
pax8
THE
AGENTIC
INFLECTION POINT
And the Rise of the
Managed Intelligence Provider
A pax8 Research Report 2025

CEO's Forward

The technology industry stands at the precipice of a fundamental transformation. Every few decades, a convergence of technological breakthroughs creates the conditions for revolutionary change; not merely in how we work, but in how we conceptualize work itself. The steam engine, electricity, computing and the internet each redefined the boundaries of human productivity and economic possibility.

Today, we are witnessing another such inflection point.

As the leader of a company dedicated to empowering technology service providers, I've had a front-row seat to this unfolding revolution. What began as a series of impressive but isolated advancements in artificial intelligence has rapidly evolved into something far more profound: the emergence of agentic systems that will fundamentally alter the structure of global business.

This research report represents Pax8's analysis of this transformation—not as observers, but as active participants helping to shape this new reality. It is written with the conviction that Managed Service Providers (MSPs) will play a pivotal role in determining how this technology is deployed, who benefits from it and ultimately, how it reshapes our economic landscape.

The conclusions we present are not speculative. They are drawn from rigorous analysis of technological trends, economic forecasting and deep engagement with both the AI research community and our global network of technology providers.

We stand at a historic juncture—what we call the **Agentic Inflection Point**—and the decisions made in the next 24-36 months will determine which organizations thrive in this new paradigm, and which are left behind.

Scott Chasin
Chief Executive Officer, Pax8

Executive Summary

We are entering a once-in-a-generation transformation in how businesses operate, scale and deliver value. At the heart of this shift is the rise of agentic AI—autonomous software systems capable of executing complex tasks, coordinating across tools and collaborating with humans to achieve business outcomes. As these technologies evolve from simple chatbots to autonomous agent swarms, they are fundamentally redefining work and competitive advantage across industries.

This report introduces a new framework for navigating this transition: the **Managed Intelligence.** As traditional managed services models reach their limits, managed intelligence providers (MIPs) emerge as the next evolution: architects of intelligence infrastructure, builders of agentic systems and orchestrators of business outcomes for AI-native and AI-curious SMBs alike.

The report outlines three converging forces reshaping the business landscape:

1 The Paradigm Shift from Human-Scale to Agentic Work

Businesses face mounting complexity and capacity constraints: too many tools, too much information, not enough skilled labor. Agentic systems offer a leap forward, collapsing time between decision and execution and enabling small teams to deliver large-scale results.

2 The Rise of the AI-Built SMB

Contrary to outdated assumptions, SMBs are often able to adopt AI more quickly in specific contexts—thanks to fewer legacy systems and faster decision-making cycles. While current usage often centers on basic tools, the real opportunity lies in guiding SMBs toward more advanced, integrated capabilities. In many ways, SMBs aren't lagging behind—they're actually leading the AI adoption curve. Digitally fluent, vertically specialized and automation-first, these businesses expect intelligence from day one. They're using agents to generate content, manage operations and scale without headcount, redefining what it means to be "small."

3 The Agentic Stack and Market Opportunity

A triple acceleration in AI models, chips and data centers are making this future not just possible, but inevitable. With managed services projected to reach $595 billion in 2025 and cloud marketplaces expected to exceed $45 billion in third-party software sales, the window for strategic positioning is now.

The Managed Intelligence Provider model is a business model transformation. MIPs deliver value not through devices, but through outcomes: orchestrating AI agents, curating industry solutions and guiding SMBs through automation-powered reinvention.

To help partners thrive in this era, Pax8 is building the infrastructure; agent marketplaces, orchestration platforms, governance frameworks and education programs, all designed to support this new class of service provider.

This report serves as a roadmap for MSPs, technology vendors, SMBs and policymakers navigating the agentic future. The call is clear: evolve boldly, build intentionally and partner deeply.

Because the next era of business won't be built by enterprises; it will be built by SMBs. And the MIPs who guide them will lead the next trillion-dollar economy.

Is This All Hype?

It's a fair question. SMBs have been promised revolutions before—cheaper tech, easier marketing, instant scale—and many of those promises came wrapped in complexity and compromise. Let's take a clear-eyed look at what came before, and why this time is different.

Lessons from Past Technology Cycles

Cloud Computing:
Marketed as a way to reduce costs and complexity. In reality, early adopters faced significant upfront expenses and migration hurdles. But ultimately, cloud unlocked scalable infrastructure and enabled today's SaaS boom.

Social Media Marketing:
Pitched as a "free growth engine," it quickly shifted to a pay-to-play ecosystem. Still, it created unprecedented customer acquisition opportunities and brand visibility for SMBs.

Mobile Apps:
Touted as essential for every business, many SMBs invested in apps that few customers downloaded. Yet mobile-first web experiences and mobile commerce proved crucial long-term.

Marketing Automation:
Marketed as "set it and forget it," these platforms required constant tuning and strategy. But for SMBs who invested wisely, it dramatically improved lead conversion and customer engagement.

Blockchain:
Promised to transform everything from contracts to supply chains. Most experiments ended in costly pilots with minimal return—because the problems weren't pressing or well-defined.

Why This Time Is Different

Today's AI agent movement diverges sharply from these cycles:

Solving Measurable Pain Points:
Staffing shortages, efficiency bottlenecks and rising operating costs are real and urgent problems. Agentic AI addresses them directly.

Grounded in Demonstrated Value:
Unlike speculative tech, today's agents are already delivering results—boosting productivity, cutting costs and enabling lean operations.

Built on Proven Technology:
We're not asking SMBs to bet on fringe science. We're building on the success of LLMs, orchestration frameworks and automation platforms already in wide use.

Measurable, Narrow ROI:
Focused on specific tasks (e.g., invoice handling, scheduling, lead generation), agentic systems show immediate returns—not vague transformation promises.

Learning from the Past, Not Repeating It

We know technology hype cycles. We've studied them, lived through them and built past them.

That's why this report doesn't shy away from the risks—but it does point clearly to the unprecedented alignment of:

- Real needs
- Mature technology
- Measurable ROI
- Expanding academic insight
- Market urgency

This time, it's not hype. It's the beginning of a new operating model for SMBs—and a historic opportunity for the providers who guide them.

Section 1

The Paradigm Shift

From Legacy Systems to Intelligence Infrastructure

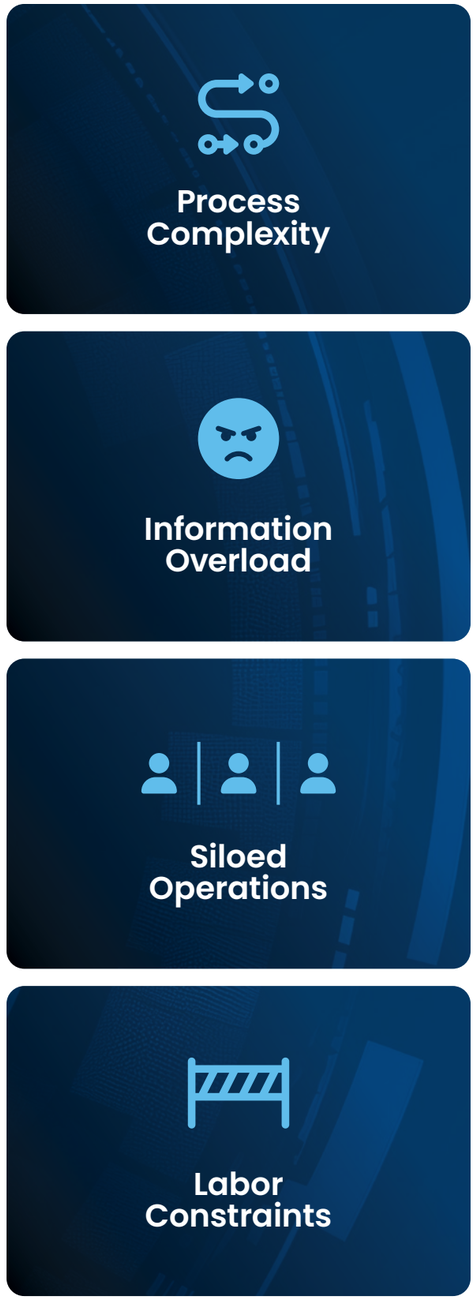
Across industries and markets, the weight of legacy systems is becoming increasingly unsustainable. The traditional corporate structure—defined by static software, rigid hierarchies and human-centered workflows—is cracking under the pressure of global competition, heightened customer expectations and the accelerating pace of market evolution.

In its place, a new paradigm is emerging: a world powered by autonomous software agents working in concert with human expertise.

The Breaking Point of Human-Scale Operations

For decades, businesses have attempted to scale their operations through a combination of traditional software, outsourcing and incremental process improvements. This approach has reached its natural limits:

- **Process Complexity:** The average enterprise now maintains over 900 distinct applications, with integration challenges consuming approximately 30% of IT budgets[1].
- **Information Overload:** Knowledge workers spend an average of 2.5 hours daily searching for information needed to perform their jobs[2].
- **Siloed Operations:** Departmental boundaries create friction that slows decision-making and hampers organizational agility.
- **Labor Constraints:** Skilled labor shortages across sectors have created bottlenecks that limit growth and innovation.



[1] "2024 Connectivity Benchmark Report." *MuleSoft*, Salesforce, 2024, https://www.mulesoft.com/lp/reports/connectivity-benchmark.

[2] Hui, Michael, et al. "The Social Economy: Unlocking Value and Productivity through Social Technologies." *McKinsey & Company*, July 2012, https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/the-social-economy.

These factors have created an environment ripe for disruption, not through marginal improvements, but through fundamental reinvention.

The Birth of the Idea Economy

The convergence of AI and automation now enables a radical compression of the distance between concept and execution. Where businesses once required months of planning and teams of employees to execute a new idea, agentic systems can collapse this timeline dramatically.

This compression represents the beginning of what we term the Idea Economy, where businesses are built and run by code, not committees. Where software agents don't just assist but operate. Where the limiting factor is no longer operational capacity but imaginative vision.

In practical terms, this means:

- Tasks that once required specialized teams can be executed through natural language instructions.
- Decision-making processes that spanned weeks can be condensed to minutes.
- Skills that previously demanded years of training are becoming accessible through agent-based interfaces.
- Operations that were economically viable only at large scale are now accessible to small businesses.

The implications extend far beyond efficiency gains. We are witnessing the democratization of capabilities that were once the exclusive domain of large enterprises with substantial resources.

The Agentic Inflection Point

Recalibration: SMBs at the Forefront

For years, the prevailing narrative cast SMBs as laggards on the technology adoption curve. Recent data soundly dismantles that myth. SMBs are not waiting on the sidelines of the AI revolution—they're increasingly leading it.

According to Forrester, roughly nine in ten B2B buyers are now using generative AI to inform their purchase decisions[3], with even more planning to increase usage in the next year. A global survey by Salesforce found that 75% of SMBs are already experimenting with AI, with high-growth small businesses reaching even higher adoption (83%)[4].

Gartner's latest CIO survey further reinforces this shift: 54% of midsize enterprises have already deployed some form of AI. Significantly, many of these adoptions are happening in traditional industries—smaller firms in sectors like healthcare, insurance and manufacturing are among the fastest adopters of generative AI for practical use cases[5].

The message is clear: the SMB market's appetite for innovation is accelerating. In fact, AI adoption among small business owners nearly doubled over an 18-month period, jumping from 26.4% in 2023 to 50.92% by 2024[6]. This increase means that just over half of small businesses now incorporate AI applications into their operations.

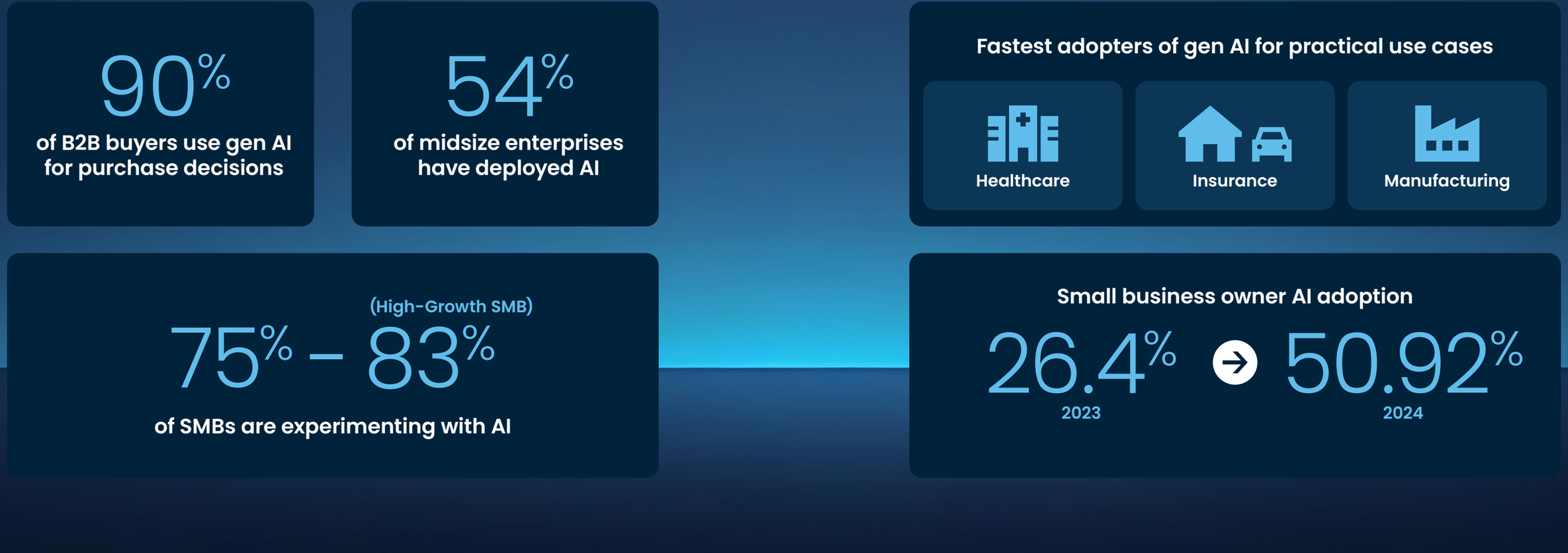
The old playbook, where vendors assume small businesses will wait years to embrace transformative technology, no longer applies. Today's SMBs are poised to leapfrog, not lag behind, especially when solutions promise immediate efficiency or competitive advantage.

