

## **Europe Managed Services Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)**

Market Report | 2023-01-23 | 120 pages | Mordor Intelligence

### **AVAILABLE LICENSES:**

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

### **Report description:**

The Europe managed services market is expected to register a CAGR of 11.6% during the forecasted period.

#### Key Highlights

Artificial technology and cloud management address various functional business requirements and managed services and assist with the efficient operation of the organization at a low cost without sacrificing the caliber of the work produced. The key market participants are making investments in the creation of new items and the diversification of their product offerings. They are also conducting research and development efforts to provide dependable and affordable services.

The Europe automotive industry is entering a period of radical change, with the vehicles being produced expected to be connected, autonomous, shared on-demand, and electric. The emergence of autonomous driving will have challenges, including huge data volumes required for training AI and real-time decision-making systems. Service providers, like Fujitsu, offer solutions that will decrease data volumes and manage them in a distributed fashion, where only the relevant data is collected.

Major players are setting up public cloud setups in Europe to empower businesses. For instance, Microsoft announced its plans to deliver two new cloud regions in Germany, to equip more organizations and companies in Europe and worldwide to transform them digitally with public cloud solutions. These new regions will offer Microsoft Azure, Office 365, and Dynamics 365 full functionality features, enterprise-grade security, and other features to help customers meet compliance and regulatory requirements.

IoT has forced companies to reevaluate how customers access information and develop a strategy to best reach them. Millions of new gadgets connect to the Internet every year, making it practically impossible to understand the already complex landscape and the integration challenges and cyber threats provided by many channels. Managed service providers can improve security for each tier of the IoT ecosystem at this point. A managed service provider (MSP) may enable firms to harness IoT for innovation and stay on the cutting edge of technology by providing qualified resources and round-the-clock support services.

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scott-international.com](mailto:support@scott-international.com)

[www.scott-international.com](http://www.scott-international.com)

Moreover, the pandemic has also revealed gaps in organizations' disaster recovery plans (DRP) and business continuity plans (BCP). Most of these plans could not address the pandemic, forcing organizations to scramble to transition their IT infrastructure to accommodate a distributed and remote workforce. The pandemic highlighted the importance of monitoring technology and services in detecting security incidents before they cause operational risk. Honeywell announced to launch of the Honeywell Advanced Monitoring and Incident Response (AMIR) service in June last year. The service provides operational technology (OT) cybersecurity detection and rapid response for current and emerging cyber threats 24 hours a day, seven days a week. On the flip side, Although the managed services provide excellent benefits, the specific challenges, like reliability concerns, may obstruct the market's growth over the forecast period. The process of hiring an MSP to host critical business infrastructure involves the belief that the providers' business may endure the relationship with them. In case of any failure by the providers to sustain the competition in the market, the enterprises relying upon them may have to entirely replace web hosting, emails, calendars, and other critical pieces of infrastructure, without which it is not possible to conduct business.

## Europe Managed Services Market Trends

### Increasing Shift to Hybrid IT

With digital transformation in the region, organizations have become dependent on the success of creative applications and extensions that IT could provide. It has become a critical competitive edge for most organizations. Moreover, IT outsourcing has become more than a simple cost-reduction technique with cloud migrations and cloud service options. Therefore, this new form is driven by organizational motivations regarding business growth, customer experience, and competitive disruption.

The increasing demand for cloud outsourcing indicates that European companies prefer cloud platforms from public sources for data storage purposes. Also, businesses operating over the cloud will likely be concerned about security threats and will eliminate all possible threats by outsourcing IT security services. This way, the demand for expert knowledge of the vendor will be required, along with an easy delegation of responsibilities.

According to Eurostat, the use of cloud computing among EU enterprises increased, particularly in retail trade, from 36% in 2020 to 41% in the previous year. Such figures further suggest the increasing adoption of IaaS and SaaS in the European region and would, in turn, increase the demand for hybrid cloud in the market. Additionally, according to Eurostat, The rate of cloud adoption varies widely between nations. On the one hand, last year, the Netherlands (65%), Denmark (65%), Sweden (75%), and Finland (75%) were the EU countries with the highest cloud computing adoption rates among businesses. On the other hand, the nations with the lowest rates of cloud adoption include Bulgaria (13%), Romania (14%), and Greece (22%).

