

The Evolving Channel Ecosystem and the Power of a Platform



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The technology industry is rapidly evolving, driven by advancements in cloud services, AI, and subscription models. Digital platforms are essential for vendors, partners, and distributors to streamline operations, enhance collaboration, and drive innovation. Ingram Micro’s Xvantage platform exemplifies this shift, offering a unified, AI-driven experience that improves efficiency and market reach.

KEY STAT

Over 50% of partners surveyed state that financial incentives and training and enablement are the two partner program categories most important to them.

KEY TAKEAWAY

Platforms create a centralized, digital, and interactive environment to enhance efficiency, scalability, and innovation across all ecosystem stakeholders.

WHAT’S IMPORTANT

Distributors are moving their business models toward digital platforms that support a digital ecosystem to accommodate the industry change.

Introduction

The technology industry remains in a transformative state as it responds to a myriad of market forces, including:

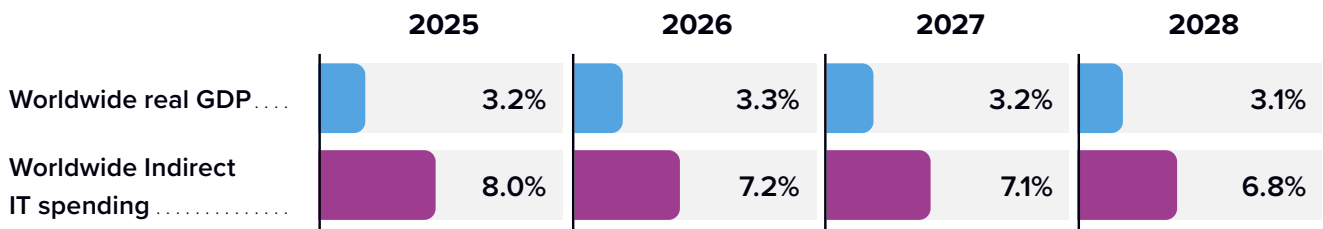
1. Rapid technological advances, such as cloud and GenAI.
2. A shift in subscription and consumption models.
3. Evolving customer business needs.
4. Vendor transformation.
5. Partner operational requirements.

These market forces have increased the need for digital modernization in the B2B technology sector, including the digital transformation of vendors, hyperscalers, partners, and distribution.

Technology distribution has been a key foundation for decades for the technology sector. Given the latest technological changes, consumption options, and routes to market, two-tier distribution is shifting to accommodate changes in emerging technologies, cloud, and multicloud environments and simplifies the overall two-tier distribution model. In fact, due to the vendor and customer need to reach the highly fragmented small-to-midsize enterprise market, as illustrated below, the worldwide IT distribution market will continue to outpace global gross domestic product (GDP) growth.

Distributors are moving their business models toward digital platforms that support a digital ecosystem to accommodate the change.

FIGURE 1
Indirect IT Spending Comparison to GDP (Growth,Y/Y)



Source: IDC, 2025

What Is a Digital Platform?

IDC defines a digital platform as an ecosystem or a technology-enabled framework that enables seamless collaboration, provisioning, and management of technology solutions across vendors, partners, and customers.

The platform foundation integrates a myriad of features and functionalities, enabling partners to sell comprehensive solutions to their end users regardless of their level of technology adoption. These include on-premises hardware and software, cloud services, multicloud environments, subscription-based models, and marketplaces

while facilitating scalability, automation, and value-added services for the partner and vendor ecosystem.

Key characteristics of a digital platform include a centralized dashboard where users can discover, purchase, configure, and provision products and services, such as SaaS, IaaS, PaaS, and multicloud solutions. The platform provides automation and self-service to allow partners to quote, procure, bill, and manage subscriptions, thus reducing friction in the procurement process. The platform also allows partners to connect vendors, hyperscalers, and distributors in a unified ecosystem to enable them to bundle solutions across multiple vendors and provide life-cycle management for the customer.

Industry Benefits for Developing a Digital Platform

Developing a digital platform for technology vendors, hyperscalers, partners, and distributors provides many strategic and operational benefits that align with the ever-changing needs of the technology ecosystem. Platforms create a centralized, digital, and interactive environment to enhance efficiency, scalability, and innovation across all ecosystem stakeholders.

Technology vendors can leverage platforms to extend their market reach to a wide range of partners globally to accelerate their selling strategies. Vendors use platforms to streamline operations by automating product listings, offering certification and specialization tracking, and managing provisioning and billing from a single platform to improve partner enablement and engage more effectively with their partners' ecosystems.

Partners benefit from digital platforms that simplify business operations through a centralized procurement process, helping them compare and purchase solutions from multiple vendors. Platforms help partners reduce costs through automated quoting, billing, provisioning, renewals, and other value-added services. Access to a multivendor ecosystem with emerging technologies enables the partner to achieve faster time-to-market and improved fiscal growth.

