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Expenses MSPs Absorb without Web App & API Security



The [2025 Verizon DBIR](#) shows vulnerability exploits now appear in 34 percent more breaches than phishing.

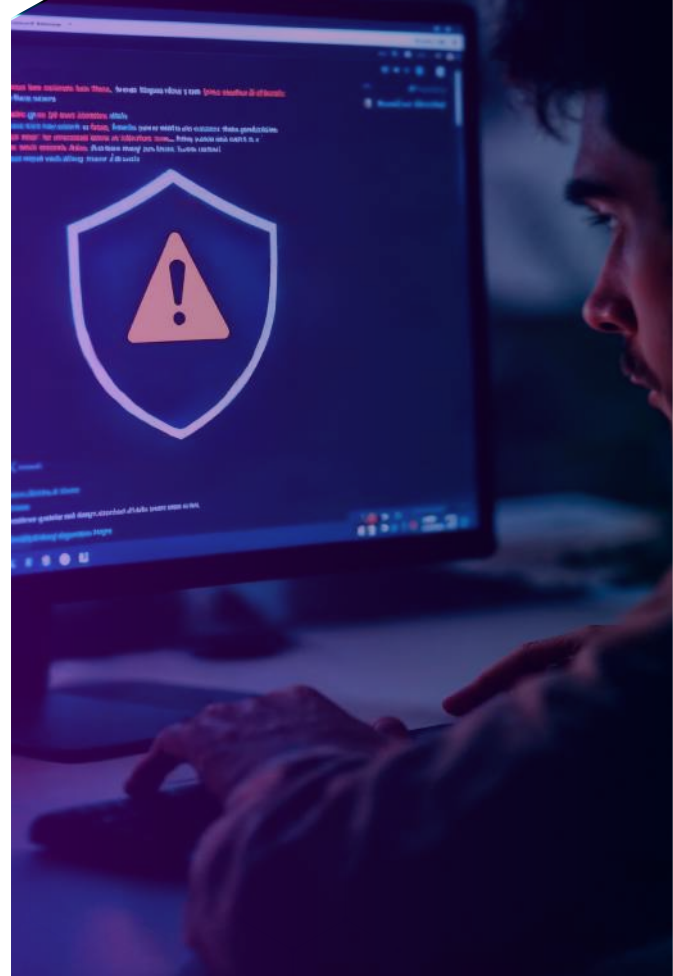
Yet many Managed Service Providers' (MSPs) cybersecurity still stops at endpoint protection. The result is a set of hidden expenses that quietly drain margin and put renewals at risk. Below are the five biggest cost lines—followed by an autonomous, self-healing WAAP platform turns each one into profit.

Learn five hidden costs MSPs incur by neglecting web app and API security, and how Indusface's autonomous platform (continuous asset discovery, vulnerability scanning, autonomous remediation) turns each cost into profit.

01 | Breach Clean-Up Costs

Breach clean-up labour escalates fast. Incident-response hours, forensic investigations, legal fees, and mandatory notifications can pile up, with IBM placing the [global average breach cost](#) at about \$4.88 million and PurpleSec noting that [small businesses face losses](#) between \$120,000 and \$1.24 million.

Virtual patching changes the equation: by applying fixes within minutes of a new vulnerability disclosure, it blocks exploits, protects the network, and prevents data theft.



02 | SLA Penalties and Overtime

Attack-induced downtime quickly turns into hard costs when service-level agreements are breached. Invoice credits, missed uptime bonuses, and after-hours recovery work add up, and Queue-it estimates that mid-size firms lose about \$16 million annually to [SLA penalties](#) alone.

An always-on Web Application and API Protection platform (WAAP) with autonomous remediation prevents most of those outages by blocking new exploits before they cause disruption, protecting 100% availability and letting engineers remain focused on planned, billable projects.



03 | Emergency Tool Purchases

Emergency tool purchases eat cash when a breach strikes. PurpleSec calculates that a single malware event can exceed \$2.5 million once tooling and resolution time are included.

A unified WAAP platform with autonomous remediation ends the last-minute scramble for point solutions, cuts duplicate vendor fees and eliminates unplanned capital expenditures on short-notice licenses.



04 | Cyber-Insurance Premium Spikes

Insurance costs climb after every security incident. The Financial Times reports that retailers hit by breaches have seen cyber-insurance premiums rise by as much as 10 percent at renewal, and some carriers reduce coverage for repeat offenders. By enforcing machine-driven patch SLAs that lower loss ratios, autonomous remediation helps clients qualify for preferred-risk tiers, keeping premiums flat and renewals predictable.

