2023 State of the Channel

An MSP’s time to rise and thrive

Contents

What's in the report

Cloud technology is experiencing a growth trend with no signs of slowing down. Over the past three years, the tech industry has demanded that cloud take center stage—organizations are fully immersed in a digital-first strategy, with many business objectives concentrated on hosted services. Even in uncertain times, with speculated economic downturns and North America's current state of inflation, IT spending toward cloud technology seems to be largely unphased. In fact, IDC forecasts that in the U.S. and Canada, global public cloud spending will grow 19.7% year over year in 2023 on a constant currency basis, reaching $376 billion.[1]

However, growth in cloud technology is hardly straightforward. As customers continue to grasp the possible advantages of cloud, their hunt for use-case-specific solutions and need for flexibility in business models increases exponentially. This has given continued rise to the demand for tailorable models like everything-as-a-service (XaaS) subscription-based licensing, which is projected to grow by 23% CAGR by 2030, as well as escalated the need for reliable solution building and services support to pair.[2]

19.7%

year-on-year growth in global public cloud spending by 2023[1]

Ingram Micro has set out to investigate today's most pressing cloud and channel questions for our channel stakeholders—i.e., managed service providers (MSPs), value-added resellers (VARs), systems integrators (SIs), independent software vendors (ISVs) and the like. All the information and exclusive insights gathered within the report aim to help our partners, like you, strategically overcome business challenges and fully understand the cloud market evolution. By leveraging data and insights, we focused on the following questions to see how they specifically relate to the North American region:

- **How are partner roles and the role of the channel evolving in the cloud ecosystem?**
- **What are the effects of today's cloud changes and disruptions?**
- **What are today's technology trends and where is end-customer demand?**
- **What factors may impact growth in cloud technology?**
- **What's the latest in emerging technology?**

To gain a stronger understanding of the changes and trends in our landscape, we have made it a priority to collect data on the latest cloud technology. Through recent partner and consumer surveys, platform interactions and direct feedback, we've tapped into the perspectives of cloud partners and their customers in the United States and Canada. Additionally, we are reflecting on the past year's experiences with vendors, reseller partners and their customers throughout their cloud journeys.

Methodology

This year's State of the Channel Report consists of two surveys, each targeting two different focus groups. In the first survey (which was conducted in January 2023), we gathered the feedback of over 110 North American cloud resellers across the cloud channel ecosystem.

We sampled a varied population of partner types—VARs, MSPs, ISVs, SIs and others—to gain a better understanding of partner perspectives around our current cloud landscape, recent partner challenges and needs, and immediate end-customer demands.

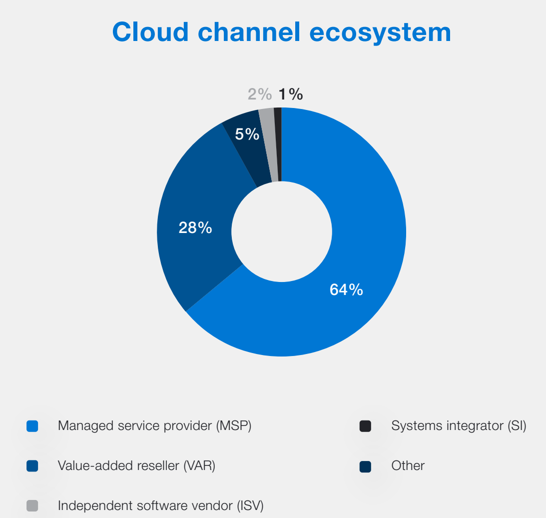


Figure 1: Cloud Channel Ecosystem
Source: Ingram Micro's State of the Cloud Channel Partner Survey.
Question: How do you identify yourself in the Cloud Channel Ecosystem?
N=110

In our second survey, we engaged an outside research agency (Dynata) to help capture data from 350 channel end users from the United States (78%) and Canada (22%).

While we understand this only represents a small sample of the channel as a whole, we have done our best to interpret this collected data and have applied that interpretation throughout this report.