Technology distributors have gained significant strategic and operational benefits from building digital platforms for their businesses by strengthening their role as strategic intermediaries. The distribution platform acts as a central point of collaboration and enables distributors to seamlessly connect to the full ecosystem of vendors, partners, and hyperscalers. By streamlining interactions, distributors create significant value for the entire ecosystem and enhance their relevance in the market.

Along with improved partner and vendor engagement, such as simplified onboarding and partner/vendor enablement, digital distributor platforms create enhanced data and insights that improve value-based decision-making. Real-time visibility into ecosystem behaviors helps stakeholders and users to track and identify new customer opportunities. Demand forecasting, predictive analytics, end-user adoption, and partner performance allow distributors to anticipate ecosystem needs and prescribe solutions that reduce cost and increase time-to-value.

Digital platforms are cloud-enabled, data-driven, and collaborative digital ecosystems that streamline business processes; facilitate automation, scalability, and innovation across the entire technology ecosystem; and address the changing technology needs of the customer.

The digital platform model delivers overarching benefits for all stakeholders by fostering collaboration, transparency, and innovation to improve the customer experience.

Digital Platform Trends for an Evolving Channel Ecosystem

Building a digital platform helps companies transform themselves into digitally enabled ecosystems. Platform investment enhances relevance by creating new revenue streams, enabling operational agility, and improving the technology supply chain.

Platform providers address key trends shaping the technology landscape, partner ecosystems, and evolving customer demands. These trends guide the platform design and ensure that it offers value to stakeholders in a rapidly changing market.

The market has moved from one-time product purchases toward recurring revenue models, such as SaaS and IaaS, and consumption billing. Platforms must meet the subscription management needs of flexible billing, automated renewals, and seamless XaaS delivery through real-time usage tracking, dynamic pricing, and integration with vendors' subscription services.

Organizations are adopting public, multicloud, and hybrid cloud models that combine on-premises and cloud solutions. Provisioning tools, managing and orchestrating multicloud environments, and providing support for workload migration rise to the top of key initiatives that platforms must solve.

Partner-to-partner engagements are rising and are becoming more abundant as the industry shifts toward a seamless collection of ecosystem participants and co-selling initiatives to solve customers' business problems. Research shows that, on average, four to six entities (partners and vendors) can combine to deliver complex solutions.

Platforms encourage co-creation to deliver tailored customer solutions, and platforms must include collaboration tools for co-selling, joint marketing, solution design, and customer success across the ecosystem.

Technology marketplaces are becoming central to how businesses discover, purchase, and provision solutions, and marketplace-centric platforms allow the ecosystem to use the key benefits of platforms to sell directly to partners and end users.

Building successful platforms for technology requires providers to embrace new technology trends, such as cloud, multicloud, AI/GenAI, automation, data-driven insights, and marketplace association. A future-ready platform delivers flexibility, scalability, and AI-driven capabilities that meet the needs of the entire technology ecosystem. Platform providers who address these trends create a sustainable, competitive advantage.

Not every partner has the same level of maturity when it comes to selling solutions and services. Many partners that embark on selling cloud solutions will often start with core technologies, such as unified communications and office productivity. As the partner becomes more sophisticated and comfortable selling cloud-based solutions, they ultimately move laterally within an organization, finding even greater opportunities with their solutions and services.

Ultimately, this upskilling and lateral shift is key for leading ISVs/hyperscalers who want to permeate AI through all their applications, creating greater stickiness and chances for higher-margin professional services. To accomplish their goals, vendors need help educating and training their partners to become true consultants by helping them move department by department, up- and cross-selling new applications coupled with foundational offerings.

What partners want from vendors:

Partners vary in vertical specialization, customer strata, and vertical markets, which often define their business model. However, there are commonalities among them and their needs from vendors. IDC's *Global Partner Survey*, October 2024, lists the critical needs that partners want from their vendors (see **Figure 2**).

The top priorities that partners want from their vendor's partner program are financial incentives, training and enablement, marketing funds, technical and pre-sales support, and sales/deal support. Notably, as vendors continue to shift to as-a-service models coupled with moving into new product adjacencies, it is critical that vendors adequately train partners on how to sell their solutions and services and properly incentivize them.

FIGURE 2

Valuable Partner Program Benefits

Which of the following partner program benefits are most valuable to your company?



n = 512 (total partners); Source: IDC's *North America Partner Transformation Study*, October 2024

Training partners is key, since many vendors ask partners to open a dedicated practice to sell their solutions and services, taking away from existing business groups that keep the lights on for the partner. Therefore, vendors and distributors must help their partners transition into new models, since this can be highly disruptive to the partner. For example, the partner needs more training for complex applications targeting departments and job functions, such as cloud-based, mid-market enterprise resource planning.

What partners want from distributors:

Partners want their distribution partners to provide the same options as their vendors to help them succeed.