[3] Forrester. *B2B Buyer Adoption of Generative AI.* Apr. 11, 2024, https://www.forrester.com/report/b2b-buyer-adoption-of-generative-ai/RES181769.

[4] Salesforce. *"SMBs Are Leaning into AI — and Growing Because of It."* Salesforce Newsroom, Mar. 14, 2024, https://www.salesforce.com/news/stories/smbs-ai-trends-2025/.

[5] Louis Columbus. *"Gartner's 2024 CEO Survey Reveals AI as Top Strategic Priority."* Software Strategies Blog, May 11, 2024, https://softwarestrategiesblog.com/2024/05/19/gartners-2024-ceo-survey-reveals-ai-as-top-strategic-priority/.

[6] BizBuySell. *"Small Business AI Adoption Trends."* BizBuySell Insights Blog, Jan. 10, 2024, https://www.bizbuysell.com/blog/small-business-ai-adoption-trends/.



Hypothetical Case Study: Financial Operations Transformation

A small-sized manufacturing company with 50-75 employees recently deployed an agentic system to manage accounts payable operations.

Previously, this function required:

- 3 full-time accounting staff
- Custom ERP integration
- Manual review of approximately 1,200 monthly invoices
- 15-day average processing time

After implementing an autonomous financial operations agent:

- Processing time decreased to under 24 hours
- Error rates fell from 4.3% to 0.2%
- Staff requirements reduced to 0.5 FTE (primarily oversight)
- Estimated annual savings exceeded $245,000 [7]

Most significantly, the implementation and configuration of this system required minimal technical expertise and was managed entirely by the company's MSP partner.

This example illustrates how agentic systems are not merely augmenting human capabilities but fundamentally reshaping organizational structures and operational models.

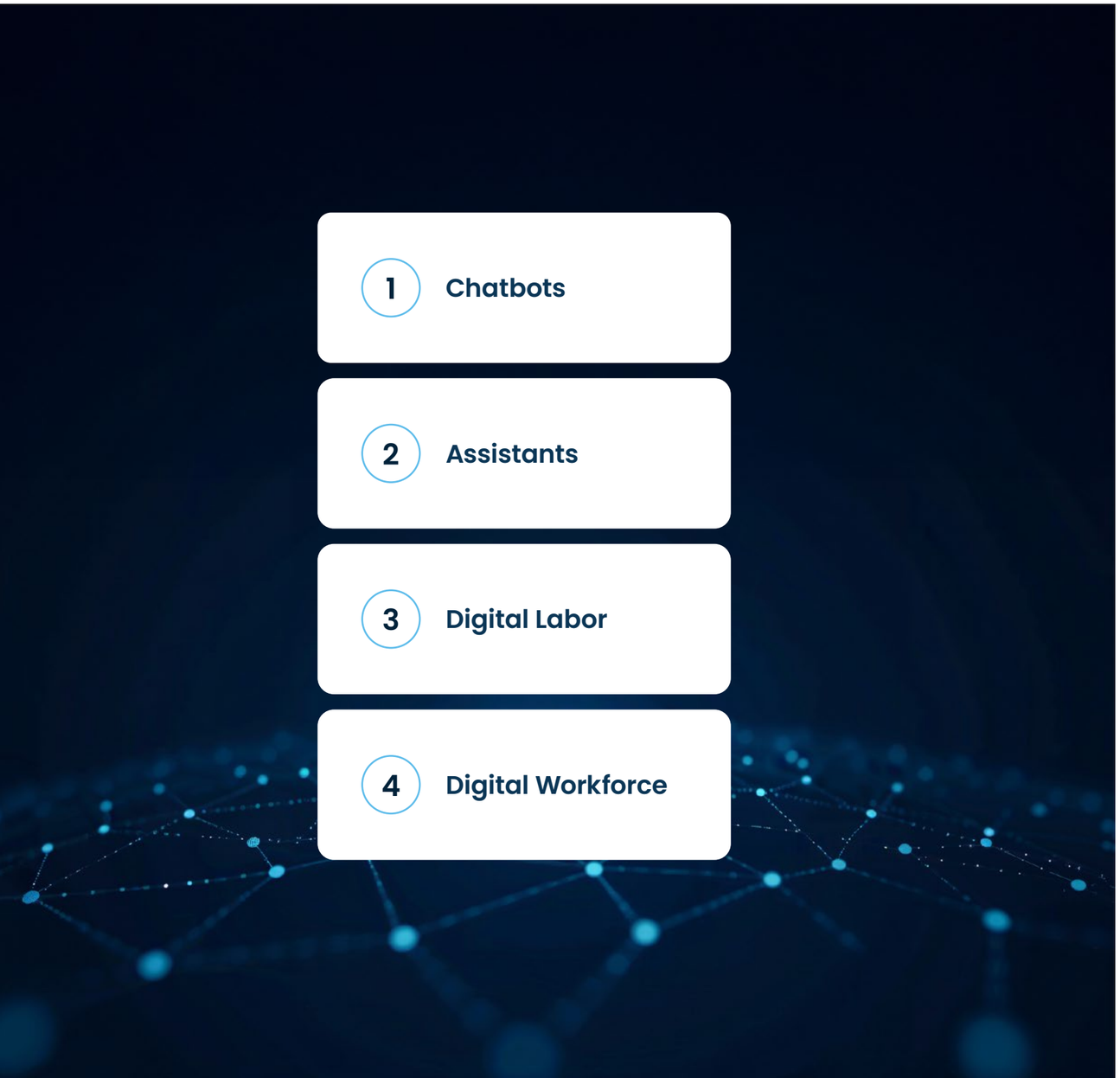
[7] U.S. Bureau of Labor Statistics. *Occupational Outlook Handbook: Accountants and Auditors*. U.S. Department of Labor, 2024, https://www.bls.gov/ooh/business-and-financial/accountants-and-auditors.htm.
HighRadius. "AP Automation ROI: How to Calculate the Benefits of Automating Accounts Payable." *HighRadius Blog*, https://www.highradius.com/resources/Blog/ap-automation-roi.
Datamatics. *Streamlined Accounts Payable Process for a Global Paints and Coating Manufacturer*. Datamatics, https://www.datamatics.com/resources/case-studies/streamlined-accounts-payable-process-for-a-global-paints-and-coating-manufacturer.

Section 2

Understanding Agents

The Four Evolutionary Stages of Autonomous Systems

To comprehend the magnitude of this transformation, it's essential to establish a clear taxonomy of agent capabilities and their evolutionary trajectory. Pax8's research has identified four distinct levels of agent functionality, each representing a significant leap in autonomy and business impact.



Level 1 Examples

- Microsoft Copilot
- OpenAI ChatGPT
- Anthropic Claude
- Google Gemini
- GitHub Copilot
- Grok AI

Level 1: Chatbots

These are today's widely deployed AI systems: copilots and generative tools that respond to direct human prompts and queries.

While powerful, these systems remain fundamentally reactive—they require explicit human direction and operate within narrowly defined domains. They augment human productivity rather than replace human judgment.

Early Business Impact

These systems have demonstrated a 15–35% productivity improvement in specific knowledge work domains, significantly enhancing efficiency across tasks like writing, coding and research. This could accelerate to 30-60% automation of complex workflows, 40-50% reduction in process execution time.[8]

[8] "2024 Work Trend Index Annual Report: AI at Work Is Here. Now Comes the Hard Part." *Microsoft WorkLab*, May 8, 2024, https://www.microsoft.com/en-us/worklab/work-trend-index/2024-annual-report-ai-at-work-is-here-now-comes-the-hard-part.

Level 2: Assistants

Building on the capabilities of large language models with enhanced chain-of-thought reasoning, planning agents can decompose complex goals into actionable steps, make decisions based on contextual information and execute multiple operations in sequence.

These agents begin to exhibit genuine autonomy but still operate within guardrails established by human operators. They can manage complex workflows but require human intervention for exceptions or novel situations.

Early Business Impact

Planning agents have been shown to automate 30–60% of complex workflows[9] and cut process execution times by up to 50%, enabling faster, more efficient operations with minimal human oversight[10].

Level 2 Examples

- AutoGPT
- BabyAGI
- Advanced RPA Platforms
- Anthropic Constitutional AI

[9] "Introduction to AI Agents: Auto-GPT, AgentGPT & BabyAGI." *DataCamp*, 2024, https://www.datacamp.com/tutorial/introduction-to-ai-agents-autogpt-agentgpt-babyagi.

[10] AutoGPT vs BabyAGI: Comparing Two Powerful Autonomous Agents Built on OpenAI." *Finxter*, 2024, https://blog.finxter.com/autogpt-vs-babyagi-comparing-two-powerful-autonomous-agents-built-on-openai/.

Level 3 Examples

Emerging in these specialized domains:

- Financial Operations
- Customer Support Triage
- Logistics Optimization
- IT Operations

Level 3: Digital Labor

Representing the cutting edge of current technology, largely autonomous agents can operate independently across multiple systems and tools with minimal human oversight.

These agents can effectively automate entire business processes end-to-end, making operational decisions and handling exceptions based on predefined parameters and learning from past interactions.

Early Business Impact

Businesses adopting autonomous AI agents are reporting up to 70–90% automation of complex workflows[11] and 60–80% reductions in operational costs, underscoring their transformative impact across industries[12].

[11] "AI by the Numbers: April 2025 Statistics on Business Automation Every Leader Needs." *Mixflow.AI*, Apr. 2025,

[12] "Generative AI Agents: Autonomous Learning and Decision-Making." *DataForest*, 2025, https://dataforest.ai/blog/generative-ai-agents-autonomous-learning-and-decision-making.

Level 4: Digital Workforce

The frontier of agent technology involves coordinated systems of multiple agents working in concert, specializing, collaborating and distributing work to accomplish complex objectives at scale.

At this level, digital labor becomes a true workforce, capable of operating entire business functions or addressing complex problems requiring diverse skills and perspectives.

Early Business Impact

Agent swarms have the potential to automate entire business units, enabling new operational models through decentralized, collaborative intelligence that dynamically adapts and optimizes at scale[13], with early applications emerging in financial trading, cybersecurity and logistics[14].

The Trajectory of Agent Evolution

The progression through these levels is no longer theoretical; it is actively unfolding in the market. From Microsoft's potential strategic pivot toward "digital labor" to ServiceNow's agent orchestration platforms and OpenAI's prediction of widespread agent workforce entry by 2025, the foundations of an agentic economy are being established across the enterprise landscape.

Level 4 Examples

Early laboratory demonstrations limited commercial applications in:

Algorithmic Trading

Network Security

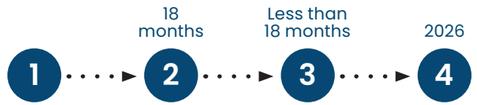
According to Microsoft's 2025 Work Trend Index, 82% of business leaders are confident they will use digital labor to expand their workforce capacity in the next 12–18 months. In the same report, nearly half (45%) of those leaders rank maintaining headcount while using AI agents as a top workforce strategy, second only to upskilling their human employees. What this means in practice is that even a small company can drastically extend its output and reach by augmenting its team with AI agents (for marketing, support, analytics and any other field imaginable).[15]

82%
of business leaders will use digital labor within
12–18
months

Importantly, our research indicates this evolution is accelerating. The timeframe between Level 1 and Level 2 capabilities was approximately 18 months. We project a similar or shorter interval between Level 2 and widespread Level 3 deployment, with Level 4 systems beginning to emerge in specialized applications by early 2026.

