

FREE INDUSTRY REPORT • MSP & TECH PROVIDER EDITION • 2026

THE MSP MONEY PIT

8 Costly Pitfalls Draining Your Time, Budget & Revenue
Right Now

Real data. Zero fluff. Actionable fixes.

Find out where your business is leaking money and exactly how to stop it.

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INTRODUCTION

You Built a Business to Grow It. Not to Babysit Broken Systems.

Here's the uncomfortable truth: most MSPs and technology providers are unknowingly hemorrhaging time and money through the very tools, vendors, and processes they rely on every day.

It's not laziness. It's not bad management. It's the compounding effect of tool sprawl, redundant subscriptions, misaligned vendors, and meeting cultures that eat your week alive. Actual revenue-generating work keeps getting pushed to the back burner.

In this report, we break down 8 of the most common and most expensive pitfalls facing MSPs and technology providers today. Every stat is sourced. Every fix is real. At the end, we'll show you exactly how 10Talent Tech's vendor-neutral approach helps you stop the bleed.

■ Who This Is For

MSPs, technology providers, operations leads, and IT directors who feel like they're always busy but never quite getting ahead. If your stack is growing faster than your margins, this report is for you.



More tools doesn't mean more power. It means more chaos.

The average MSP or technology provider now runs between 8 and 20 different systems, each with its own login, dashboard, alert queue, and update schedule. What started as solving one problem at a time has quietly become an unmanageable ecosystem of overlapping platforms.

TOOLS PER MSP

8–20+

Average active systems in a modern MSP stack (Auvik MSP Benchmark Report 2024)

CYBERSECURITY ALONE

36%

of MSPs and technology providers use more than 10 security tools for just one service area

VENDOR COUNT

29 Vendors

Organizations average 83 security tools from 29 vendors, creating massive overlap

DOUBLING DOWN

7% to 16%

MSPs and technology providers using 20+ monitoring tools doubled between 2022 and 2024 (Datto State of MSP 2025)

- Every new tool is a new onboarding, a new renewal, and a new point of failure.
- Technicians waste time context-switching between platforms instead of resolving tickets.
- Management loses visibility as data lives in silos across a dozen different dashboards.



PITFALL #2

Shelfware & Unused Subscriptions

Paying for tools your team hasn't opened in months.

ANNUAL SAAS WASTE

\$18M+

Average annual wasted SaaS spend per organization (Zylo 2024 SaaS Management Index, \$34B+ analyzed)

LICENSE USE RATE

49%

Only 49% of provisioned software licenses are actively used. Half sit idle.

UNUSED INSTALLS

37%

of all installed software is never used, costing \$259 wasted per desktop in the US alone

4-YEAR LOSS

\$30 Billion

Total US software waste value over 4 years from unused licenses alone

■ The Duplicate Problem Is Real

The average company runs 15 duplicate training apps, 11 project management tools, and 10 team collaboration platforms. They are paying for the same functionality across multiple vendors simultaneously. 51% of MSPs and technology providers admit they don't fully utilize their current tool stack or feel they're getting strong ROI. (Zylo 2024)

PITFALL #3

The Integration Illusion

"They said it integrates with everything." It doesn't.

SEAMLESS INTEGRATION

11%

Only 11% of MSPs and technology providers say their tool stack truly integrates without friction

TIME LOST DAILY

25%

Technicians spend up to 25% of their day switching between non-integrated systems (Auvik 2024)

■ The Context Switch Tax

Each tool switch costs 2 to 5 minutes of refocus time. Across 6 to 10 platform switches per day, per technician, that's 1 to 2 hours of lost productivity. Every single day.

PITFALL #4

Alert Fatigue & Missed Threats

When everything is urgent, nothing gets treated that way.

ALERT FATIGUE RISK

64%

More alert fatigue experienced by MSPs and technology providers using 7+ tools vs. those using 4 or fewer

MISSED THREAT RATE

3x

MSPs and technology providers with high alert fatigue are 3x more likely to miss a real threat (Arctic Wolf)

■ The Consolidation Shift

75% of organizations sought to consolidate security vendors in 2022 (Gartner). By 2026, over 85% planned to pursue consolidation (IDC). The market has spoken, but most MSPs and technology providers are still catching up.

PITFALL #5

The Meeting Money Drain

Your team isn't unproductive. They're just in too many meetings.

UNPRODUCTIVE MEETINGS

71%

of all meetings are considered unproductive by participants (Harvard Business Review)

HOURS WASTED MONTHLY

31 hrs

Average hours per employee spent monthly in meetings that generate no results

ANNUAL ECONOMIC LOSS

\$37 Billion

Lost annually in the US to unproductive meetings across all industries

LEADERSHIP TIME

15%

of an organization's collective time is spent in meetings. Up to 50% of that time is wasted. (McKinsey)

PITFALL #6

Wrong-Fit Vendors & Bad Matches

The wrong solution costs you more than no solution at all.