Further, distinction in offerings amid multiple players' presence has led to the development of specialized teams. Other than developing technical teams, new contract models turn IT outsourcing and services value-driven and interpersonal. Moreover, hardware has been the most visible part of any information technology infrastructure. Equipment such as computers, tablets, and printers are being used to capture data, transform it, and present it to the user as output.

Bring-your-own-device (BYOD) and the Internet of things (IoT) have pushed the growth of cloud adoption, as cloud-based solutions are being leveraged primarily to derive value from the data generated by IoT. This is supported by the public, private, and hybrid cloud models. In addition, the legacy IT infrastructure of enterprises may have to rely on the cloud to connect with IoT devices. Besides, organizations realize several drawbacks of public and private cloud services. They are looking for a hybrid approach that provides advantages of both architectures, minimizing the drawbacks in each model. As a result, there is an emerging trend of integrating two or more applications running on private and public systems, i.e., hybrid cloud hosting services.

### Managed Security Account for Significant Market Share

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

To maintain a competitive edge, organizations across Europe, irrespective of their sizes, are increasingly relying on managed service providers to ensure the usage of technology to transform and scale businesses. Managed security service providers are adding value to their portfolio of offerings by providing the right expertise, solutions, and pricing models. Managed security service is an emerging field in the dynamic business space of the region. Service providers are setting up managed security operations centers (SOC to deliver security and support services. Most service providers deploy their own unified security management platform for customers to provide security information and event management) and other monitoring solutions (SIEM).

The growing cyber security threats due to the increase in the development of technologies have led the government to invest in cyber security and MSSP. For instance, In August 2020, the German government signed up to create an agency to protect the country's cybersecurity. The defense minister described the project, initially funded with EUR 350 million (USD 412 million), as a milestone next year. The agency is to coordinate innovative research on cybersecurity and help turn it into practicable approaches to combat cyber threats.

Fully managed to host services, including server installations and setup, approved software installations according to customer requirements, security monitoring, software updates and management, data backup and protection, and a slew of other services. Many enterprises in Germany, especially startups and SMEs, are looking for such solutions. These services offer the opportunity for SMEs that need more capital to keep and maintain their servers on-site, need an appropriate IT team, or are time-constrained due to the demands of their business operations.

The rise in data breaches in the region is expected to drive the managed security services and enable managed security vendors to develop new products to capture the market share. For instance, according to tour shark, with over 22.3 million data breaches in the third quarter of the current year, Russia led all of Central and Eastern Europe (CEE) countries. Ukraine and Montenegro came in second and third, respectively.

To empower the thriving startup ecosystem in the country, many French majors, like Dassault Systems, are offering packaged solutions (software-as-a-service (SaaS), platform-as-a-service, PaaS, and infrastructure-as-a-service (IaaS)) that can be easily deployed with tailored offerings for startups to augment growth. The French government decided to use the services of outsourcing non-critical data to an external cloud provided by Orange Business Services after realizing the benefits of using the cloud, which is perfectly suited to capacity fluctuations (thereby empowering the government with the flexibility required to implement new services more quickly).

## Europe Managed Services Market Competitor Analysis

The Europe managed services market is fragmented as the market studied is dominated by international players with a strong client base. Additionally, companies are employing powerful competitive strategies to sustain themselves in the market and retain their clients, intensifying competitive rivalry. Key players are Fujitsu Ltd, IBM Corporation, Cisco Systems, etc. Recent developments in the Europe Managed Services market are -

In October 2022, Nokia announced that it would lead the Hexa-X-II project, the second phase of the European 6G flagship initiative. The creation of the pre-standardized platform and system view will be the foundation for numerous contributions to future 6G standardization. This new phase will increase the number of Hexa-X partners to 44 organizations. Ericsson is named technical manager for Hexa-X-II as part of the announcement. Assisting in coordinating several work packages on radio evolution and innovation, future devices and flexible infrastructure, smart network management and values, requirements, and ecosystem, are Orange, TIM SpA, TU Dresden, University of Oulu, IMEC, and Atos.