Top Workforce Strategy
Maintaining headcount while using AI agents

Accelerating Evolution



The AI-Built SMB

As these agent capabilities mature, we're witnessing the emergence of what we term the "AI-Built SMB"—businesses that are AI-native from inception and weave generative and agentic technologies into their core operations from day one.

These organizations are characterized by:

- **Digital Fluency:** They build AI-powered systems to handle everything from customer service and sales to fulfillment and product development.
- **Composability Preference:** They prefer tailored, vertical solutions assembled from modular components rather than monolithic software suites.
- **Day-One Automation:** They seek automation from inception, often operating with minimal human headcount.
- **Agent-Centric Mindset:** They treat AI not as a feature in a software product, but as a foundation of the business itself.

For example, an AI-built restaurant might use AI for customer engagement (chatbots handling reservations), lead qualification, marketing outreach, automated scheduling, invoicing and even product development (AI-generated seasonal menus).

This new generation of businesses has more in common with a tech startup mindset than a traditional "small business." They expect their technology stack to be as agile and intelligent as they are—and they're increasingly turning to MSPs to make that vision real. While 62% prefer self-service with on-demand expert support, 70% still complete purchases through an MSP or reseller, according to a co-created Channelnomics report. This reinforces the critical role of trusted advisors in helping AI-native businesses scale with precision and confidence.

[13] "The Multi-Agent Approach." *Swarm Network AI*, 2025, https://gitbook.swarmnetwork.ai/ai-agent-layer/the-multi-agent-approach.

[14] Samad, Mirza. "OpenAI Swarm: Revolutionizing Multi-Agent Systems." *Medium*, Apr. 6, 2024, https://ai.plainenglish.io/openai-swarm-revolutionizing-multi-agent-systems-98a74b29d131.

[15] "2024 Work Trend Index Annual Report: AI at Work Is Here. Now Comes the Hard Part." *Microsoft WorkLab*, May 8, 2024, https://www.microsoft.com/en-us/worklab/work-trend-index/2024-annual-report-ai-at-work-is-here-now-comes-the-hard-part.

Section 3

The Exponential Technology Stack

The Triple Acceleration: Models, Compute and Data Centers

The rapid advancement of agent capabilities is driven by three compounding technological forces, each evolving at an exponential rate. Understanding this "triple acceleration" is critical to comprehending both the pace and magnitude of the coming transformation.

Model Advancement
(3-4x annual improvement)

Frontier AI models like OpenAI, Claude and Gemini are evolving at a pace unprecedented in the history of technology.

Key progress indicators include:

- **Parameter Growth:**
  OpenAI's GPT-3 model was introduced with 175 billion parameters, marking a significant advancement in language modeling. Subsequent developments have led to models boasting up to 1.8 trillion parameters, reflecting the rapid evolution in AI capabilities[16].
- **Context Length:**
  The context window of language models has expanded dramatically. While GPT-3 had a context window of 2,048 tokens, newer models like Google's Gemini 1.5 Pro support context windows of up to 1 million tokens, enabling the processing of much larger text inputs[17].
- **Reasoning Ability:**
  Dramatic improvements in logical reasoning, planning and multi-step problem solving.
- **Multimodality:**
  Integration of text, vision, audio and structured data understanding.
- **Training Efficiency:**
  More capable models trained on less data through architectural innovations.

These advancements compound, with each improvement enabling new capabilities that would have been impossible with previous generations of technology.

[16] Alarcon, Nefi. "OpenAI Presents GPT-3, a 175 Billion Parameters Language Model." *NVIDIA Technical Blog*, July 7, 2020, https://developer.nvidia.com/blog/openai-presents-gpt-3-a-175-billion-parameters-language-model/.

[17] "Long Context." *Gemini API Documentation*, Google AI, https://ai.google.dev/gemini-api/docs/long-context.

Specialized Hardware
(5-6x annual performance gain)

The development of AI-specific silicon—led by NVIDIA graphics processing units (GPUs) and new accelerators—has triggered a second exponential curve in compute power.

- Hyperscalers are investing nearly $1 trillion[18] into the compute backbone of the agentic era—GPUs, data centers, foundation models and inference platforms.
- NVIDIA's H100 GPUs deliver 4x the performance of the previous-gen A100.[19]
- The H200 improves on the H100 by ~1.7x, with faster processing and support for larger, more complex datasets.[20]
- High-bandwidth interconnects like NVLink enable 130 TB/s system-level throughput, ensuring low-latency GPU communication for AI and HPC workloads.[21]
- Custom silicon from Cerebras, Graphcore and SambaNova delivers massive speedups for specialized AI workloads and is now deployed across leading HPC facilities.[22]

Infrastructure Investment
(Unprecedented Scale)

The third acceleration comes from massive capital deployment into AI infrastructure:

- NVIDIA's market capitalization has surpassed $2 trillion, reflecting the market's assessment of AI's long-term economic impact.[23]
- Enterprise spending on AI infrastructure is projected to grow from $124 billion in 2022 to $297 billion by 2027.[24]
- Specialized AI cloud providers like CoreWeave, Lambda Labs and Together AI are experiencing revenue growth 1,000%+ year-over-year.[25]

This investment is creating the foundation for global-scale AI inference, making agent capabilities universally accessible through cloud infrastructure.

[18] M, Subhash K. "Morgan Stanley Projects AI-Driven GPU Demand Will Grow 4x by 2027." *LinkedIn*, May 11, 2025, www.linkedin.com/posts/subhash-km-6b5443123_morgan-stanley-projects-ai-driven-gpu-demand-activity-7301247309651087360-ncjp/.

[19] "NVIDIA H100 Tensor Core GPU." *NVIDIA*, 2024, https://www.nvidia.com/en-us/data-center/h100/.

[20] "NVIDIA GPUs H200 vs. H100 – A detailed comparison guide." *TRG Datacenters*, 2025, https://www.trgdatacenters.com/resource/nvidia-h200-vs-h100/.

[21] "NVIDIA GPUs H200 vs. H100 – A detailed comparison guide." *TRG Datacenters*, 2025, https://www.trgdatacenters.com/resource/nvidia-h200-vs-h100/.

[22] Xie, Zhen, et al. "A Comprehensive Evaluation of Novel AI Accelerators for Deep Learning." *PMBS'22*, 2022.

[23] Saul, Derek. "Nvidia Tops $2 Trillion Market Value For First Time Ever." *Forbes*, Feb. 23, 2024, https://www.forbes.com/sites/dereksaul/2024/02/23/nvidia-tops-2-trillion-market-value-for-first-time-ever/.

[24] Columbus, Louis. "Gartner Predicts AI Software Will Grow to $297 Billion by 2027." *Software Strategies Blog*, Jan. 21, 2024, https://softwarestrategiesblog.com/tag/artificial-intelligence-ai/#:~:text=Gartner%20Predicts%20AI%20Software%20Will%20Grow%20To%20$297%20Billion%20By%202027

[25] "GPU Clouds Growing 1,000% YoY." *Sacra*, 2024, https://sacra.com/research/gpu-clouds-growing/.

The Compounding Effect

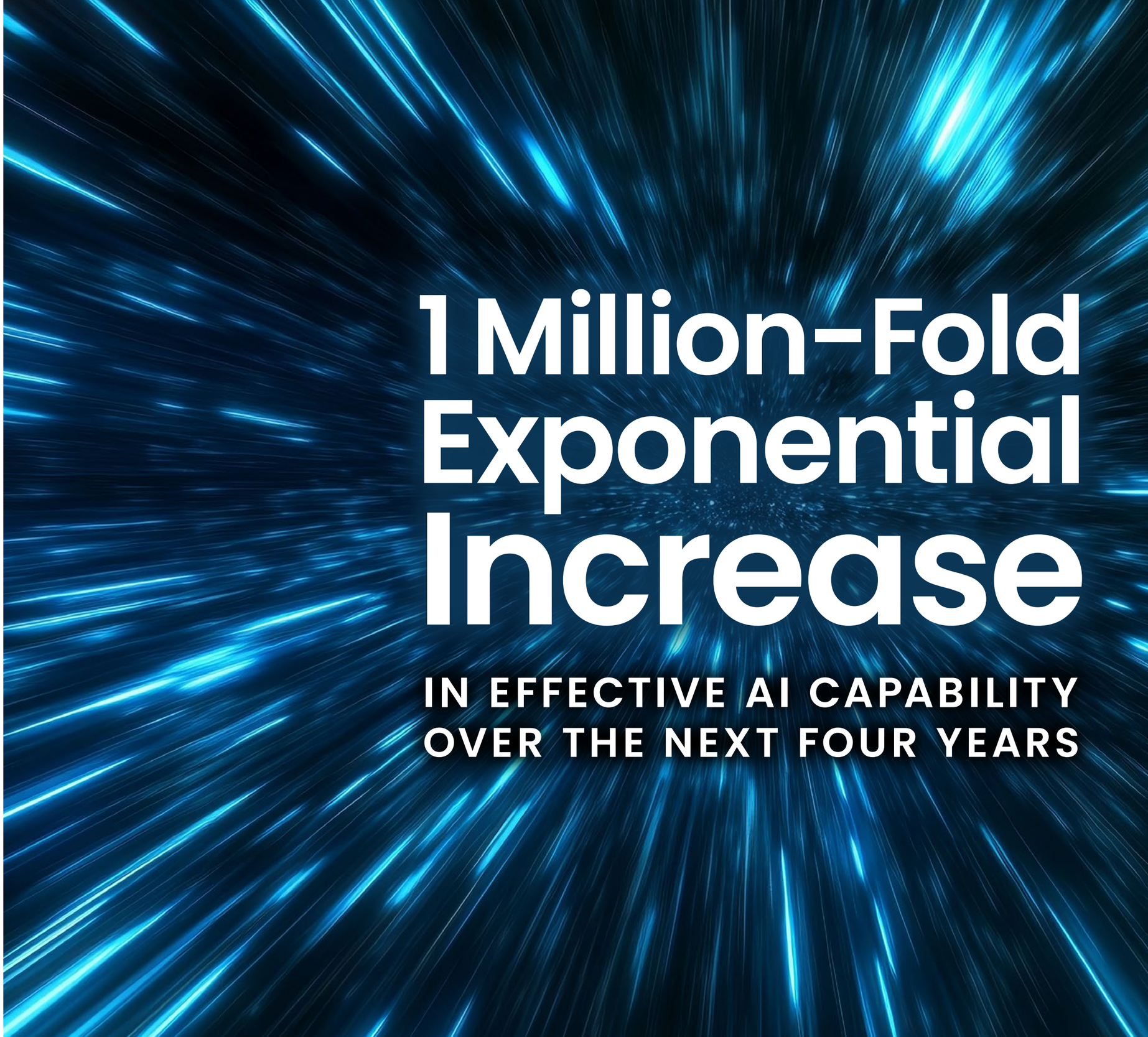
When these three curves are combined, they create a staggering trajectory. Our analysis projects a million-fold increase in effective AI capability over the next four years. This is not hyperbole, but rather, represents the mathematical reality of multiple exponential trends compounding simultaneously.

The economics of intelligence are shifting fast. Model costs have dropped by a factor of 40 over the past four years. Context windows have expanded more than 500-fold—from 2,000 tokens to over a million—enabling agents to reason across entire businesses. And with automated deployment through platforms and marketplaces, distribution can scale 100x. Together, these forces create a potential 2-million-fold improvement in cost-effectiveness. The result is intelligence that's not only powerful, but radically accessible.

Within this framework, MSPs occupy a privileged position. They stand at the intersection of technology capabilities and business needs, uniquely positioned to bridge the gap between what's possible and what's valuable.

In practical terms, AI will ultimately become as cheap and abundant as bandwidth, and just as transformative to business operations. Services that today cost dollars per query will approach fractions of cents, enabling entirely new categories of applications and business models.

The implications for MSPs are profound: the technology deployed today will be rudimentary compared to what will be available 24 months from now. Strategic positioning must account not just for current capabilities, but for this extraordinary growth trajectory.



Section 4

The MSP Evolution

From MSP 2.0 to Managed Intelligence Provider

Market forces are quickly converging around a new reality: managed services are booming. The global market is projected to reach $595 billion in 2025, growing 13% year over year[26], as demand accelerates for smarter, more scalable IT support models. But to understand where the MSP model is heading, it helps to understand where it's been.

The evolution of the MSP has already gone through two major waves:

- **MSP 1.0** – Reactive support: the old break/fix era, where IT technicians were called in after something broke. Service was ad-hoc and transactional.
- **MSP 2.0** – Proactive management: the rise of managed services contracts, remote monitoring and preventative maintenance. MSPs moved to a recurring revenue model and became proactive custodians of infrastructure (often using RMM and cloud tools). This model scaled better and let providers get ahead of issues rather than just react.

Today, however, MSP 2.0 is reaching its maturity. The demands of AI-driven businesses, the complexity of autonomous systems and the need to deliver outcomes (not just uptime) are calling forth a third evolution of the MSP model.

Welcome to the age of the **Managed Intelligence Provider (MIP)**.

