



JUNE 2025

MARKET PULSE REPORT

Insights from Quadbridge's Annual Client Survey
Perspectives from North American IT Leaders



QUADBRIDGE



A Message to Our Readers

At Quadbridge, we believe that collaboration and knowledge sharing are at the core of driving success. Since launching our Annual Client Survey program in 2022, we've gained invaluable insights from your feedback – and I'm excited to share this year's findings with you.

This report combines your perspectives with expert insights from our technical engineers in Pre-sales and Professional Services. It offers a market pulse that can help you benchmark your organization against peers, identify emerging trends, and gain actionable strategies for growth.

We take pride in the depth of expertise within our team and are committed to delivering practical, client-focused solutions. Whether it's tackling the challenges highlighted here or preparing for the opportunities ahead, our team is ready to support you in every step of your technological journey.

This report reflects not only the state of the industry over the past year but also our predictions for the evolving technological landscape in the months to come.

A sincere thank-you to everyone who contributed – our clients who shared their insights in the survey and the Quadbridge technical teams whose expertise shapes this report. Your input drives us forward.

I hope you find this report both informative and inspiring, and that it helps empower sustainable, secure growth for your organization.

Here's to navigating the future together.



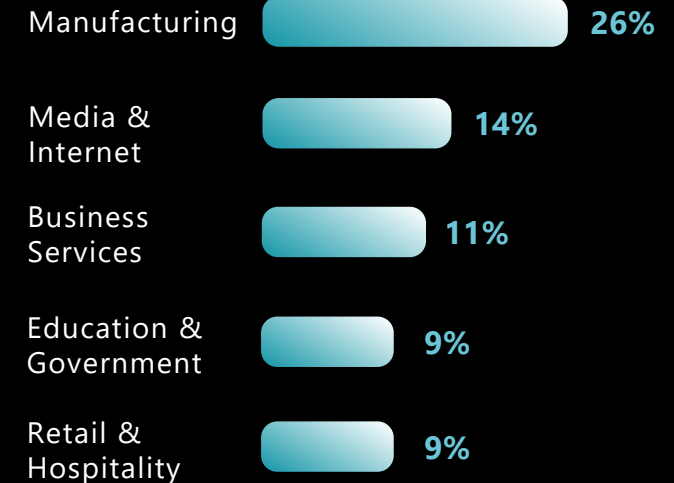
Steve Leslie
CEO, Quadbridge

RESPONDENTS

200+

North American mid-market
companies across industries

TOP 5 INDUSTRIES



CUSTOMER SATISFACTION

CSAT

97%

Overall Customer Satisfaction Score (CSAT) in 2024

97%

98%

97%

2022

2023

2024

NPS

75

Net Promoter Score (NPS) in 2024

75

77

75

2022

2023

2024

Continued Outperformance

Quadbridge is proud to report ongoing exceptional client satisfaction in 2024, maintaining strong scores and consistently outperforming industry benchmarks since formalized tracking began in 2022.

Understanding Our Metrics

Client Satisfaction (CSAT) reflects the percentage of satisfied responses on a three-point scale. Net Promoter Score (NPS) measures client loyalty based on likelihood to recommend – scored from -100 to +100, with higher scores indicating stronger satisfaction.

Drivers

- **Single Point of Contact:** Clients value a dedicated Account Manager who understands their needs and delivers seamless, responsive support across North America.
- **In-House Technical Expertise:** On-demand consulting from Technical Account Managers and Solutions Architects.
- **Proactive Management:** Quadbridge-led engagement and fully managed renewals for warranties, subscriptions, and software help clients avoid service interruptions.

► Outlook

We remain focused on delivering reliable, high-quality, responsive service – and continue to innovate to provide a leading client experience.