Current pulse:
all eyes on cloud

"While the cloud market has enjoyed rapid growth for several years, we've only scratched the surface of what's possible.

Most workloads are still run on-premises. There is massive opportunity for partners in areas like application modernization, where customers need help lowering the cost of maintaining infrastructure and deploying solutions faster."

Victor Baez
Senior Vice President, Cloud & Global Vendor Engagement, Ingram Micro

Much like the XaaS market, today's macroeconomic environment is helping drive end-customer demand for more hybrid cloud infrastructure as opposed to traditional single-layer public cloud usage. Its flexibility and predictability from a budgeting standpoint have opened the door to cost savings.

In addition to the hybrid rise, multi-cloud strategies are also gaining a foothold in the market. Entities can now pick and choose the best cloud computing solutions to suit individual components of their businesses, whether it's public or on-premises.

An important part of business in the IT channel revolves around embracing and learning from cloud trends and emerging technologies. Well-known industry buzzwords like artificial intelligence (AI) and machine learning (ML) are already showing and are predicted to experience growth in the future—but perhaps not among the masses as quickly as expected.

A key focus continues to be on cloud technologies that the channel has been refining and expanding upon all along. And while it's important to stay curious and ahead of the curve with the cool, next-gen tech, it may be more profitable to ensure your offerings and attention are primarily set on providing excellence around your current portfolio and in what the end customers are demanding now. After all, the standard elements of cloud operations are evolving at a lively enough pace to require a strictly disciplined continuity approach.

Emerging cloud technologies score based

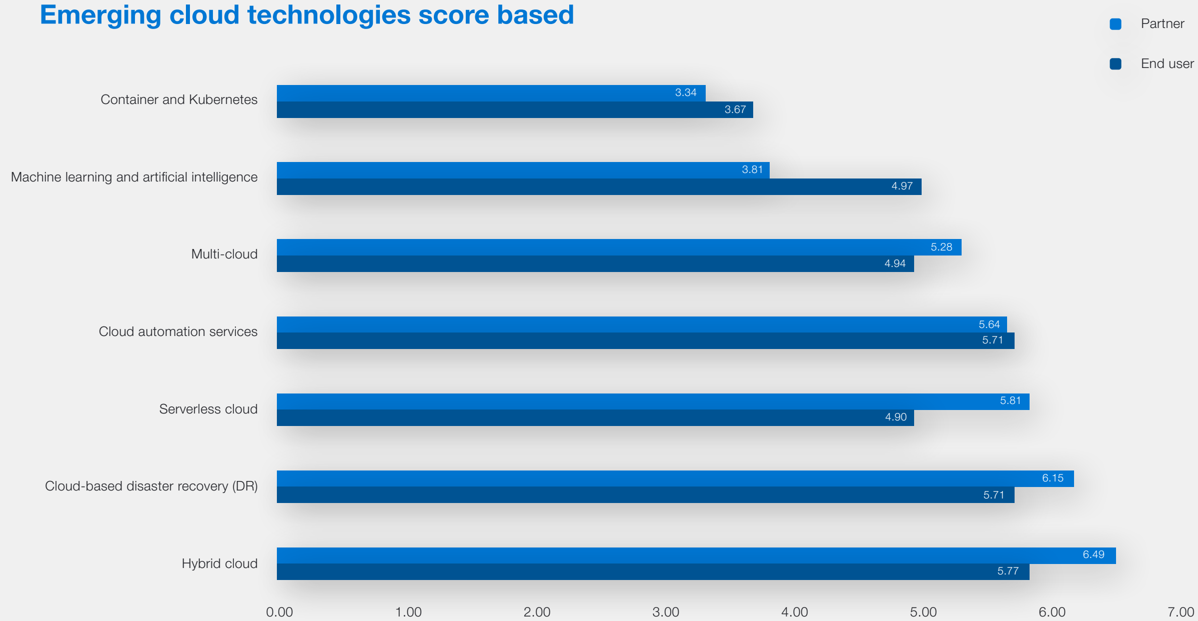


Figure 2: Emerging cloud technologies score based. Higher the rank score, greater the importance
Source: Ingram Micro's State of the Cloud Channel Partner Survey. Question: Based on your customer demand and inquiries, please rank them from highest to lowest priority. N=53
Source: Ingram Micro's State of the Cloud Channel End-User Survey. Question: Below is a list of emerging cloud technologies. Based on your organization's interest, please rank them from highest to lowest priority. N=350

