through the levels in our MSP partner program.

Kaspersky Endpoint Security Cloud and Kaspersky Endpoint Security for Business

Our **most tested, most awarded** product range meets the needs of B2B customers from the smallest micro-businesses to the largest global enterprises. And two of our products are particularly well suited to the needs of MSPs: Kaspersky Endpoint Security Cloud and Kaspersky Endpoint Security for Business. So which is best for you and your customers?

Kaspersky Endpoint Security Cloud

- Leverages our cloud native Business Hub to deliver SaaS-based security requiring no capital investment.

- Capable of being managed by IT people, its simplicity and service automation give you an ideal way to get started in IT security.

- Manages 5-1,000 nodes, including multi-tenancy and best practice security profiles.

- Provides next-gen endpoint protection for desktops, servers and mobiles; technologies including ransomware and mail protection; and options such as patch management, encryption, shadow IT discovery, protection for Microsoft Office 365, anti-phishing, anti-malware and more.

- Three tiers available – Cloud, Cloud Plus and Cloud Pro.

> "It's important to me that I stay in the elite level of the Kaspersky MSP program because I value the opportunity to have early access to new products and new thinking, to test new technologies and to be involved in the creation and feedback process."

Martin Dubreuil
Director of Consultancy Services
B2B Cyber Secure

Kaspersky Endpoint Security for Business

- Ideal for MSPs with larger customers and greater compliance requirements.

- Uses Kaspersky Security Center to deliver SaaS or on-premises options including advanced management, reporting and dashboards.

- Advanced multi-tenancy and service customization from basic to advanced services, including securing hybrid infrastructures.

- Delivers next-gen endpoint protection for desktops, servers and mobiles, ransomware protection and more.

- Two tiers available – Select and Advanced.

- Optional additional integrations include cloud workload protection (public and private cloud), incident detection and response (EDR), threat hunting and managed incident response (MDR).

Rebranding and white labelling

Both these solutions offer the opportunity for MSP rebranding or white labelling, including your own logo, name, color scheme etc.

Integration with RMM and PSA tools

To ensure they're MSP-ready, both Kaspersky Endpoint Security Cloud and Kaspersky Endpoint Security for Business integrate with RMM and PSA tools.

- RMM tools enable automation, management and remote control of IT infrastructure including endpoint management, monitoring and alerting, patch management, running scripts, backup, disaster recovery and (optionally) managed antivirus. So not surprisingly, 70% of MSPs make use of RMM to automate the management of their clients' endpoints and infrastructure[3].

- PSA tools let MSPs automate activities such as contract and asset management, billing and invoicing, ticket workflow and helpdesk, CRM capabilities, reporting and analytics.

Kaspersky's RMM integrations include centralized security dashboard, automated remote agent deployment, automated virus scan and database updates for tools such as ConnectWise Automate, N-able N-central and N-able N-sight RMM.

Our PSA integrations include automated billing and reporting, automated ticketing creation, closure upon completion, and a single invoice for all services (including security) for tools such as ConnectWise Manage®.

[3] Source: MSP market focus in 2021

Opportunities to enhance and expand your offerings

The Kaspersky product range covers everything from small office security to extended detection and response (XDR), and industrial cybersecurity to automated security awareness training.

To make these solutions as easy as possible for you to position, sell and support as you progress along your MSP journey, we've adopted a stage-by-stage cybersecurity approach.

This is designed to clarify which level of security and which specific solutions best suit a particular organization. The stages provide a set of easily managed threat protection measures coordinating seamlessly with one another, and offer a cybersecurity roadmap assuring a smooth transition from one IT security maturity level to another when the time comes.

Our step-by-step cybersecurity approach includes:

- **Kaspersky Security Foundations** – essential core of cloud-based, automated protection for all devices, VDI and hybrid server infrastructures, before organizations advance seamlessly to …

- **Kaspersky Optimum Security** - for organizations requiring more specialized security against highly sophisticated threats, before effortlessly implementing our third tier …

- **Kaspersky Expert Security** – for organizations with mature IT security teams combatting the most complex targeted attacks.
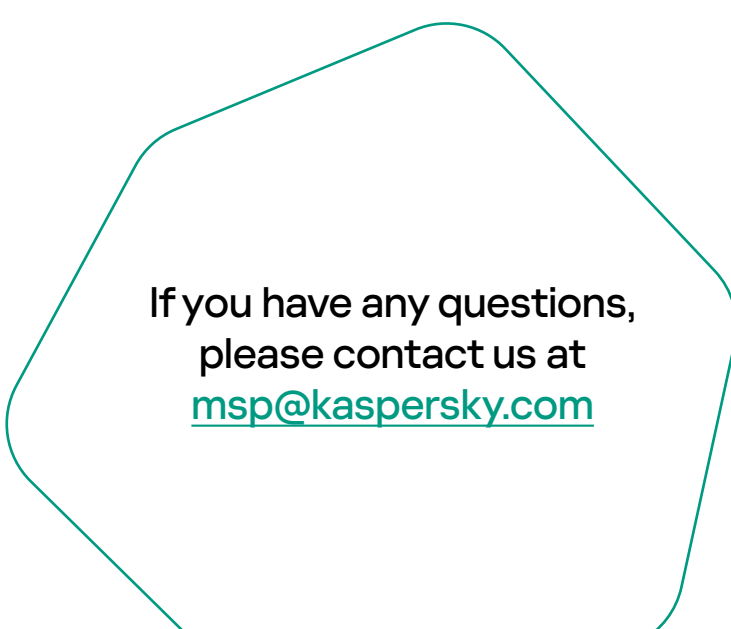
Good to go?

If you're a reseller, VAR or SI, you want to get selling as quickly and easily as possible. And if you're an established MSP, one of the many things you know more about than anybody else is how to sell and deliver managed services. So why should security be any different?

Despite what you might read or hear, adding security to your portfolio doesn't have to be difficult. Nor (unless you want it to) does it have to require you to immerse yourself in the detailed security needs of your customers, join an academy, or spend time you don't have getting up-to-speed with the intricacies of a vendor's product portfolio.

That's because any partner who provides managed services and first-line customer support can become a Kaspersky MSP partner. So with our MSP-ready security, you're already **good to go**.

1. Register for the program at **partners.kaspersky.com**

2. Select a distributor in your region

3. Start placing orders through the LMP or your distributor's marketplace

4. Complete our sales and technical MSP training within the 90 day grace period

5. **Welcome on board!**

If you have any questions, please contact us at msp@kaspersky.com