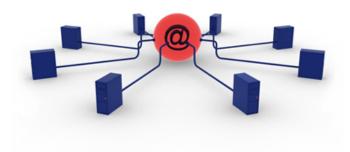
Pyramid Research predicts enterprises will invest a large portion of their IT budgets (10-20%) on managed services over the next 18 months.



According to the company's report, enterprises chose managed services to gain a competitive advantage (through better applicability to business processes) together with the largest incentive-- costs-saving due to the recession.

As traditional business revenue growth continues to slow down (if not decline) Pyramid suggests operators and vendors to expand their managed services offerings (replacing lost revenue).

Large Vendors and operators will drive up managed service usage through their advertising-driving managed service adoption down the chain, to MSPs lacking the marketing power.

Pyramid finally points out managed services' key drivers-- virtualisation, M2M, network security and VOIP.

Go Enterprises Plan to Increase Managed services Spending