VENDOR RELATIONSHIPS

40%

of MSPs and technology providers work with more than 20 vendors simultaneously (Datto State of MSP 2025)

CONSOLIDATION PRIORITY

46%

of MSPs and technology providers now list vendor consolidation as a top strategic priority for 2026

■ The Bias Problem

Most vendors are selling you their solution, not the right solution. Without a neutral advisor in your corner, every conversation is a sales pitch. 63% of MSPs and technology providers say they actively prefer working with fewer, better-fit vendors but don't know how to get there. (Datto 2025)

PITFALL #7

Flying Blind: No Visibility, No Strategy

You can't fix what you can't see.

■ The Cost of Inaction

A 500-endpoint MSP or technology provider that doesn't address tool sprawl, shelfware, and vendor misalignment can conservatively lose \$40,000 to \$80,000 per year in direct wasted spend, before accounting for lost billable hours, staff turnover, and missed revenue opportunities.

PITFALL #8

The AI Opportunity Gap

The fastest-growing revenue category in IT services is sitting right in front of you.

Artificial intelligence has moved well past the hype stage. For most businesses, it is already a competitive necessity. The challenge for most small and mid-sized businesses isn't interest in AI — it's implementation.

That gap between what clients want to do with AI and their ability to deploy it is one of the most significant growth opportunities the MSP and technology provider industry has seen in a decade.

<p>AI ADOPTION TODAY</p> <p>58%</p> <p>of small businesses now report using generative AI tools in their operations, more than double the 2023 adoption rate (U.S. Chamber of Commerce 2025)</p>	<p>PLANNING AHEAD</p> <p>29%</p> <p>of SMBs not yet using AI plan to adopt it within the next 12 months — your existing client base is the next pipeline (SMB Technology Trends Report)</p>
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<p>THE SKILLS GAP</p> <p>46%</p> <p>of business leaders cite lack of skills as their biggest barrier to AI adoption — they need a trusted guide (McKinsey)</p>	<p>STRATEGIC PRIORITY</p> <p>96%</p> <p>of small businesses say they plan to adopt emerging technologies like AI to stay competitive (U.S. Chamber Technology Survey)</p>
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■ The Market Opportunity

The global AI consulting and support services market was valued at \$14 billion in 2024 and is projected to reach \$72.8 billion by 2030, growing at over 31% annually. Most of that growth will be driven by businesses that need a trusted advisor to guide implementation.

What AI Could Be Worth to Your Business

Most MSPs and technology providers assume building an AI practice requires hiring data scientists. It doesn't. The majority of what clients need falls into four straightforward service categories, all deliverable through your existing vendor relationships.

AI SERVICE	TYPICAL PROJECT VALUE
AI Readiness and Workflow Assessment	\$3,000 to \$8,000
AI Tool Implementation (Copilot, ChatGPT, automation tools)	\$5,000 to \$25,000
AI Workflow Automation Projects	\$10,000 to \$50,000
Ongoing AI Advisory and Optimization	\$500 to \$3,000 per month

The Revenue Reality

Consider a typical MSP or technology provider with 40 managed clients. If only 15 to 25% pursue an AI initiative in the next 12 months:

AI CLIENTS	AVG PROJECT VALUE	NEW ANNUAL REVENUE
6 clients	\$8,000	\$48,000
10 clients	\$12,000	\$120,000
15 clients	\$20,000	\$300,000
20 clients	\$25,000	\$500,000+

These figures do not include recurring AI advisory retainers, training programs, or automation expansion projects that consistently follow initial deployments.

■ The Technology Provider Advantage

MSPs and technology providers already hold the most valuable position in the AI consulting market: trusted advisor. You know your clients' infrastructure, workflows, and pain points. No outside firm starts with that advantage. Add AI advisory capabilities and you become the innovation partner for the entire business.

■ The Pattern We See Consistently

The MSPs and technology providers winning AI revenue today aren't building models. They are helping clients identify use cases, implementing AI-enabled tools, integrating AI into workflows, and positioning as the guide through the AI transition. The technical foundation is there. The opportunity is in the conversation.

THE FIX

One Request. 1,000+ Vetted Providers. Zero Guesswork.

10Talent Tech is a vendor-neutral technology sales agency. We don't sell you our product. We help you find the right one. With access to 1,000+ vetted providers across cybersecurity, managed IT, cloud, unified communications, connectivity, and AI solutions, we act as your independent technology advisor.

■ Cut Through Tool Sprawl

We audit your current stack and identify redundancy, overlap, and waste. Then we help you consolidate to the tools that actually move the needle.

■ Kill the Shelfware

We connect you only to solutions you'll use. Our vendor-agnostic process means no upsells, no bias, and no licenses gathering dust.

■ Eliminate the Vendor Guessing Game

Stop taking cold calls from vendors who only know their own product. We know the entire market and we match you to the right fit.

■ Unlock AI Services Without Building a Team

Through our network of vetted AI solution providers and fractional experts, you can offer AI readiness assessments, automation projects, and ongoing advisory services from day one.

■ Get Your Time Back

One conversation with 10Talent Tech replaces weeks of vendor demos, sales calls, and comparison spreadsheets.

■ Make Data-Driven Decisions

We help you see your full technology picture so strategy replaces reaction and clarity replaces chaos.

Submit one request. Get matched to the right technology solutions from 1,000+ vetted providers
at no cost to you.

Visit us at

<https://launch.10talenttech.com/one-request-perfect-match/>

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Managed IT

Cloud & Backup

Connectivity

Unified Comms

AI Solutions

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