Now, MIPs aren't just supporting networks or provisioning licenses. They're architecting agentic infrastructures, designing custom intelligence and guiding their clients through a reinvention of how business gets done.

For MIPs, the greater risk isn't moving too early—it's waiting too long. Building agent capabilities before widespread adoption isn't a gamble; it's a positioning strategy. It gives you time to build muscle, sharpen differentiation and establish trust before the market floodgates open. Those who wait for clear signals will find themselves late to the curve—scrambling for talent, chasing clients already in motion and trying to compete on a playing field that's already shifted.

[26] Kiernan, Steven. *"Managed Services Are Forecast to Grow 13% CAGR by 2028, According to Canalys."* LinkedIn, Apr. 2, 2024, https://www.linkedin.com/posts/steven-kiernan_managed-services-are-forecast-to-grow-13-activity-7288278323909066752-kQ1n/.

The Agentic Inflection Point

The Core Functions of the MIP

This evolution encompasses five critical capabilities:

1 From System Management to Intelligence Orchestration

- Building and maintaining agent ecosystems across client environments.
- Coordinating multiple specialized agents to deliver complex business outcomes.
- Managing the division of labor between human and digital workers.
- Ensuring alignment between agent actions and business objectives.

2 From Technical Support to Transformation Consulting

- Identifying high-value processes for agent enhancement or automation.
- Developing transformation roadmaps aligned with business strategy.
- Quantifying ROI and building business cases for agent deployment.
- Managing organizational change as agent adoption accelerates.

3 From Implementation to Development

- Creating custom agents for specialized client needs.
- Extending pre-built agents with domain-specific capabilities.
- Developing agent integration frameworks for complex environments.
- Building proprietary agent orchestration systems.

4 From Standardization to Customization

- Tailoring agent capabilities to specific client workflows.
- Training models on proprietary data and processes.
- Developing industry-specific agent solutions.
- Creating unique value propositions based on specialized knowledge.

5 From Technical Monitoring to Performance Optimization

- Measuring and improving agent effectiveness against business KPIs.
- Identifying and resolving agent limitations or failure modes.
- Continuously enhancing agent capabilities through feedback loops.
- Ensuring compliance and governance of autonomous systems.

The MIP in Practice: The Five-Part Motion

In practical terms, the MIP operation follows what we call the **TBBSM model** (Transform, Buy, Build, Sell, Manage):

1

Transform

- Help SMBs reimagine operations around outcomes rather than roles.
- Map which tasks should be run by people versus digital labor.
- Design agent-centric workflows with proper governance.

2

Buy

- Source from agentic marketplaces where vertical and horizontal AI agents are discovered and licensed.
- Curate the best solutions for specific client needs from the growing ecosystem.
- Leverage marketplace platforms for efficient procurement and deployment.

3

Build

- Use low-code and no-code tools to turn repeatable processes into autonomous agents.
- Create tailored solutions for each vertical and deploy at scale.
- Develop proprietary agents for specialized client requirements.

4

Sell

- Market automation, acceleration and transformation, not just technology.
- Create and market agent bundles through peer marketplaces.
- Establish repeatable “agent factories” to serve demand from SMBs.

5

Manage

- Oversee fleets of autonomous agents rather than just endpoints.
- Ensure uptime, performance and alignment across digital workers.
- Govern security, trust and compliance across workflows.

From Tool Resellers to Trusted Advisors: A Snapshot of Pax8 Partners in Transition

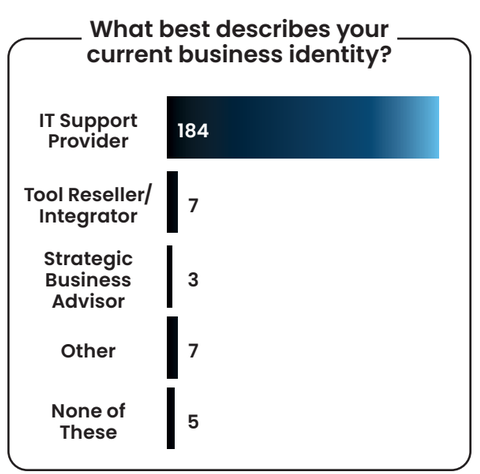
To ground the MIP thesis in firsthand partner data, we analyzed survey results from within the Pax8 ecosystem—capturing a snapshot of how partners see themselves today, and how they expect to evolve in the near future.

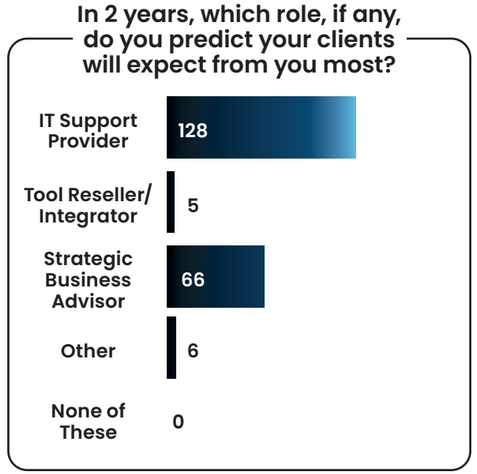
Current State:
When asked how they describe their business today, the majority of partners still identify as traditional IT support providers or tool resellers—roles rooted in infrastructure and reactive support.

- 184 respondents chose IT Support Provider.
- 7 chose Tool Reseller/Integrator.
- Only 5 currently identify as Strategic Business Advisors.

Future State:
But when asked what role their clients will expect from them in the next two years, the answers shift dramatically:

- 128 predict they’ll be seen as Strategic Business Advisors.
- Only 66 anticipate still being seen as IT Support Providers.





This reflects a clear turning point: the identity of the partner is in motion—from reactive vendor to proactive enabler.

As the MIP shifts from managing technology to managing intelligence, the question becomes: how is all this intelligence sourced, composed, deployed and governed? Where traditional IT supply chains moved hardware and software, the next era moves digital labor and business outcomes: productivity gains, new capabilities and competitive advantage, all enabled by AI and data.

To meet that need, a new operational model is emerging.

Section 5

The Agentic Supply Chain

A New Framework for Business Transformation

Pax8 has identified what we term the Agentic Supply Chain—a comprehensive framework for understanding how intelligent systems will be integrated into business operations.

This framework consists of six interconnected phases:

Transformation Planning (Transform)

The journey begins with strategic assessment: identifying which workflows and processes are candidates for agent enhancement or automation.

This phase involves:

- Process mapping and value assessment.
- ROI modeling for agent deployment.
- Skill gap analysis for human-agent collaboration.
- Change management planning.
- Technical infrastructure readiness evaluation.

Successful transformation planning requires both technical expertise and business acumen—understanding not just what can be automated, but what should be automated to create maximum value.

Agent Acquisition (Buy)

Once transformation opportunities are identified, organizations must source appropriate agent capabilities.

The agent marketplace is rapidly evolving along two primary axes:

- Horizontal Agents: General-purpose capabilities applicable across industries (financial operations, customer support, IT operations, HR processes).
- Vertical Agents: Industry-specific capabilities tailored to particular sectors (healthcare compliance, legal document processing, manufacturing quality control).

Agent acquisition will increasingly resemble software procurement, with considerations including:

- Compatibility with existing systems.
- Configuration requirements.
- Performance guarantees.
- Security and compliance features.
- Support and maintenance provisions.

However, a key difference will be the emphasis on demonstrable outcomes rather than feature lists—with agents evaluated based on their ability to deliver specific business results.

3

Agent Development and Customization
(Build)

While pre-built agents will address many common needs, significant value will be created through customization and novel agent development.

This process includes:

- Developing custom agents for proprietary processes.
- Extending existing agents with specialized capabilities.
- Training agents on organization-specific data and workflows.
- Integrating agents with proprietary systems and data sources.
- Creating agent orchestration frameworks for complex processes.

This development activity will leverage a growing ecosystem of agent-building platforms, which abstract away much of the underlying AI complexity to focus on business logic and process design.

4

Agent Monetization
(Sell)

For MIPs and technology providers, agent capabilities represent a powerful new revenue stream.

The commercialization of agent technology will take multiple forms:

- Packaging proprietary agents for sale to clients.
- Creating industry-specific agent solutions.
- Developing reusable agent components.
- Establishing agent-as-a-service offerings.
- Building agent management platforms and tools.

The economics of agent monetization will differ fundamentally from traditional software sales, with greater emphasis on value capture tied to business outcomes rather than seat-based licensing.

5

Agent Management and Orchestration
(Manage)

The final, and most significant, phase of the supply chain involves the ongoing operation, monitoring and coordination of agent systems:

- Performance monitoring and optimization including context Alignment.
- Security and compliance governance.
- Integration management.
- Version control and updates.
- Complex workflow orchestration across multiple agents.

This management layer represents perhaps the most significant opportunity for MSPs—transitioning from managing devices and applications to managing intelligence at scale.

6

Micro-Verticals

As execution costs drop, hyper-specialized microbusinesses become viable.

When digital agents manage the admin—scheduling, billing, compliance—professionals can focus purely on deep, narrow expertise.

- A tax attorney focused only on SaaS transfer pricing.
- A compliance expert serving just biotech labeling standards.
- A financial advisor managing equity comp for pre-IPO engineers.

These niches were once too burdensome to sustain—but now, agent support makes them scalable and profitable.

Implications:

- Micro-niches proliferate, turning edge cases into viable businesses.
- Large service firms face fragmentation.
- Marketplaces shift to match buyers with outcome-specific, agent-augmented talent.

This hypothesis will radically increase where and how value is created.

Section 6

Monetization Models

Capturing Value in the Agent Economy

The economics of agent-based services will differ fundamentally from traditional technology offerings. Analysts predict that the MIPs who thrive in the next decade will be characterized by their adoption of cyber-first and AI-first service models[27]. MIPs will lead IT, but more importantly, they'll lead transformation. And those who move first will have the advantage: not just in technology, but in talent, trust and total market relevance.

As one industry report put it, "The MSP model is shifting toward [MIP], with cyber- and AI-first partners dominating for the next decade.[28]" In this future, routine infrastructure management becomes table stakes, and the real value (and revenue) comes from advisory and orchestration roles around intelligence. Early signs of this trend are evident: investors are prioritizing firms with automation and AI in their offerings, and larger providers are acquiring AI startups to fold into their service portfolios[29]. The writing is on the wall: to serve these AI-fluent SMBs, MIPs must themselves become AI-native.

Our research has identified four primary business models that will define how value is captured in this new paradigm:

[27] Kiernan, Steven. *"Managed Services Are Forecast to Grow 13% CAGR by 2028, According to Canalys."* LinkedIn, Apr. 2, 2024, https://www.linkedin.com/posts/steven-kiernan_managed-services-are-forecast-to-grow-13-activity-7288278323909066752-kQ1n/.

[28] Kiernan, Steven. *"Managed Services Are Forecast to Grow 13% CAGR by 2028, According to Canalys."* LinkedIn, Apr. 2, 2024, https://www.linkedin.com/posts/steven-kiernan_managed-services-are-forecast-to-grow-13-activity-7288278323909066752-kQ1n/.

[29] Gartner Digital Markets. *2025 Software Buying Trends Report*. Gartner, 2025, https://emt.gartnerweb.com/ngw/globalassets/en/digital-markets/documents/gartner-digital-markets-2025-software-buying-trends-report.pdf.

1

Per Agent (FTE Model)

As agents increasingly function as digital employees, pricing will naturally align with the human equivalent they augment or replace.

This model features:

- Fixed monthly pricing per deployed agent.
- Tiered pricing based on agent capability level.
- Volume discounts for multi-agent deployments.
- Premium pricing for specialized domain knowledge.

The FTE model creates clear ROI calculations for clients, allowing direct comparison between human and digital labor costs while providing predictable recurring revenue for service providers.

Scenario:
An MIP in the healthcare sector now offers a medical scheduling agent at $1,200 monthly—approximately 20% of the fully loaded cost of a human scheduler while handling 2-3x the volume of appointments.

20%
the cost of human

2-3x
volume of appointments

2

Per Action (Consumption-Based)

For more transactional processes, usage-based pricing ties costs directly to value delivered:

- Pricing based on transactions processed.
- Tiered volume pricing with declining per-unit costs.
- Minimum usage commitments with burst capacity.
- Premium pricing for priority processing.

This model aligns most closely with cloud economics, creating scalable costs that grow with business volume while minimizing fixed expenses.

Scenario:
A financial operations agent that processes supplier invoices is priced at $1.50 per invoice, with volume discounts reducing the unit cost to $0.70 for enterprises processing over 10,000 monthly invoices.

$0.70
unit cost for enterprises processing over
10,000
monthly invoices

3

Per Workflow (Process-Based)

For complex, multi-step processes spanning multiple systems, workflow-based pricing captures the value of end-to-end automation:

- Fixed pricing for complete business processes.
- Tiered pricing based on process complexity and volume.
- Performance guarantees tied to SLAs.
- Premium pricing for specialized industry workflows.

This model resembles traditional Business Process Outsourcing (BPO) economics but delivers significantly higher margins due to the scalability of agent technology.