Today's growth challenges

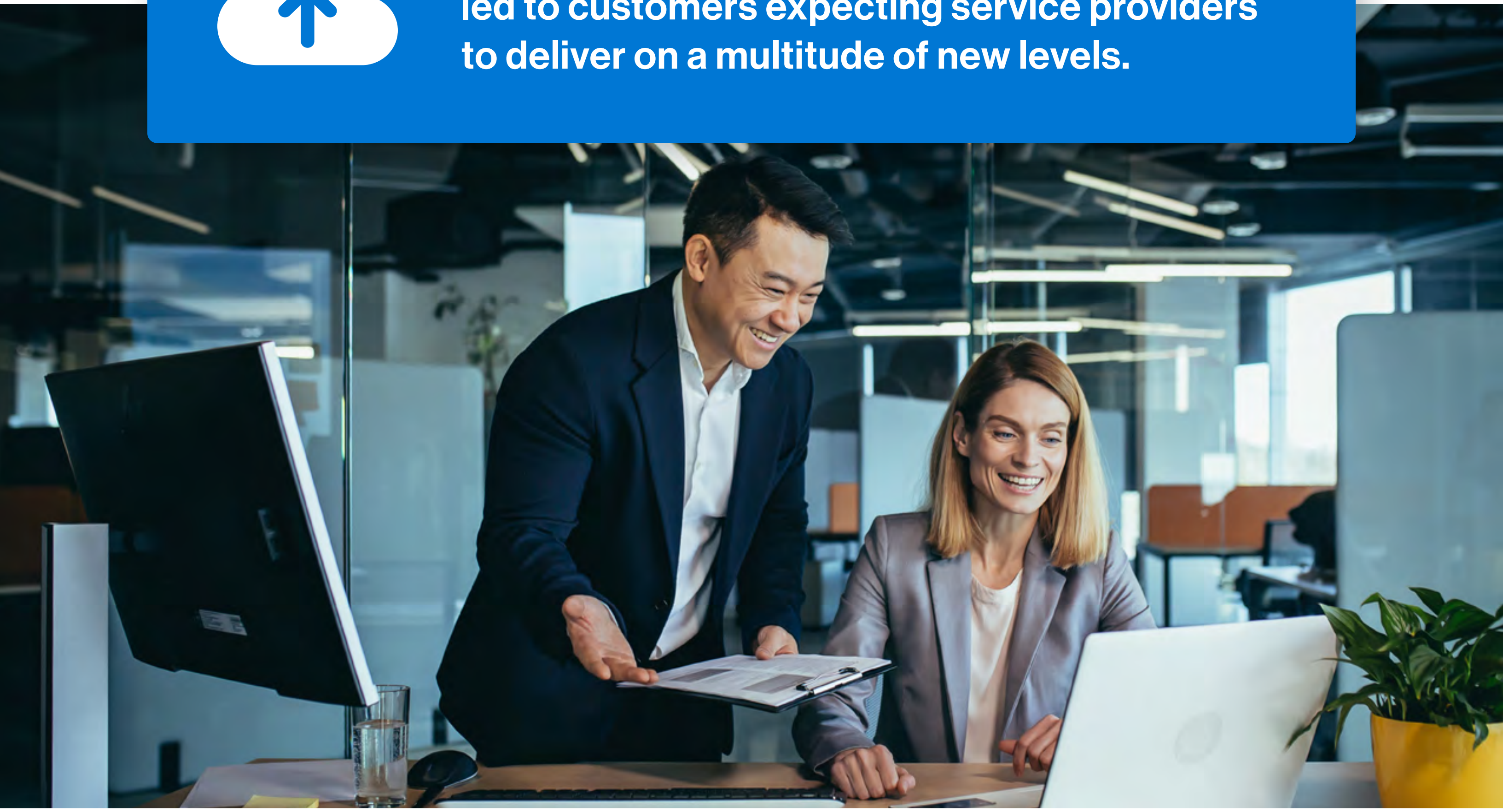
The persistent increase in cloud adoption and its subsequent data will no doubt continue unearthing new vulnerabilities and challenges. For instance, the learning curve for emerging technology can be a steep one.