Below are key areas for partners as they go to market (source: IDC's 2024 Partner Transformation Study, October 2024):

- Breadth of the product portfolio
- Superior price and availability/special pricing
- Efficient procurement and logistics (digital platform)
- Co-selling with other partners and vendors
- Market insights and intelligence
- Technical support and enablement
- Financing options

- Suggesting missing components or pre-built integrations and services
- Individualized strategy/business plan/business model support
- Migration services
- Partner programs/coordination of vendor partner programs

Considering the Xvantage Platform from Ingram Micro

In 2022, Ingram Micro signaled the start of its digital journey by introducing its Ingram Micro Xvantage platform. With a vision to bring the best of B2C experience to the B2B technology industry, Ingram Micro engineered the AI-driven, digital experience platform to enable technology vendors and customers (channel partners) to streamline their business operations, shorten time to market, and adapt to changing market conditions, all from one simple platform.

Today, Ingram Micro's digital twin operates in more than 16 countries, features 29 million lines of new code, has 30 patents pending, and comprises more than 20 intelligent engines. Technology vendors, partners, and hyperscalers credit Ingram Micro for changing how the technology channel works and introducing a new level of sophistication and performance that brings together the best of people and technology in a single platform.

Xvantage: Strategically Aligned with Its Stakeholders' Current and Future Needs

The overarching goal of Xvantage is to create a global unified platform where Ingram Micro is highly responsive to its stakeholders through their journey with the company. The platform is a digital twin for its employees, vendors, hyperscalers, and partners to provide a more predictable and friction-free experience, translating into cost reductions, margin accretion, business and ecosystem expansion, and more for its internal and external stakeholders.

Key goals or core tenets of Xvantage are to:

- Create a unified platform or digital twin where Ingram Micro is highly responsive to its stakeholders throughout their journey with the company
- Remove friction from vendors and partners to optimize their businesses and strengthen their profitability
- Drive business growth and informed decision-making by analyzing decades of transactional data to provide recommendations, insights, and value

Xvantage's Impact on Its Stakeholders

Since launching in 2022, the Xvantage platform has provided highly impactful experiences for its internal and external stakeholders with the company's innovation flywheel strategy. The company continues to evolve the platform's AI-powered capabilities, optimizing business operations, costs, and collaboration between all stakeholders.

An example of this ability to continuously innovate and improve its platform offerings is the Xvantage Integrations Hub. By providing instantaneous integrations with other software systems and applications — including in-house native apps, third-party connectors for customer relationship management, configure price quote, enterprise resource planning, and professional services automation tools — Xvantage allows seamless data exchange and streamlined workflows for managing hardware, software, and cloud services all in one place. Integration mapping ensures partner integration setup accuracy, data exchange, and alignment with business needs. The Integrations Hub facilitates this mapping process to ensure that all data flows correctly between systems, helping to automate processes, improve sales and customer experience, reduce manual data entry, and provide real-time insights through data analysis.



Digital platforms are revolutionizing technology distribution, driving efficiency, scalability, and innovation across the ecosystem.”

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Ecosystem Challenges to Digital Platforms

While digital platforms for selling technology offer numerous advantages, the industry faces several market inhibitors and competitive challenges impacting its ability to leverage these platforms fully. Among them are legacy systems and manual processes that make transitioning to digital platforms challenging for partners and vendors. Resistance to change can slow adoption, but offering incentives, education, and phased adoption plans can overcome resistance and drive engagement.

Vendors and partners use different pricing models, billing systems, and procurement processes. Disjointed systems can create inefficiencies that require costly customer integrations or manual workarounds. The platform must adopt open API standards and flexible integration options that ensure seamless data exchange.

The IT channel includes various partner types or ecosystems with different business models and needs. Platforms may struggle to service all partner

types, creating gaps in service and limited adoption. Platforms should offer role-based experiences and industry-specific tools catering to partner segments.

Lastly, partner differentiation becomes a concern as more partners move to digital platforms and marketplaces. Platforms can offer personalized storefronts, co-marketing opportunities, and AI-driven recommendations that help partners showcase their strengths and compete evenly in the ecosystem.

Conclusion

Digital platforms are transforming the value of traditional technology distribution, and helping the ecosystem navigate pricing pressures, security concerns, channel conflicts, and hyperscaler integration while ensuring that the platforms are scalable, secure, and interoperable. Digital platform providers should focus on automation, trust, interoperability, and partner enablement to ensure that their solutions enhance the value potential.

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Jeff Newton is the research director for the Infrastructure Channels and Ecosystems program, which includes the bi-annual Infrastructure Channels Leadership Council (ICLC). Jeff provides research-backed guidance to infrastructure vendors focusing on digital transformation, partner programs, public cloud and private cloud channel go-to-market strategy, AI/ML Generative AI and the channel, cloud marketplaces, distribution, aggregators, and the analysis of XaaS/consumption business models.

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