Scenario:
A complete accounts payable workflow (including invoice receipt, validation, approval routing, payment processing and reconciliation) priced at $4,000 monthly for mid-sized businesses—delivering 40-60% cost reduction compared to manual processes.

$4K
per month for mid-sized businesses delivering
40-60%
cost reductions

4

Per Outcome (Value-Based)

The most sophisticated pricing model ties compensation directly to measurable business outcomes:

- Revenue sharing based on cost savings delivered.
- Performance bonuses for exceeding target metrics.
- Risk-sharing models with minimum guarantees.
- Value-based pricing tied to business KPIs.

While more complex to implement, outcome-based pricing creates the strongest alignment between provider and client interests, while potentially delivering the highest profit margins.

Scenario:
A collection management agent for healthcare providers that receives 18% of previously uncollectable debt recovered, with the agent consistently delivering 30-40% recovery improvement over traditional processes.

18%
of previously uncollectable debt recovered
30-40%
recovery improvement

Strategic Pricing Considerations

Our research indicates that successful MSPs will adopt hybrid approaches, leveraging different models for different client scenarios:

- FTE models work best for established processes with clear human equivalents.
- Consumption models suit transaction-heavy, variable-volume processes.
- Workflow models align with complex, cross-functional processes.
- Outcome models work for high-value processes with clearly measurable results.

Early market dynamics in agentic AI reveal a substantial value-capture gap: agents delivering upwards of $1.5 million in annual client value are often being sold for as little as $10,000. This mismatch underscores the growing disconnect between the operational impact of AI agents and their monetization. For example, OpenAI recently introduced premium agents priced at $2,000, $10,000, and $20,000 per month, despite these tools often performing work equivalent to multiple full-time employees[30]. This modeling shows that agents operating just 1–2 hours per day in a 1,000-person company could generate $10–20 million in annual value, making even high-end pricing tiers drastically conservative by comparison.[31]

One of the clearest signs of this shift is when the chain between revenue and human headcount is broken. For the first time, value can scale independently of team size. This decoupling forces a rethinking of how software, services and labor are priced and delivered.

As a result, leaders in the space are exploring alternative monetization models—shifting from traditional per-seat or per-license pricing to outcome-based, usage-based or value-linked models better aligned with the economics of digital labor[32]. This evolving pricing logic is essential to ensure that agent developers and providers can sustainably scale their offerings as business adoption surges.

For MIPs, mastering these new economic models will be as important as mastering the technology itself. The transition from billable hours and device management to value-based pricing represents a fundamental business model evolution that will define competitive advantage in the coming decade. Crucially, this model amplifies the role of humans. In a world where machines operate with human-like intelligence, the human connection becomes the multiplier.

[30] "OpenAI Introduces Premium AI Agents at $2K, $10K, & $20K Tiers." *The AI Track*, 6 Mar. 2025, https://theaitrack.com/openai-introduces-premium-ai-agents/.
[31] "Quantifying the Opportunity Value of Agentic AI." *WillowTree*, Feb. 2025, https://www.willowtreeapps.com/insights/quantifying-opportunity-value-of-agentic-ai.
[32] "How to Price AI Agents: Emerging Models, Examples & Strategy." *Vayu*, 2025, https://www.withvayu.com/blog/pricing-ai-agents-how-to-price-and-monetize-ai-agents.

The Strategic Imperative

For MIPs, this evolution is not optional; it is existential. Our research indicates that by 2027, traditional managed services will face commoditization pressure from agent-powered automation, with margins declining 30-50% for providers who fail to evolve.[33]

Conversely, early adopters of the MIP model are already seeing:

- Streamlined operations, reduced costs and improved service quality, leading to increased profitability.
- Increased client lifetime value. For instance, a mere 5% increase in customer retention can lead to a 30-90% increase in profits.[34]
- Significantly improved competitive differentiation.
- Reduced client churn through deeper operational integration.

The window for this transition is narrow. By 2026, we project that the market will clearly separate into two tiers: traditional MSPs competing primarily on price, and MIPs capturing disproportionate value through agent-enabled services.

In a market where managed services as a whole are booming—forecasted to reach $595 billion globally in 2025 (up 13% from 2024), the forward-looking provider is king.[35]

Scenario: MSP Transformation

A mid-market MSP with 45 employees and $8.5M annual revenue embarks on this transformation in early 2024.

Key elements of their approach include:

- Creating a dedicated "Agent Practice" with specialized staff.
- Developing vertical-specific agents for their core manufacturing clients.
- Implementing outcome-based pricing for agent-powered services.
- Building agent management capabilities into their existing PSA/RMM stack.

Within nine months, they will have:

- Launched six agent-powered service offerings.
- Increased average monthly recurring revenue per client by 37%.
- Improved gross margins from 38% to 52%.
- Reduced their technical staff requirements by 15% while growing revenue.

This example illustrates both the feasibility and urgency of this transition for forward-looking service providers.

[33] "MSP Predictions 2024 – Executive Summary." *Canalys*, Jan. 30, 2024, https://www.canalys.com/insights/msp-predictions-2024-executive-summary.
[34] "How Managed Service Providers Can Reduce Churn." *Acronis*, May 1, 2019, https://www.acronis.com/en-us/blog/posts/msp-reduce-churn/.
[35] Ody, Robin. "MSP Trends and Predictions 2025 – Executive Summary." *Canalys*, Jan. 24, 2025, https://www.canalys.com/insights/msp-trends-2025-es.

Section 7

Enabling Infrastructure

The New Standards of the Agentic Internet

For agent technology to scale beyond isolated applications into a truly transformative force, new technical standards and protocols are emerging. These frameworks will define how agents interact with traditional software, access data and communicate with each other.

Model Context Protocol (MCP)

Developed by Anthropic, the Model Context Protocol[36] represents a fundamental innovation in how AI systems interact with traditional software.

Where conventional integrations require custom API development, MCP functions as a natural language "dock" that allows agents to:

- Access traditional applications through natural language.
- Operate across multiple systems without custom integration.
- Understand complex application contexts and workflows.
- Perform actions based on semantic understanding rather than rigid API specifications.

MCP effectively creates a universal adapter between the structured world of traditional software and the flexible reasoning of language models. This dramatically reduces integration complexity and accelerates agent deployment across diverse systems.

Implementation Timeline:
Early MCP implementations are already available, with widespread adoption projected by late-2025.

[36] "Introducing the Model Context Protocol." *Anthropic*, Apr. 11, 2024, https://www.anthropic.com/news/model-context-protocol.

Agent-to-Agent Protocol (A2A)

Google's recently announced A2A protocol[37] addresses a critical need in agent ecosystems: standardized agent communication.

This framework enables:

- Agent discovery and capability advertising.
- Structured communication between agents with different specializations.
- Task delegation and result sharing across agent boundaries.
- Distributed problem-solving across multiple specialized agents.

A2A lays the groundwork for Level 4 agent swarms, enabling complex coordination without centralized control. Just as HTTP standardized web communication, A2A will standardize how intelligent systems collaborate.

Implementation Timeline:
Initial specifications released in early 2025, with production implementations expected by late 2025.

[37] "A New Era of Agent Interoperability." *Google Developers Blog*, 14 May 2024, https://developers.googleblog.com/en/a2a-a-new-era-of-agent-interoperability/.

Computer User Agents (CUAs)

While protocols like MCP and A2A streamline backend communication, another path is rising: Computer User Agents (CUAs)—agents that operate software like humans. CUAs simulate clicks, typing and navigation to execute tasks through the UI, making them ideal for legacy systems without APIs.

- Emulate human inputs (mouse, keyboard, browser).
- Automate tasks without backend access.
- Bridge modern agents with outdated or closed systems.
- Enable rapid automation with minimal setup.

CUAs act as digital workers who use software rather than integrate with it, offering a fast path to automation in complex environments. They also enable multi-agent coordination—like intake and fulfillment—across platforms and vendors.

These protocols let agents—across vendors or platforms—coordinate multi-step tasks, like one managing intake and another completing fulfillment.

Natural Language Web (NL Web)

In parallel with these protocols, a new connective layer is forming—what we call the Natural Language Web (NL Web). This layer allows large language models to interface with the internet using natural language as the protocol of interaction. Rather than relying on rigid schemas or tightly coupled APIs, agents can now interpret and act on unstructured content: filling out forms, navigating UI flows, and synthesizing insights across loosely defined systems.

Where earlier digital infrastructure demanded predictability and structure, the NL Web embraces ambiguity. A help article becomes an executable task. A support chat becomes an instruction set. A SaaS dashboard becomes an interactive surface that agents can operate as fluently as a human. This shift turns the entire web into an interface for intelligent execution—vastly expanding the reach and utility of agentic systems.

Together with MCP, A2A and CUAs, the NL Web represents a deeper architectural inflection: a collapse of traditional SaaS and API boundaries into the AI tier. Business logic and information no longer live in structured endpoints—they're interpreted, reasoned over and executed dynamically by agents. The internet is no longer just a repository of information. It's becoming the substrate for intelligent action.

Betting on AI

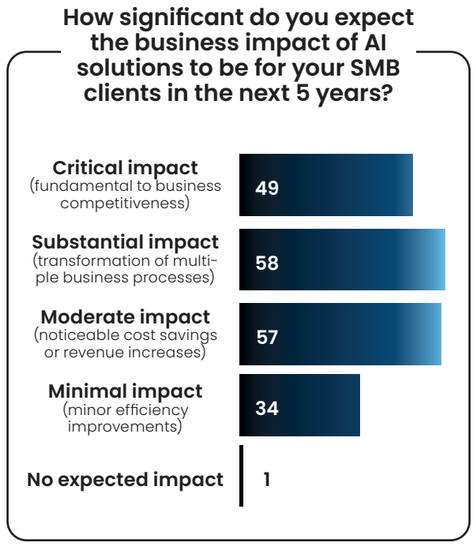
Pax8 partners are clear-eyed about the role AI will play in the future of small business.

When asked how significant they expect AI's impact to be for their SMB clients over the next five years:

- There's a significant shift as current MSPs who see themselves primarily as support providers today, believe they'll transition into strategic business advisors by nearly seven-fold in the future.
- Only 1 respondent believes AI will have no impact.

In total, 88% of partners expect AI to bring at least moderate transformation to their SMB clients. This isn't cautious optimism—it's a strong signal that partners see AI as an inevitable driver of business value.

As infrastructure shifts from devices and data to intelligence and outcomes, partners are preparing for a world where agentic systems are not just complementary—but core.



The Evolution of Marketplaces

Supporting the rise of MIPs and AI-powered SMBs requires a robust underlying ecosystem. Far from the static app catalogs of a decade ago, today's B2B cloud marketplaces are evolving into dynamic orchestration hubs for software and services. They are becoming the connective tissue between solution providers, customers and AI agents.

Next-generation marketplaces are not just e-commerce sites for software; they are automation platforms that can intelligently match solutions to needs, provision them instantly and orchestrate complex workflows across multiple tools.

Key capabilities emerging in marketplace platforms include:

- **AI-Driven Solution Matching:** Using purchase data and context to recommend the right app, agent or service an SMB might need next.
- **Automated Provisioning:** One-click deployment, license management and consolidated billing, all handled by the marketplace backend.
- **Partner-Branded Storefronts:** MSPs can white-label the marketplace, creating a seamless procurement experience for their customers.
- **Agent-Aware Functionality:** Natural language search and procurement so an AI agent can "ask" for a solution via API.

This is not futurism; it's already taking shape. Cloud marketplaces are experiencing explosive growth as a go-to-market channel. In 2025, sales of third-party software through cloud marketplaces are expected to exceed $45 billion[38], representing an 84% compound annual growth rate. Major software vendors like CrowdStrike[39], Palo Alto Networks[40], and Snowflake[41] have each reported over $1 billion in annual sales via AWS and Azure marketplaces.

For MIPs, this marketplace evolution creates opportunities to focus on higher-value integration and advisory services rather than manual license management. For vendors, it offers fast access to a massive SMB customer base, although it may require rethinking pricing models and partnership strategies.

[38] Canalys. "Hyperscaler Cloud Marketplaces Force Greater Disruption in SaaS Channels." *Canalys*, Jan. 26, 2023, https://www.canalys.com/insights/hyperscaler-cloud-marketplaces-saas-channels.

[39] CrowdStrike. "CrowdStrike Is the First Cloud-Native Cybersecurity ISV to Exceed $1 Billion in Annual AWS Marketplace Sales." *CrowdStrike Press Release*, Feb. 26, 2025, https://www.crowdstrike.com/en-us/press-releases/crowdstrike-first-cloud-native-cybersecurity-isv-to-exceed-1-billion-in-annual-aws-marketplace-sales/.

[40] Palo Alto Networks. "Palo Alto Networks Surpasses $1.5 Billion in Sales on Google Cloud Marketplace." *Palo Alto Networks Press Release*, Apr. 8, 2025, https://www.paloaltonetworks.com/company/press/2025/palo-alto-networks-surpasses--1-5-billion-in-sales-on-google-cloud-marketplace.