As workloads increase with an expanding book of business, it may seem the number of technologies available in the market multiplies along with it. This creates a challenge in not only facilitating an enhanced portfolio of offerings, but also ensuring teams can provide the right amount of accrued expertise and value to customers while stretching individual bandwidth.

Additionally, partners face the challenge of maintaining an agile and knowledgeable workforce. They must navigate new technologies while constantly upskilling their workforce. Meanwhile, the increasing demand for cloud services has also led to customers expecting service providers to deliver on a multitude of new levels, generally requiring more provider-consumer interaction.

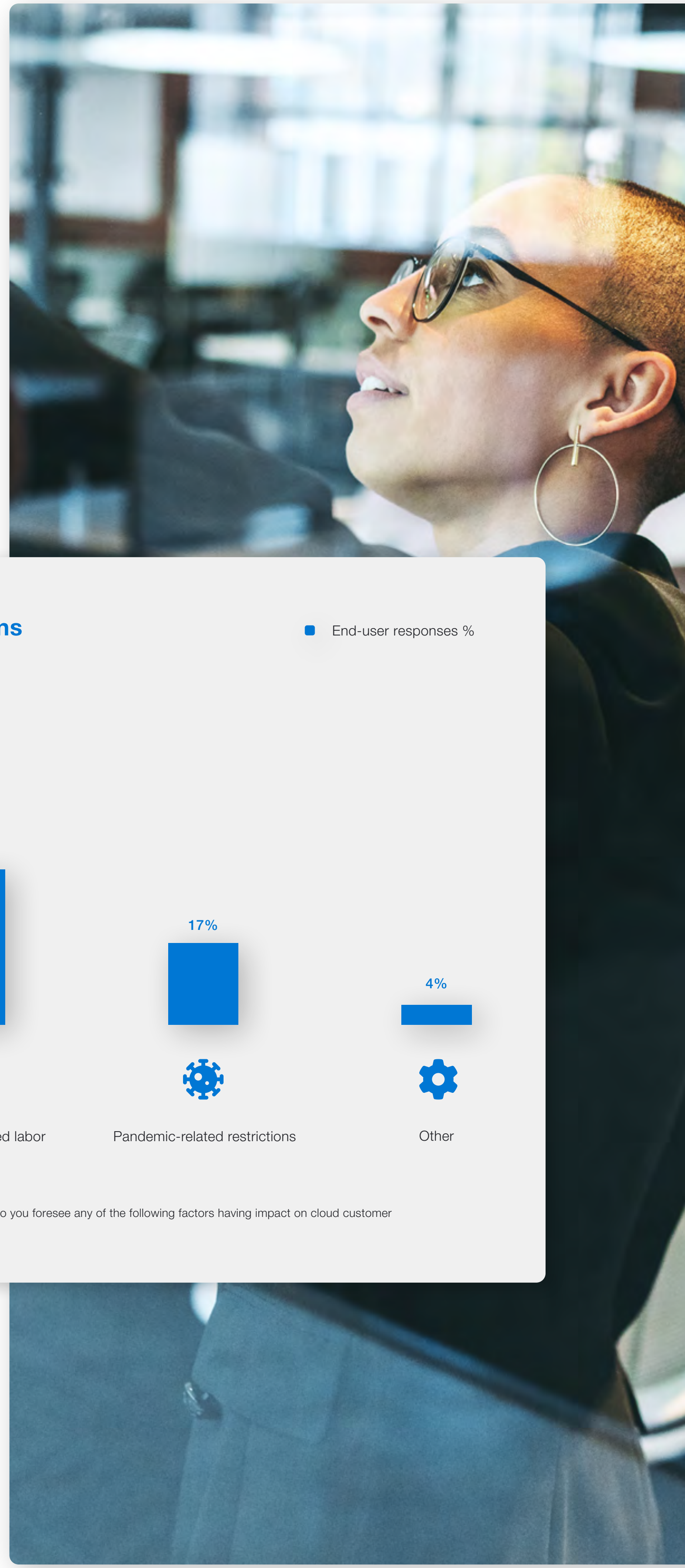
For partners to succeed, they must become nimble and well-acquainted with emerging technologies while providing consistent support on expanded business-critical needs. Digitalization doesn't stop, and customers will only continue turning to cloud services. In response, partners must focus on providing well-defined end-to-end solutions in order to compete in the market, meet customer needs and achieve growth goals.