OUTLOOK

TOP 10 IT CHALLENGES



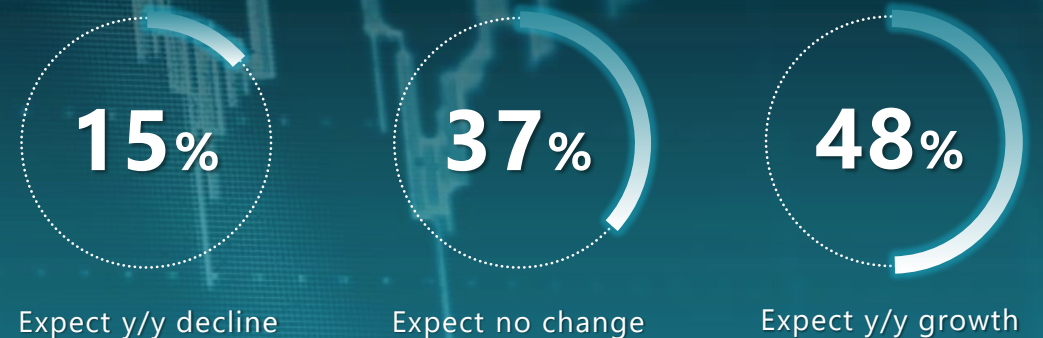
No Surprises

Although the IT landscape continues to evolve at lightspeed, familiar challenges remain at the forefront. Cybersecurity consistently takes the top spot. Close behind are the ongoing struggles of managing IT assets and deployments, as well as addressing outdated infrastructure. As expected, clouds still need optimization, end users still need to listen to IT, and quality IT partners still aren't easy to find!

...Maybe One

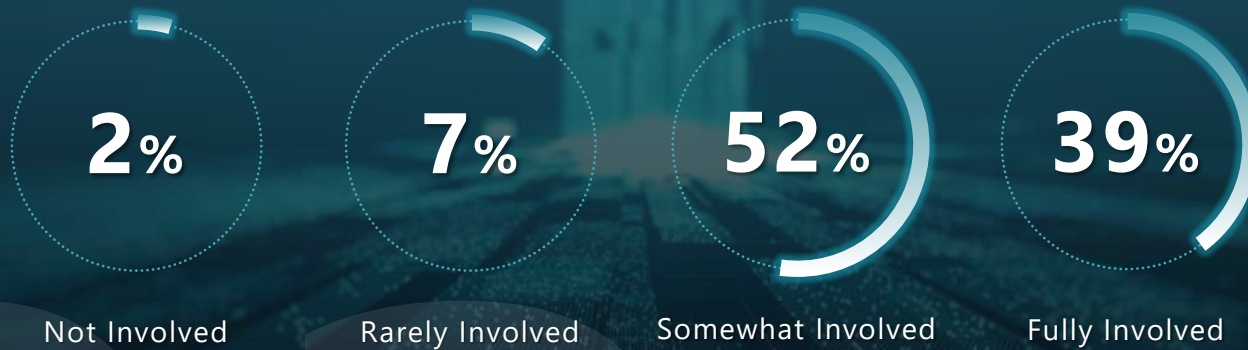
Recruiting and retaining IT professionals is proving less problematic than in recent years. This is likely due to a mix of factors: talent entering the pool from tech company restructurings, increased investment in training and development, the uptake of AI to boost productivity, and the broader adoption of managed services to help bridge gaps and maintain operational efficiency.