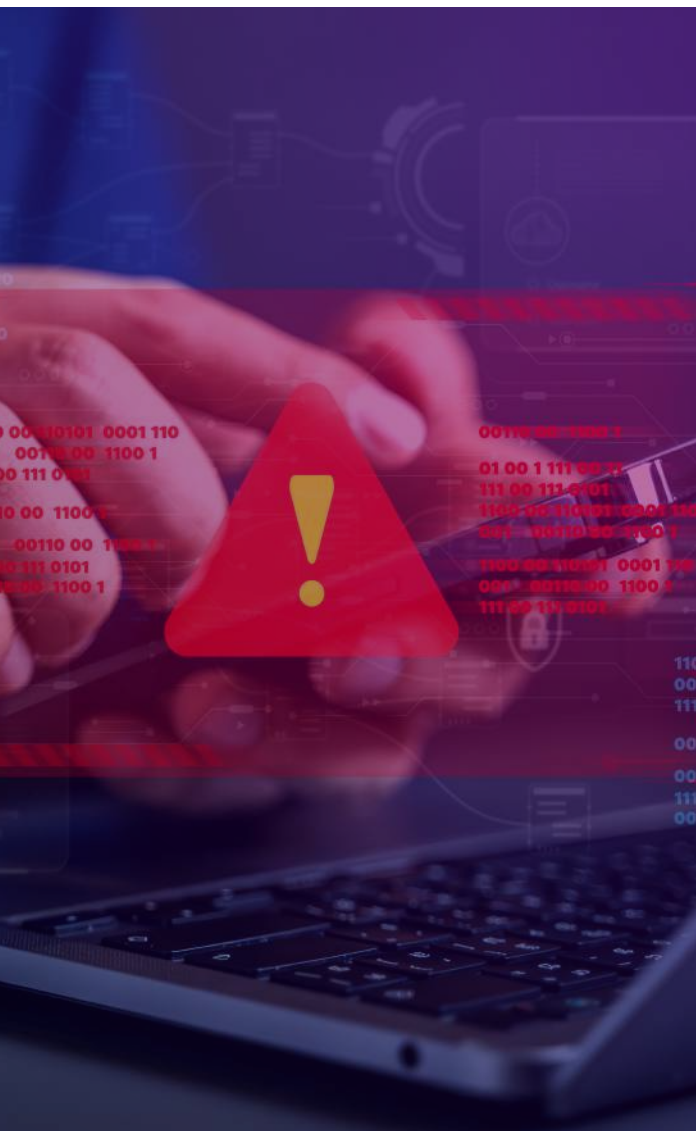


05 | Brand Damage and Customer Churn

Brand damage leads directly to churn. A [ConnectWise survey](#) found that 62 percent of organizations would switch MSPs for better security and would pay roughly 47 percent more for the right partner.

Maintaining a near-zero incident record through self-healing Web Application and API protection (WAAP) lifts Net Promoter Score, strengthens renewal rates, and recasts the MSP from reactive support vendor to proactive risk adviser.

While the first five items are out-of-pocket expenses, there's one more cost worth flagging—the opportunity cost MSPs incur when they skip Web- and API-layer security. It doesn't hit the P&L as a direct bill, but the lost upside is just as real.



06

Opportunity Cost of Skipping Web & API Security

The ConnectWise survey discussed in the previous point also reports MSPs that added cybersecurity offerings saw an average **32% revenue lift**.

In short, ignoring web and API threats doesn't just expose you to breach costs—it caps growth. Deploying WAAP with autonomous vulnerability remediation lets you showcase “zero-day fixed” dashboards in every QBR, expand scope without adding head-count, and convert security wins into predictable, high-margin revenue. Multiply that delta across a modest client roster and the upside easily reaches six figures per renewal cycle.





Indusface + MSPs

Erase Hidden Breach Costs with Autonomous Web & API Security

Indusface gives MSPs a decisive edge with the only fully managed WAAP that virtually patches every vulnerability autonomously, an industry-only capability. The platform continuously discovers all web and API assets, runs continuous scans, and deploys virtual patches the moment a flaw is detected—often within minutes of public disclosure.

This closed-loop remediation wipes out ticket backlogs, meets the toughest compliance windows, and keeps customer sites running at 100% SLA-backed availability without manual effort. Built-in, tamper-proof reports prove every fix in real time, letting account managers walk into QBRs with a clean bill of health and an undeniable ROI story.



The partner program is engineered for profit. Indusface pays leading recurring margins and adds extra rebates when you bundle SwyftComply's autonomous vulnerability remediation. Dedicated solution engineers join presales calls, build custom demos, and stay engaged through onboarding, so your technicians never fight alone. Co-selling agreements, joint demand-generation campaigns, and generous marketing-development funds fill the pipeline while our content team supplies white-label emails, social posts, and webinar decks you can launch in hours.

Stronger Margins, Stronger Security

An Indusface named account manager orchestrates renewals, expansion plays, and executive alignment, ensuring every engagement grows. With Indusface, MSPs add high-margin revenue, reduce operational drag, and deliver a security outcome competitors simply cannot match.

[Explore how our MSP Partner Program can boost your margins and slash breach costs.](#)



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Indusface is a leading application security SaaS company, securing over 5,000 customers across 95 countries with its award-winning platform. Funded by institutional investors, it has been a category leader in Gartner Peer Insights™ for the past three years.

The industry's only AI-powered, all-in-one AppSec platform helps businesses discover, detect, remediate, and protect web applications and APIs at internet scale, backed by a 100% uptime guarantee.

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