The increasing demand for cloud services has led to customers expecting service providers to deliver on a multitude of new levels.



According to survey findings from 451 Research, over 92% of service providers either strongly or somewhat agreed with the following statement: “My company faces strong competition for a limited number of advisory roles with each of its customers.”[3] By pivoting to a more forward-thinking solutions-based approach, combining hardware and software with comprehensive services, partners can become the go-to resource for end users.

As more technology and service offerings hit the market and add to possible decision fatigue, many have tightened their grip on spending according to analyst predictions. According to IDC, global IT spending growth is expected to slow to 4.5% year over year in 2023 on a constant currency basis, compared to 12.0% and 8.2% growth in 2021 and 2022, respectively.[4]



Impact on cloud customer purchasing decisions

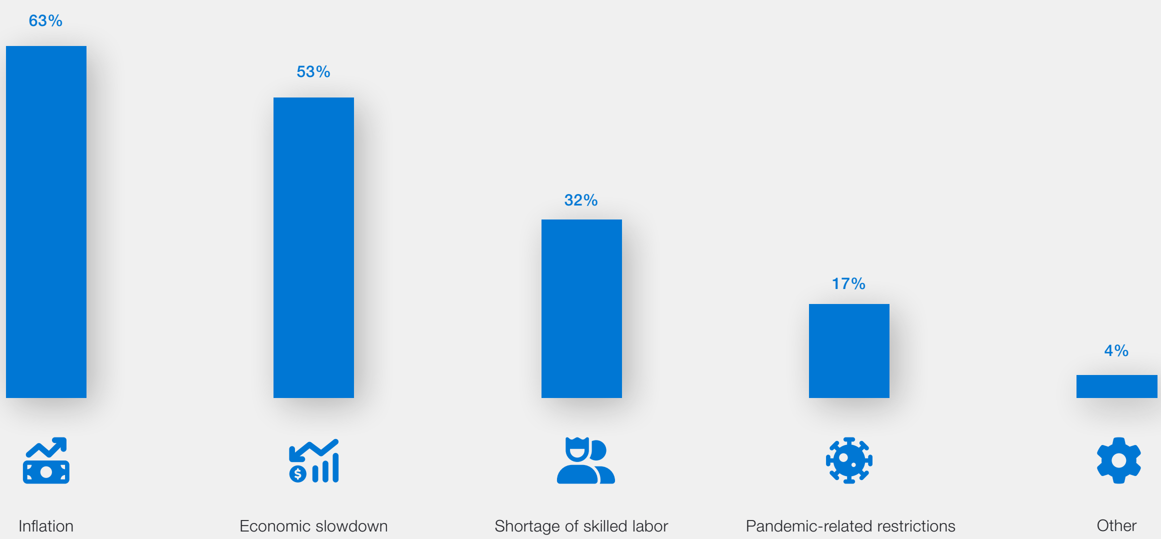


Figure 3: Impact on cloud customer purchasing decisions.
Source: Ingram Micro’s State of the Cloud Channel End-User Survey. Question: Over the next year, do you foresee any of the following factors having impact on cloud customer purchasing decisions? (Select all that apply). N=350

To that same end, the end-user survey above highlights both inflation and economic slowdown as the two main factors that could potentially impact near-term cloud purchasing decisions. To meet these external influences, partners will have to carefully evaluate and adapt their strategies in response to changing economic and labor market conditions.