BUSINESS GROWTH EXPECTATIONS

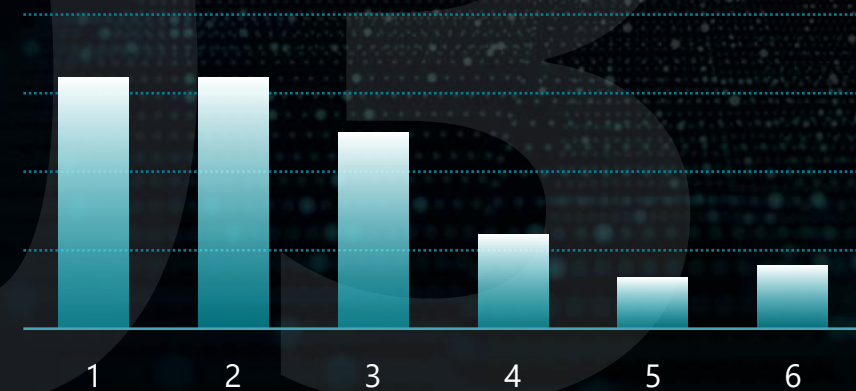


THE ROLE OF IT

INVOLVEMENT OF IT IN BUSINESS STRATEGY



INTEREST IN PROFESSIONAL DEVELOPMENT



2.6

on average, respondents expressed interest in 2-3 areas of professional development

Expanding Horizons

Today's IT leaders are uniquely positioned to shift how their organizations perceive IT – from a cost center to a strategic investment. This opportunity is fueled by their growing impact on productivity, automation, and system optimization. As technology continues to drive business outcomes, IT leadership is evolving to encompass far more than technical expertise.

Appetite for Growth

Our survey revealed a strong appetite among IT leaders for continued learning and skills development. Respondents highlighted a desire to complement their technical knowledge with strategic and leadership abilities.

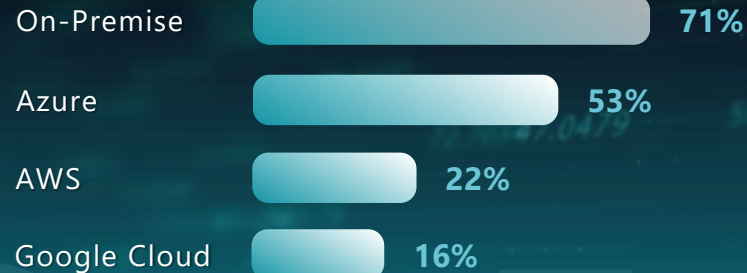
Advanced technical skills	55%
IT & Business Strategy Development	47%
Management skills (coaching, driving performance)	39%

► Outlook

The role of the IT leader is expanding beyond managing "speeds and feeds" to include a deep understanding of business outcomes and strategic priorities. As this evolution continues, the future belongs to IT leaders who can bridge the gap between technology and business, driving innovation and measurable success. It's time to seize the moment and lead with vision.

DATA CENTER

TOP 4 HOSTING OPTIONS



LEVERAGING EXTERNAL SUPPORT

27%
outsource
Backup
Management

15%
outsource
Cloud
Management

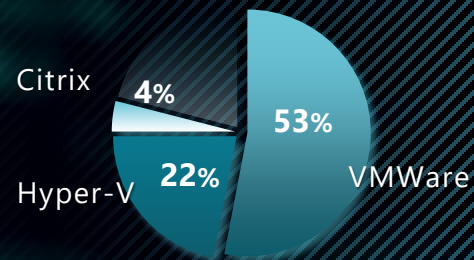
13%
outsource
Disaster
Recovery

PRIORITY FOR IT LEADERS

24%

state optimizing cloud as one of their top investment priorities.

TOP 3 VIRTUALIZATION TECHNOLOGIES



In just one year, VMware's market share dropped from 70% (2023) to 53% (2024).

Unprecedented Growth

2024 marked significant shifts in the data center market. Global spending, projected by Gartner to grow 35%, far outpaced the three-year average of 9.8%. This surge was fueled by the rising demands of AI workloads, cementing data centers as critical enablers of innovation and driving increased investments in compute-intensive infrastructure.

Balancing Workloads & Budgets

Rebalancing between cloud and on-premises infrastructure remains the top data center challenge we hear from customers – especially when it comes to budget. Businesses are asking: *Is the cloud delivering on its promises? How do we optimize both approaches? And what infrastructure will we need for the future?* Organizations are actively navigating these questions to find solutions that align with their unique needs.