[41] Invisory. "AWS Marketplace and Why It Matters to ISVs." *Invisory*, 2024, https://invisory.co/cloud-marketplace/hyperscaler/aws-amazon-web-services-marketplace-isvs/.

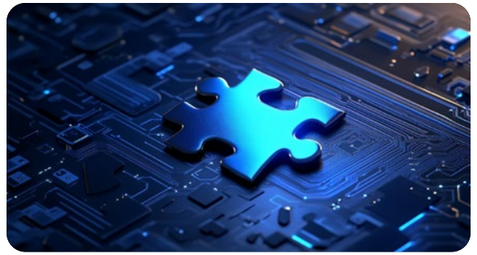
LLM-to-Tool Standardization

Complementing these protocols, a growing ecosystem of tool-calling standards is emerging to govern how agents interact with specific capabilities:

- Function-calling frameworks for structured interactions.
- Tool libraries with standardized interfaces.
- Authentication and permission frameworks for secure agent operations.
- Monitoring and observability standards for agent actions.

These standards are rapidly coalescing around approaches pioneered by OpenAI, Anthropic and Google, creating a unified ecosystem for agent-tool interaction.

Implementation Timeline:
Core standards stabilizing through 2025, with broad adoption by early 2026.



API Gateway Evolution

Traditional API gateways are evolving to accommodate agent-centric traffic patterns:

- Natural language query transformation to structured API calls.
- Semantic routing based on intent rather than endpoint definition.
- Adaptive rate limiting based on business priority rather than simple quotas.
- Enhanced security for autonomous system access.

These capabilities are already emerging in enterprise API management platforms, creating the connective tissue between agent systems and existing digital infrastructure.

Implementation Timeline:
Enterprise adoption accelerating through 2025, becoming standard infrastructure by 2026.

The Implications for MIPs

These infrastructure developments carry profound implications for technology providers:

- **Integration Expertise Shift:**
  Traditional API integration skills will be supplemented by expertise in agent-centric protocols and standards.
- **Security Model Evolution:**
  New security approaches will be required to govern autonomous system access to sensitive data and operations.
- **Middleware Opportunity:**
  A significant market is emerging for tools that bridge legacy systems and agent capabilities.
- **Standardization Timeline:**
  Early adoption of emerging standards will create competitive advantages in time-to-market and solution robustness.

Far from being theoretical concerns, these infrastructure elements are rapidly moving from research to production, with major technology providers investing heavily in compatible systems. MSPs that develop expertise in these areas will be positioned to deliver significantly more value than those focused solely on application-level capabilities.

Section 8

The SMB Opportunity

Displacement and Inception in the Small Business Economy

The impact of agentic systems will be felt differently across market segments, with particularly profound implications for the small and medium-sized business (SMB) sector. Forrester forecasts that automation technologies will displace approximately 17% of U.S. jobs by 2027, equating to 24.7 million positions. This displacement underscores the transformative effect automation will have across various sectors, including SMB service providers.[42]

SMB
sector profoundly impacted by agentic systems

17%
of U.S. jobs will be displaced by 2027

equating to
24.7M
positions

[42]Le Clair, Craig, et al. "Forrester Predicts Automation Will Displace 24.7 Million Jobs and Add 14.9 Million Jobs by 2027." *Forrester*, 2016, https://www.forrester.com/press-newsroom/forrester-predicts-automation-will-displace-24-7-million-jobs-and-add-14-9-million-jobs-by-2027/.

Our research indicates two simultaneous and seemingly contradictory trends:

Creative Destruction: The Displacement Effect

Certain traditional SMB categories face significant disruption:

- **Administrative Services:**
  Virtual assistant businesses, bookkeeping services and data entry operations will be largely automated.
- **Basic Professional Services:**
  Tax preparation, simple legal services and routine accounting functions face substantial automation pressure.
- **Customer Support Operations:**
  First-level support, appointment scheduling and basic service functions will increasingly shift to agent-based systems.
- **Content Production:**
  Basic marketing content, social media management and routine communications will be agent-generated.

Creative Construction: The Inception Effect

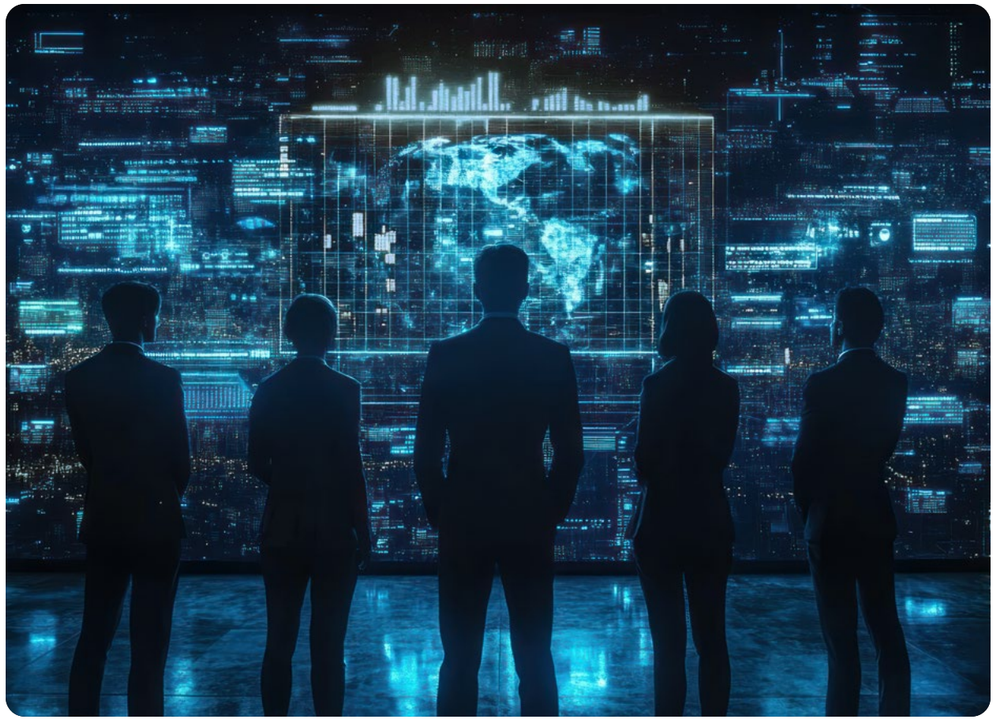
Simultaneously, agent technology is dramatically lowering barriers to entrepreneurship, creating conditions for an unprecedented wave of new business formation:

- **Cost Structure Transformation:**
  Functions that once required multiple employees can be performed by agent systems at a fraction of the cost.
- **Skill Democratization:**
  Specialized capabilities that previously required years of training become accessible through agent interfaces.
- **Market Access:**
  Digital agents enable global reach and 24/7 operations for even the smallest businesses.
- **Capital Efficiency:**
  Reduced operational overhead allows businesses to launch with minimal investment.

These factors will drive what may be the largest entrepreneurial boom in economic history:

- Small business formation rates projected to increase 80-100% by 2027.
- Solopreneur ventures with revenue profiles previously requiring 5-10 employees.
- Micro-enterprises operating in domains once dominated by mid-market companies.
- "Network businesses" coordinating agent systems across multiple organizations.

We have already seen evidence of surging entrepreneurship: in the U.S., new business applications hit 5.5 million in 2023, an all-time high and up from 4.4 million in 2020. When AI capabilities are factored in, we expect this growth to accelerate further.



The Rise of SMB Superteams

As these trends converge, we're witnessing the emergence of what we call "SMB Superteams"—hybrid teams of humans and AI agents working in concert, where the human provides the vision and direction while agents provide virtually unlimited execution capacity.

The SMB of the future will look fundamentally different:

- A solopreneur can launch a fully operational business with AI agents handling everything from web design to customer support.
- A small startup can compete with large enterprises by leveraging cloud services for scale and AI for intelligence without massive upfront costs; need a 50-person sales force? An AI CRM system with automated outreach might achieve similar output.
- Geography becomes less relevant, and niches become highly profitable; an expert in a specialized domain can build an AI-driven service for that niche and sell it globally via marketplaces.

OpenAI's CEO Sam Altman has even predicted we will soon see a one-person company reach a billion-dollar valuation thanks to AI doing the heavy lifting[43]. This isn't hyperbole; it's the logical conclusion of the democratization of capabilities that were once the exclusive domain of large organizations.

[43]Sawers, Paul. "AI Agents Could Birth the First One-Person Unicorn — but at What Societal Cost?" *TechCrunch*, Feb. 1, 2025, https://techcrunch.com/2025/02/01/ai-agents-could-birth-the-first-one-person-unicorn-but-at-what-societal-cost/.

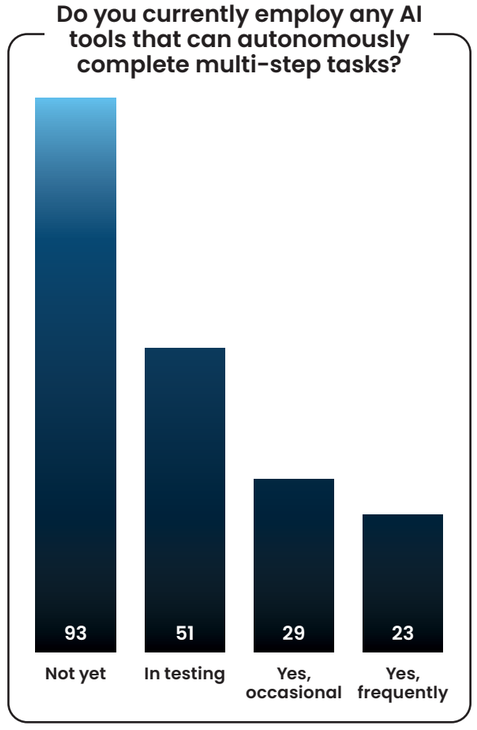
Agents Are Already Taking the Workload

The groundwork for agentic labor isn't speculative—it's already underway.

When asked whether they currently use AI tools capable of completing multi-step tasks:

- 93 partners said not yet.
- 51 have systems in testing.
- 29 are using them occasionally.
- 23 are already using them frequently.

These findings suggest that intelligent agents aren't theoretical—they're operational, and quickly becoming embedded across the SMB service stack.



Industry Structure Flip

What happens when an 8-person firm can outperform a 50-person company?

This dynamic—agent-powered specialization—promises to upend not just business formation, but the very structure of industries:

- **Mid-Market Squeeze:**
  Traditional mid-size companies become too expensive compared to agent-augmented SMBs and too slow compared to enterprise AI teams.
- **Enterprise Shift:**
  Large companies move from relying on bloated service vendors to partnering with hyper-specialized SMBs offering targeted expertise.
- **Fragmentation and Coordination:**
  New market structures emerge where platforms coordinate networks of specialized boutiques, not monolithic vendors.

Example:
A solo attorney focused on SaaS contract law uses AI agents for document analysis, jurisdictional compliance and due diligence. She delivers contracts in 24 hours, not 2 weeks—at $5K per deal versus $50K—while maintaining BigLaw-level output. Her agents monitor legal databases, surface changes in regulation and draft boilerplate clauses. She focuses purely on strategy and client relationships. Traditional firms can't compete—not just on cost, but because AI has eliminated the coordination overhead that once justified their scale.

The same model plays out across consulting, marketing, logistics, healthcare, real estate, education and beyond.

The $80T SMB Economy

The collective impact of these trends is staggering. Today, SMBs already account for a massive share of the world's economy—90% of all companies and nearly 50% of global GDP by some estimates. In dollar terms,[44] that's roughly $47 trillion[45] in economic value generated by SMBs annually.

SMBs account for

90%
of all companies

50%
of global GDP

$47T
in economic value annually

By 2030, analysts forecast that digital ecosystems and platforms will drive about $80 trillion in annual revenue globally—roughly one-third of all economic activity[44]. This growth will be fueled by an explosion in SMB formation and the rise of AI-augmented businesses that scale without people-heavy infrastructure.

Digital ecosystems and platforms

$80T
in economic value annually by 2030

33%
of all economic activity

These developments will be additive to the SMB universe. The lower the barriers to entry, the more new businesses will form.

New business applications

25%
increase from 2020 to 2023

We have already seen evidence of surging entrepreneurship: in the U.S., new business applications hit 5.5 million in 2023, an all-time high and up from 4.4 million in 2020[45]. Other countries have seen similar spikes as individuals seize post-pandemic opportunities. Now add AI "superpowers" into the mix, and we can expect an even greater wave of SMB creation. Governments and institutions are also prioritizing SME development, recognizing that 600 million new jobs will be needed by 2030 and that most of those will come from the SMB sector[46]. Technology-empowered SMBs will be the engine of job growth and innovation worldwide.

New jobs needed

600M
by 2030

The competitive landscape will be teeming with AI-augmented Davids taking on Goliaths. Industry experts note that AI is effectively leveling the playing field between SMBs and large enterprises, enabling a 10-person company to harness resources that once only a 10,000-person firm could access.