In October 2022, the mobility technology firm Wunder Mobility, based in Hamburg, received an extra EUR 12 million (USD 12.76 million) in funding from several investors, including KCK and Blumberg Capital. With the most recent funding, the German business is now the best-funded supplier of software and hardware for companies that operate fleets of e-bikes, e-scooters, e-mopeds, and vehicles for vehicle-sharing operators.

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Additional Benefits:

The market estimate (ME) sheet in Excel format  
3 months of analyst support

**Table of Contents:**

1 INTRODUCTION

- 1.1 Study Deliverables
- 1.2 Study Assumptions
- 1.3 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET DYNAMICS

- 4.1 Market Overview
- 4.2 Introduction to Market Drivers and Restraints
- 4.3 Market Drivers
  - 4.3.1 Increasing Shift to Hybrid IT
  - 4.3.2 Improved Cost and Operational Efficiency
- 4.4 Market Restraints
  - 4.4.1 Integration and Regulatory Issues and Reliability Concerns
- 4.5 Value Chain Analysis
- 4.6 Industry Attractiveness - Porter's Five Forces Analysis
  - 4.6.1 Threat of New Entrants
  - 4.6.2 Bargaining Power of Buyers/Consumers
  - 4.6.3 Bargaining Power of Suppliers
  - 4.6.4 Threat of Substitute Products
  - 4.6.5 Intensity of Competitive Rivalry

5 MARKET SEGMENTATION

- 5.1 By Deployment
  - 5.1.1 On-premise
  - 5.1.2 Cloud
- 5.2 By Type
  - 5.2.1 Managed Data Center?
  - 5.2.2 Managed Security?
  - 5.2.3 Managed Communications?
  - 5.2.4 Managed Network?
  - 5.2.5 Managed Infrastructure?
  - 5.2.6 Managed Mobility?
- 5.3 By Enterprise Size
  - 5.3.1 Small and Medium Enterprise?s
  - 5.3.2 Large Enterprises
- 5.4 By End-User Vertical

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 5.4.1 BFSI
- 5.4.2 Manufacturing
- 5.4.3 Healthcare
- 5.4.4 Retail
- 5.4.5 Other End-user Verticals
- 5.5 Country
  - 5.5.1 United Kingdom?
  - 5.5.2 Germany?
  - 5.5.3 France?
  - 5.5.4 Rest of Europe?

## 6 COMPETITIVE LANDSCAPE

- 6.1 Company Profiles
  - 6.1.1 Fujitsu Ltd
  - 6.1.2 Cisco Systems Inc.?
  - 6.1.3 IBM Corporation?
  - 6.1.4 AT&T Inc.?
  - 6.1.5 HP Development Company LP
  - 6.1.6 Microsoft Corporation?
  - 6.1.7 Verizon Communications Inc.?
  - 6.1.8 Dell Technologies Inc.?
  - 6.1.9 Nokia Solutions and Networks?
  - 6.1.10 Deutsche Telekom AG?
  - 6.1.11 Tata Consultancy Services Limited?
  - 6.1.12 Citrix Systems Inc.?
  - 6.1.13 Wipro Ltd
  - 6.1.14 NSC Global Ltd
  - 6.1.15 Telefonica Europe PLC

## 7 INVESTMENT ANALYSIS

## 8 MARKET OPPORTUNITIES AND FUTURE TRENDS

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

**Europe Managed Services Market - Growth, Trends, Covid-19 Impact, and Forecasts  
(2023 - 2028)**

Market Report | 2023-01-23 | 120 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

**ORDER FORM:**

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

\*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-02-27"/>
		Signature	

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