Virtualization Disruption

Broadcom's acquisition of VMware and shifts in its go-to-market strategy pushed many customers to explore alternatives, leading to heightened competition in the virtualization space. New options have emerged, setting the stage for further innovation in the coming years.

► Outlook

As we continue into 2025, data centers remain a cornerstone of digital transformation, driving innovation and supporting the next wave of technological growth.

SECURITY

#1

PRIORITY FOR BUSINESSES

40%

state managing cybersecurity threats as their top IT challenge – making it the most pressing issue overall.

56%

identify security and data protection as a top investment priority for 2025 – making it the leading area of planned IT spend.

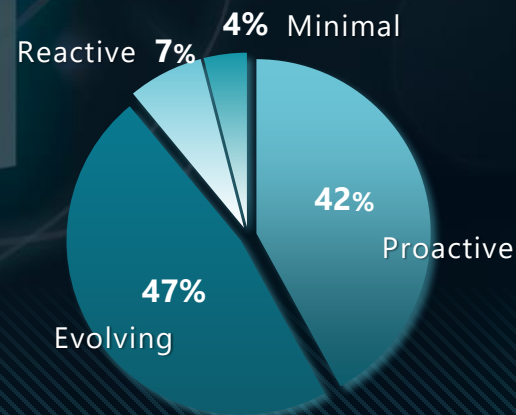
LEVERAGING EXTERNAL SUPPORT

37%

outsource cybersecurity and threat monitoring.

#1 Challenge
#1 Investment Priority
#1 Outsourced IT Function

CURRENT STATE OF SECURITY



Proactive = Comprehensive strategy and regular updates
Evolving = Addressing risks with ongoing improvements
Reactive = Handling threats as they arise
Minimal = Limited measures, ad hoc responses

We Know Better Now

Cybersecurity has consistently topped the list as both the leading IT challenge and the foremost investment priority since the survey's inception in 2022. This continued focus has driven ongoing investment in security, with X% of respondents now rating their security posture as highly effective – proactive rather than reactive.

Defining Tolerable Risk

Security today is a balancing act. Organizations must define what level of risk is acceptable and translate that into actionable strategies and investments. The challenge lies in aligning business objectives with a constantly shifting threat landscape.

Cyber Insurance Complexities

The evolving threat environment has reshaped cyber insurance policies and requirements. Businesses now face higher premiums, stricter prerequisites, and tighter coverage limits. Even those opting out of cyber insurance must carefully evaluate the level of risk they're willing to accept. These shifts have made cyber insurance a far more complex and strategic consideration.

► Outlook

As we move through 2025, one message stands out: businesses must stay proactive, continually reassess risk, and adapt to an increasingly dynamic threat landscape. Cybersecurity is multi-layered and ever-evolving. Expect the unexpected.

MICROSOFT

& AZURE

#1

#1 Productivity Suite
#1 Cloud Platform
#1 Growing Virtualization Technology

POPULARITY WITH MID-MARKET

92%

Use M365

53%

Host on
Azure

22%

Virtualize
with Hyper-V

**Microsoft
Licensing
Assessment**

[Learn More →](#)

**M365 Security
Assessment**

[Learn More →](#)

**Microsoft Copilot
Readiness & ROI
Assessment**

[Learn More →](#)

A Strategy Defined by AI

2024 marked the official arrival of Copilot to the mass market. As the first enterprise-grade AI solution, Copilot revolutionized productivity and collaboration. Since, one thing has become clear: Microsoft's future strategy centers around Copilot and its ecosystem integration.

Navigating & Optimizing Licenses

While licensing changes were less turbulent in 2024 compared to prior years, the challenge of keeping licenses right-sized and aligned with the needs of a dynamic workforce persists. The risk of overspending or underutilizing licenses remains high, especially for organizations undergoing rapid change.

Security & Governance

Microsoft continued to introduce advanced security features for Microsoft 365 and Azure, reinforcing the importance of proactive threat management and data governance.