[44] "SMBs Are Leaning into AI — and Growing Because of It." *Salesforce Newsroom*, Mar. 14, 2024, https://www.salesforce.com/news/stories/smbs-ai-trends-2025.

[45] U.S. Chamber of Commerce. *"New Business Applications: A State-by-State View."* U.S. Chamber of Commerce, Apr. 26, 2023, https://www.uschamber.com/small-business/new-business-applications-a-state-by-state-view.

[46] World Bank. *"Small and Medium Enterprises (SMEs) Finance."* World Bank, https://www.worldbank.org/en/topic/smefinance.

The Agentic Inflection Point

Individual-Scale Enterprise Services

One of the most profound shifts in the SMB economy is the emergence of individual-scale enterprises—solo practitioners who, through intelligent orchestration of AI agents, can now deliver what previously required coordinated teams across multiple functions. This development marks a fundamental restructuring of professional services. The constraint on growth is no longer operational capacity, but strategic vision and client insight.

What this means:
Individual experts—consultants, developers, marketers and strategists—can now access enterprise-grade capabilities without the need for support staff, project managers or technical execution teams. AI agents handle everything from implementation and testing to content generation and financial modeling, allowing the human to focus on insight, direction and relationship management.

Business implications:

- High-value services that once demanded the resources of mid-sized firms become economically viable for solo operators.
- SMB clients gain access to specialized expertise and full-stack execution at dramatically reduced price points.
- The professional services landscape tilts toward flexibility, niche specialization and personalized delivery models.

Example:
A solo digital transformation consultant manages an end-to-end ERP deployment for a 100-person manufacturing client. AI agents handle system configuration, legacy data migration, regression testing and employee training modules. The consultant focuses on stakeholder communication, adoption strategy and change management—delivering enterprise-grade results at SMB-accessible costs.

As these solo operators scale through automation—not headcount—they exemplify a new archetype in the economy: the "one-person unicorn." Enabled by agentic infrastructure, they offer highly specialized, high-impact services once reserved for large teams, unlocking a new era of SMB empowerment through intelligence.

The MIP as SMB Enabler

Within this transformative landscape, MIPs will occupy a critical position as enablers of the SMB agent economy:

- Providing the technical expertise that small businesses lack internally.
- Creating standardized agent packages tailored to specific SMB verticals.
- Offering managed agent services with predictable economics.
- Delivering transformation consulting for established SMBs navigating disruption.

This is not merely a change in technology—it's a fundamental reinvention of what it means to be a "small" business. The next decade will not simply belong to those with the biggest budgets, but to those with the biggest ideas and the networks (of partners and AI agents) to execute them.

MIPs that recognize and embrace this role will capture disproportionate value in what will become one of the most dynamic sectors of the global economy.

Section 9

Trust and Governance

Managing Intelligence at Scale

As agentic systems become increasingly integral to business operations, particularly for SMBs, trust emerges as the critical currency of the new economy. With powerful autonomous systems handling mission-critical functions, governance is not merely a compliance requirement, it's a business imperative.

The Trust Mandate

Without strong governance, security protocols and ethical oversight, the AI-driven SMB revolution could expose businesses to serious risks:

- **Data Breaches:**
  Autonomous agents with access to sensitive information could become vectors for data exfiltration if not properly secured.
- **Decision Errors:**
  Errant AI decisions could lead to operational disruptions, financial losses or brand damage.
- **Compliance Violations:**
  Agents operating outside regulatory boundaries could expose businesses to significant liability.
- **Customer Trust Erosion:**
  Poorly governed AI interactions might damage hard-earned customer relationships.

For example, an AI agent that automates customer responses could deliver tremendous efficiency gains but might also go off-script and damage a brand if not properly controlled. For large enterprises, such incidents are manageable; for SMBs, they can be existential threats.

The MIP as Trust Broker

This is where the Managed Intelligence Provider steps in as more than just a tech enabler—they become trust brokers. Just as MSPs manage security updates and backups today, MIPs will need to:

1 Implement AI Ethics and Policy Enforcement
- Define operational boundaries for AI agents.
- Establish rules that prevent agents from violating company values or regulations.
- Create "fail-safe" mechanisms for high-risk operations.

2 Design Security and Access Control
- Apply least-privilege principles to agent operations.
- Implement strong authentication for agent actions.
- Monitor for anomalous agent behaviors.
- Create secure API gateways for agent-to-system interactions.

3 Build Transparency and Auditability
- Implement robust logging of agent decisions and actions.
- Deploy explainable AI techniques for critical functions.
- Create audit capabilities that trace outcomes back to underlying causes.
- Establish oversight mechanisms for high-stakes processes.

4 Manage Continuous Training and Validation
- Monitor for model drift and performance degradation.
- Retrain or fine-tune models as needed.
- Validate outcomes against business objectives.
- Develop "AI performance management" as a service offering.

5 Navigate Compliance Requirements
- Stay current with evolving AI regulations (such as the EU's AI Act[47]).
- Translate complex requirements into implementable controls.
- Develop sector-specific compliance frameworks.
- Provide compliance attestation for client peace of mind.

[47] *European Artificial Intelligence Act.* artificialintelligenceact.eu, https://artificialintelligenceact.eu/.

Trust as a Competitive Differentiator

For MIPs, excellence in governance represents a significant competitive advantage. Those providers who prioritize ethical orchestration and robust security will establish themselves as premium partners in an increasingly complex landscape.

This trust advantage manifests in several ways:

- **Risk Mitigation:**
  Preventing costly incidents before they occur.
- **Strategic Partnership:**
  Enabling clients to innovate with confidence.
- **Premium Positioning:**
  Justifying higher margins for managed intelligence services.
- **Client Retention:**
  Creating "sticky" relationships based on reliable governance.

The market is already responding to this imperative, with specialized governance tools emerging for agent oversight, marketplace certification programs for trusted agents and third-party audit services focused on AI deployments.

Governance Infrastructure

To operationalize this trust mandate, MIPs need specialized capabilities:

- **Agent Monitoring Systems:**
  Real-time observability into agent activities.
- **Policy Enforcement Frameworks:**
  Automated guardrails for agent operations.
- **Simulation Environments:**
  Testing agent behaviors before production deployment.
- **Incident Response Playbooks:**
  Defined processes for addressing agent failures.
- **Compliance Documentation:**
  Evidence collection for regulatory requirements.

These capabilities don't simply protect against downside risks—they enable the upside potential of agentic systems by giving SMBs the confidence to deploy increasingly autonomous solutions in business-critical contexts.

The Regulatory Horizon

Policymakers are increasingly focused on AI governance, with various regulatory frameworks emerging globally. For MSPs evolving toward the MIP model, staying ahead of these requirements is essential.

The European Union's AI Act represents the most comprehensive regulatory approach to date, with specific requirements for high-risk AI applications and transparency obligations for generative AI systems. Similar frameworks are developing in the United States, Canada, China and elsewhere.

The most successful MIPs will not merely comply with these requirements but will help shape their evolution—engaging with policymakers, participating in standards development, and advocating for approaches that balance innovation with responsible use.

In sum, scaling intelligence must go hand-in-hand with scaling oversight. Just as managed security providers became essential when cyber threats grew, managed intelligence providers will be essential as AI proliferates. Trust, once lost, is hard to regain, so it must be architected into the very fabric of this new ecosystem from the start.

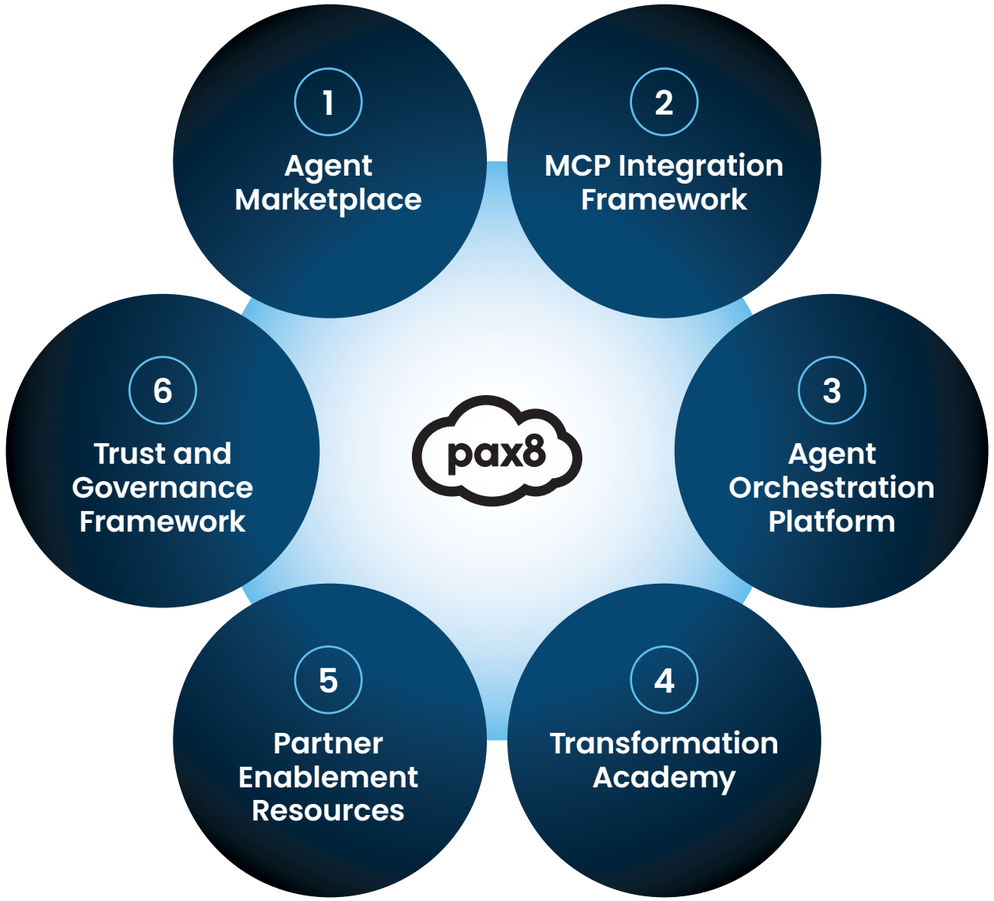
Section 10

Pax8's Commitment

Building the Foundation for the Agentic Economy

Pax8 recognizes that the transition to agent-powered business represents both an extraordinary opportunity and a significant challenge for our partner ecosystem. We are committed to providing the infrastructure, tools and knowledge necessary to lead this transformation.

Our strategic initiatives include:



1 Agent Marketplace

A comprehensive marketplace connecting our partners with best-in-class agent capabilities:

- Horizontal agents addressing common business functions.
- Vertical-specific agents for key industry segments.
- Agent development tools and frameworks.
- Integration components for popular business applications.
- Training and enablement resources.

The Marketplace will feature transparent pricing, performance metrics and deployment specifications—creating a trusted source for agent capabilities. As cloud marketplaces continue their explosive growth trajectory, with third-party software sales through these platforms expected to exceed $85 billion by 2028, Pax8 is positioning partners to capitalize on this shift in procurement patterns.[48]

2 MCP Integration Framework

To accelerate agent deployment across diverse client environments, we are embedding Model Context Protocol capabilities into our platform:

- Simplified agent-to-application integrations.
- Pre-built connectors for popular business applications.
- Security and governance controls for agent operations.
- Monitoring and logging of agent activities.
- Compliance frameworks for regulated industries.

This infrastructure will dramatically reduce the technical barriers to agent deployment, allowing partners to focus on business outcomes rather than integration challenges.

3 Agent Orchestration Platform

Managing complex agent ecosystems requires specialized tools. Our orchestration platform will provide:

- Multi-agent workflow design and management.
- Performance monitoring and optimization.
- Security and access control.
- Version management and deployment controls.
- Audit and compliance capabilities.

This platform will serve as the operational foundation for partners transitioning to the Managed Intelligence Provider model, enabling them to manage entire fleets of autonomous agents rather than just endpoints.

[48] "McCurdy, Julie. "Maximizing Partner Success with Marketplace Changes." *Microsoft Partner Blog*, 16 Oct. 2024, https://partner.microsoft.com/en-us/blog/article/maximizing-partner-success-with-marketplace-changes.

4 Transformation Academy

Building on our existing educational resources, we are developing comprehensive training programs focused on:

- Agent deployment methodologies.
- Business value assessment frameworks.
- Monetization and pricing strategies.
- Technical integration best practices.
- Change management for agent adoption.

These programs will equip partners with both the technical and business knowledge required to lead client transformations. As MSPs transition to becoming intelligence orchestrators, developing expertise in AI models, data flows and cross-domain orchestration becomes essential—skills that differ significantly from traditional IT management.

5 Partner Enablement Resources

To support the business model transition, we are creating:

- Reference architectures for agent-based services.
- ROI calculators and business case templates.
- Client-facing educational materials.
- Marketing and sales enablement resources.
- Vertical-specific transformation playbooks.