TIP: Success stories include leveraging Microsoft Defender, Azure Security Center, following CIS Azure Benchmark Farmwork, and Azure Active Directory with Conditional Access and MFA for robust security.

► Outlook

Prepare for continued Copilot adoption, the end of life for Windows 10, data growth, and managing software sprawl. Staying agile and structured is key to navigating the evolution.

MANAGED SERVICES

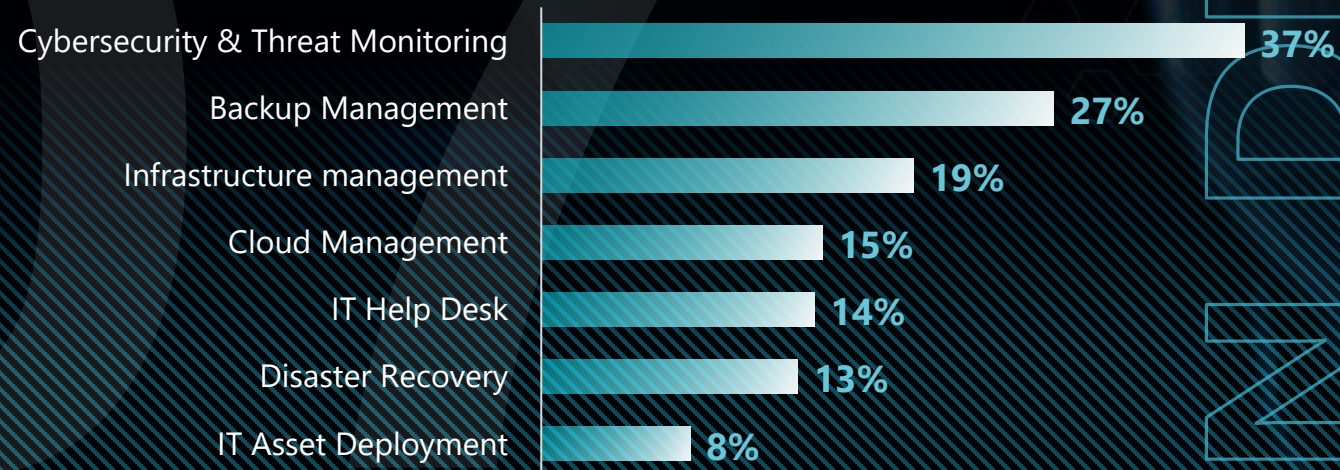
19%

Report finding quality partners to work with as a top challenge.

58%

Report outsourcing at least one IT function to a Managed Services Provider to free up internal capacity.

EXTERNAL SUPPORT BY FUNCTION



The Trend Is Undeniable

As a mature market, the benefits of Managed Services are now widely recognized. 58% of businesses report outsourcing at least one IT function on an ongoing basis, and 18% report outsourcing three or more functions, demonstrating the critical role MSPs play in modern IT strategy.

Drivers in 2025

- **Smaller Orgs:** Require more depth and scalability from their service provider. Many have had "a guy" taking care of their IT however that presents several risks to their business. They are looking to an MSP for depth of staffing and skill while controlling costs.
- **Larger Orgs:** Co-managed services continue to be a great option for organizations that require help with a specific skill or task. In many cases an MSP is engaged to handle day-to-day activities while the organization's IT staff are focused on key project and initiatives.
- **End User Experience:** Today's environment of work any time, from anywhere, seamlessly has significantly changed the expectations of end users. A negative IT experience can contribute to an employee's decision to leave a company.

► Outlook

Businesses build their scalability and adaptability to the evolving tech landscape by bringing on the right MSP partners.

ABOUT QUADBRIDGE

Founded in 2007, Quadbridge is a top-tier North American IT solutions provider, trusted by mid-market businesses across industries to modernize infrastructure, strengthen cybersecurity, and scale with confidence. With strategic consulting, hands-on services, and long-term support, Quadbridge empowers customers to build tomorrow's solutions today.

Learn more at quadbridge.com



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