These resources will accelerate go-to-market activities and reduce the risk associated with new service development. They will help partners position themselves as strategic transformation advisors rather than tactical service providers.

6 Trust and Governance Framework

Recognizing that trust is the foundation of the agentic economy, we are developing comprehensive governance tools:

- Agent certification processes for marketplace offerings.
- Security and compliance validation mechanisms.
- Audit capabilities for agent operations.
- Policy frameworks for ethical AI deployment.
- Incident response playbooks for agent management.

This framework will enable partners to deploy agent technology with confidence, knowing that appropriate guardrails are in place to protect their clients' interests.

Our Vision: The Intelligent Channel

Pax8's mission remains unchanged: to build the technology Marketplace of the future. What is evolving is how we fulfill that mission in an agent-powered world.

We envision a technology channel where:

- Partners leverage agent technology to deliver unprecedented value to clients.
- Small and mid-sized businesses access enterprise-grade intelligence at affordable price points.
- Technology professionals focus on high-value activities while agents handle routine operations.
- New economic opportunities emerge as the barriers between technology and business outcomes dissolve.
- Vendors and ISVs will seamlessly serve both human users and agentic labor.

This vision guides our investments and our commitment to the partner community. We see our role not as disrupting the channel, but as ensuring its continued relevance and vitality in a rapidly evolving technological landscape.

By connecting builders (SMBs), enablers (MIPs) and producers (software/cloud vendors), we aim to create an ecosystem that could shape the next trillion-dollar economy and usher in a golden era of entrepreneurship and innovation at every level of business.

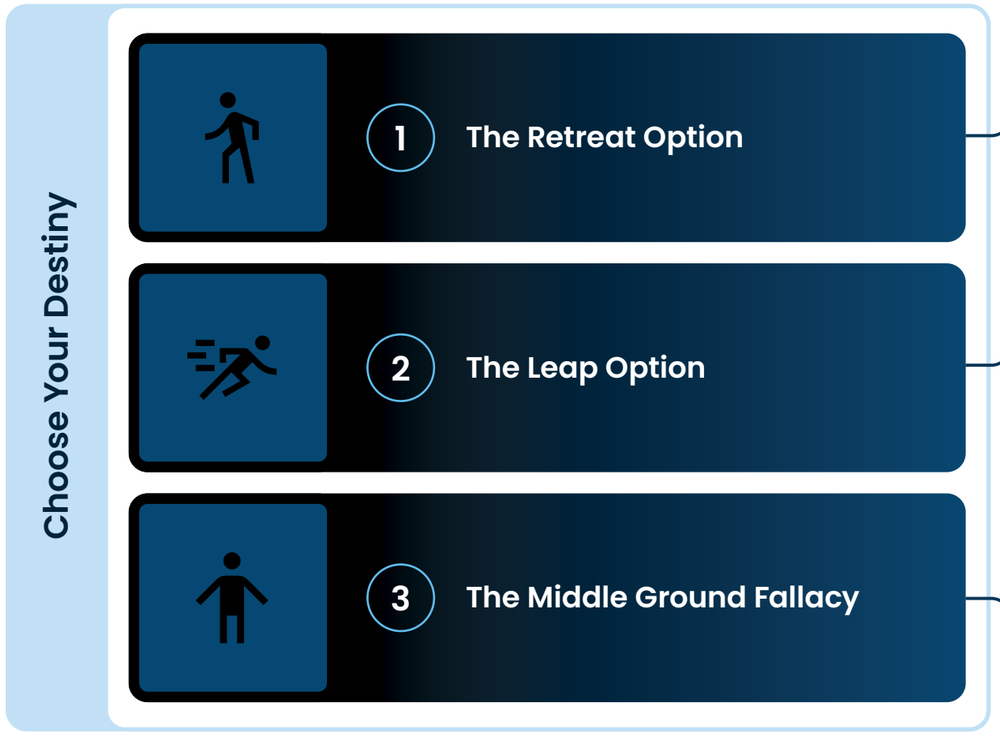
Conclusion:

The Moment of Decision

Leap or Retreat: Navigating the Agentic Inflection Point

The evidence is clear: we stand at a genuine inflection point in the evolution of business technology. The agent revolution is not a theoretical future state—it is actively unfolding across markets, industries and regions.

For MSPs, this presents a moment of strategic decision:



1 The Retreat Option

Some will choose to maintain traditional service models, focusing on infrastructure management, security and conventional application support.

This path offers familiarity but carries significant risks:

- Declining margins as agent automation commoditizes traditional services.
- Increasing competitive pressure from agent-enabled providers.
- Gradual erosion of strategic relevance to client businesses.
- Limited growth potential as investment flows to intelligence-focused solutions.

While viable in the short term, this approach ultimately positions providers as managers of diminishing assets rather than enablers of future growth.

2 The Leap Option

The alternative is to embrace the agentic future; to evolve from managing systems to orchestrating intelligence.

This path requires investment, learning and business model evolution, but offers compelling advantages:

- Higher-value services with corresponding margin improvement.
- Deeper strategic integration with client operations.
- Expanded addressable market as agent capabilities create new use cases.
- Sustainable competitive differentiation in an increasingly commoditized landscape.

The organizations that choose this path will do more than survive the transition, they will define the next era of technology services.

3 The Middle Ground Fallacy

Some may attempt to chart a middle course, adopting agent technology incrementally while maintaining traditional service models.

Our research suggests this approach is fundamentally flawed:

- The pace of agent evolution outstrips incremental adaptation.
- Early movers capture disproportionate market share and expertise.
- Client expectations will shift rapidly once agent capabilities demonstrate clear ROI.
- The economics of agent-based services differ fundamentally from traditional models.

The transition to agent-powered business is not a linear evolution but an exponential change that rewards decisive action and penalizes hesitation.

The Age of Builders Has Arrived

Beyond the implications for service providers, the broader transformation we've documented represents the dawn of a new economic era: the Age of Builders.

SMBs are no longer just technology consumers; they're becoming technology creators and orchestrators in their own right. The advent of accessible AI and powerful marketplaces means that a two-person company can now leverage resources like a 200-person company could a decade ago. This levels the playing field in unprecedented ways.

The coming years will see an outpouring of innovation from the small business sector, as imaginative founders realize that with AI agents and cloud platforms, they can build whatever they envision without waiting for enterprise-scale resources.

For platform operators and marketplace builders, the opportunity is to activate an ecosystem that could shape the next trillion-dollar economy. By connecting builders (SMBs), enablers (MIPs) and producers (software/cloud vendors), marketplaces become the innovation hubs of the 2020s.

Strategic Imperatives for Key Stakeholders

The convergence of AI, marketplaces and an empowered SMB segment carries different imperatives for each group in the ecosystem:

For MSPs (future MIPs):

- Build agents, not just bundles—the days of differentiating by product resale are numbered.
- Invest in AI skills and vertical-specific intellectual property.
- Redesign the business model around outcomes and value, not just utilization.
- Embrace the AI-first mindset to become strategic partners, not just IT support.

For Technology Vendors:

- Embrace composability and ecosystems; no single vendor can solve all SMB needs.
- Open APIs and partner with former competitors to create integrated solutions.
- Develop verticalized offerings tailored to specific industries.
- Develop horizontal offerings that can be extensible across a range of scenarios.
- Rethink pricing models toward usage-based or outcome-based approaches.

For Marketplace Operators:

- Be the ecosystem, not just the storefront.
- Enable third-party integrations and development sandboxes.
- Provide data exchange capabilities (with appropriate consent and security).
- Invest in curation to help SMBs navigate the expanding technology landscape.

For Policymakers:

- Anticipate the era of agentic business with forward-looking regulatory frameworks.
- Collaborate with industry to create appropriate guardrails while encouraging innovation.
- Support digital upskilling initiatives and SMB technology adoption incentives.
- Recognize that regions with the most supportive policies will attract entrepreneurial talent.

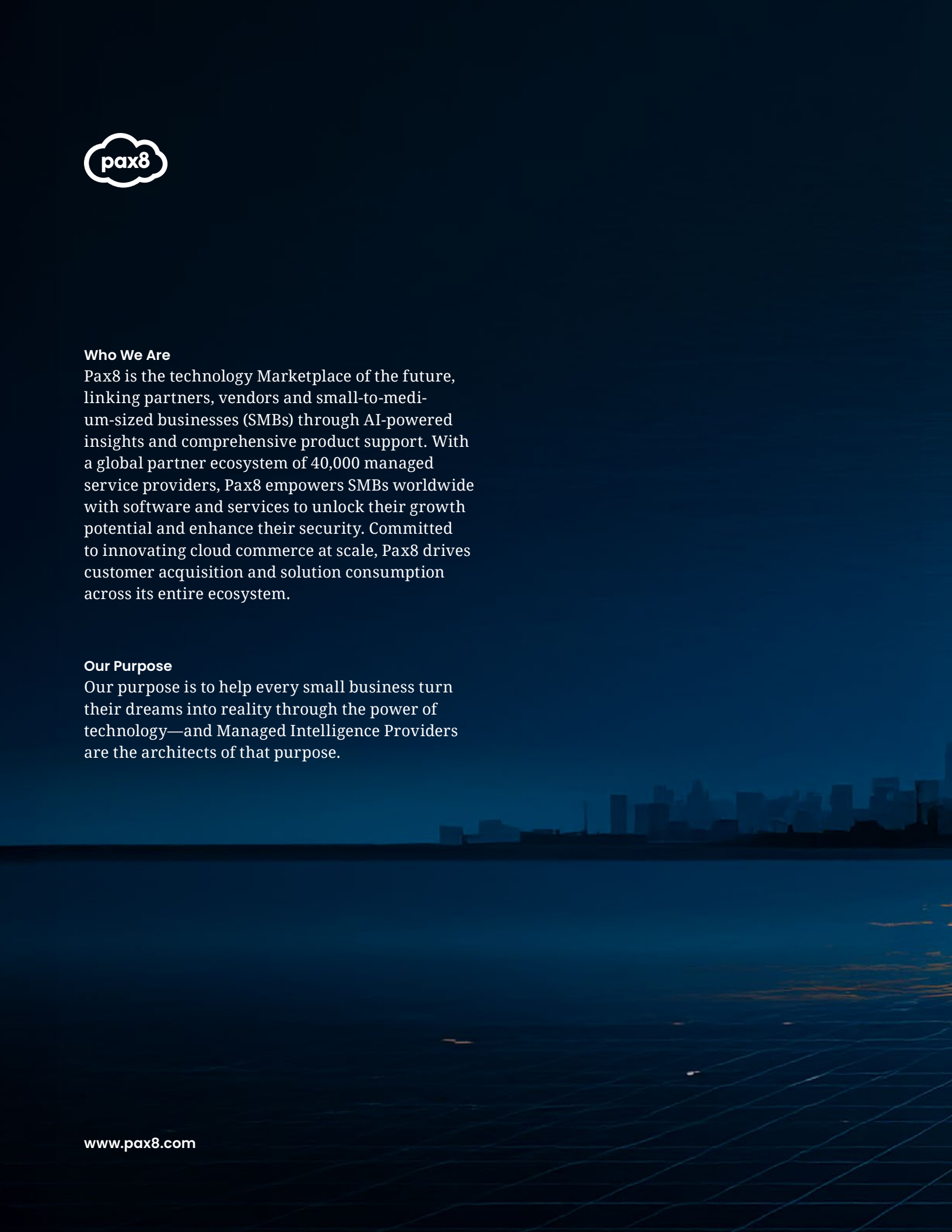
Across all these stakeholders, collaboration emerges as the dominant strategy. The future described in this report is one of interdependence, where success depends on participation in broader ecosystems rather than isolated capabilities.

The Call to Action

The future of business will not be built by legacy systems or human-scale operations. It will be built by autonomous intelligence, guided by the vision and trust of those who understand their customers best.

In this new world, Managed Intelligence Providers are not optional participants, but essential enablers of business transformation. And the relationships built over decades—based on service, trust and proximity—will become their greatest assets in the years ahead. The next decade will not simply belong to those with the biggest budgets but to those with the biggest ideas and the networks (of partners and AI agents) to execute them. We are witnessing the convergence of trends that lower the barriers to building: it's easier to start a business, easier to obtain cutting-edge tech, and easier to scale fast with AI doing the heavy lifting.

A SMB with a big idea can truly become a market maker overnight. The tools are on the table; it's time to build.



Who We Are

Pax8 is the technology Marketplace of the future, linking partners, vendors and small-to-medium-sized businesses (SMBs) through AI-powered insights and comprehensive product support. With a global partner ecosystem of 40,000 managed service providers, Pax8 empowers SMBs worldwide with software and services to unlock their growth potential and enhance their security. Committed to innovating cloud commerce at scale, Pax8 drives customer acquisition and solution consumption across its entire ecosystem.

Our Purpose

Our purpose is to help every small business turn their dreams into reality through the power of technology—and Managed Intelligence Providers are the architects of that purpose.

www.pax8.com