Managed services: calling all providers

As the demand for cloud has continued building, so has the need for cloud services. MSPs—outsourced companies that remotely manage end-customer IT systems and infrastructure—are go-to resources for businesses leveraging cloud-based services and technologies. Even though businesses are moving cautiously when it comes to spending, customers have quickly recognized the benefits of teaming up with MSPs. Their ability to help implement technology, support scalability and help fill skills gaps can save customers time and money. With the support of predictions from IDC suggesting that spending on managed services is expected to grow 5.4% year over year in 2023 to reach $337 billion[4], managed services have laid down their roots in the channel by providing expertise in key areas like:

- **Infrastructure management**
- **Security integration**
- **Technical support**
- **Additional high-stakes areas across various verticals**

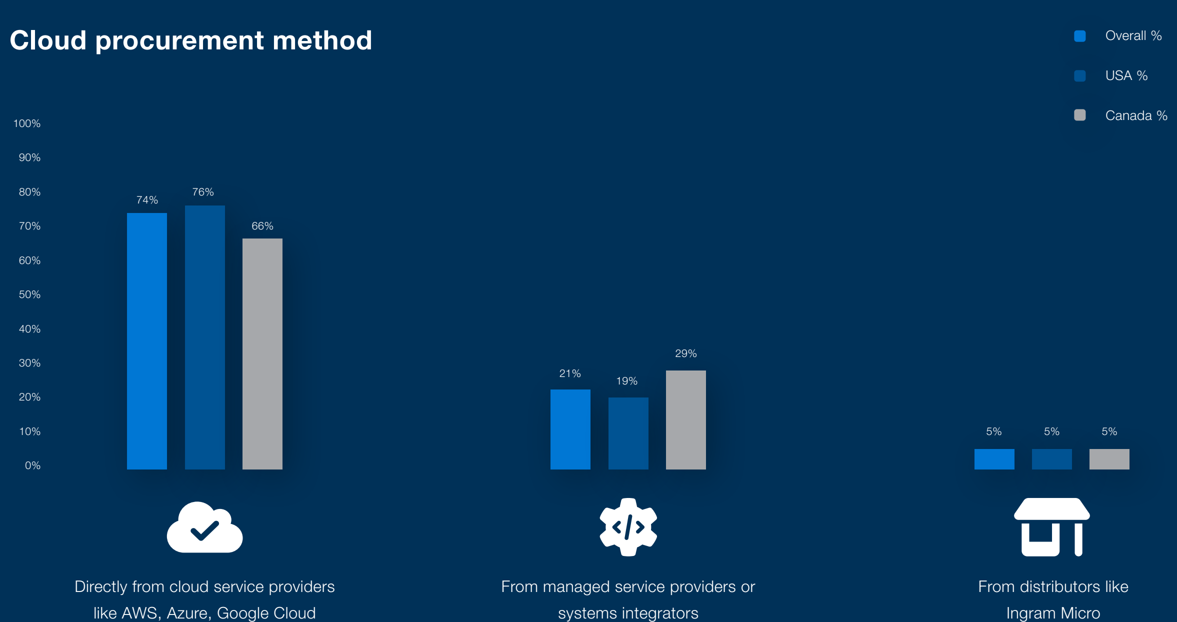


Figure 4: Cloud Procurement
Source: Ingram Micro's State of the Cloud Channel End-User Survey Question: How does your organization generally procure cloud solutions? N=350

Survey results from our end-user report indicate that 74% are sourcing services directly from cloud service providers, but 21% of end customers choose to do business with MSPs and other service providers when in need of more advanced management of their cloud environments and existing infrastructure. "For the past few years, IDC has observed the important role that partners play in the growth of XaaS, with managed service providers investing in training, new internal business processes, and developing seamless operations between their clients and vendor providers. It's not surprising that organizations would turn to their trusted partners to help in the transition to XaaS and rely on them to build a more resilient and agile IT environment."[5]

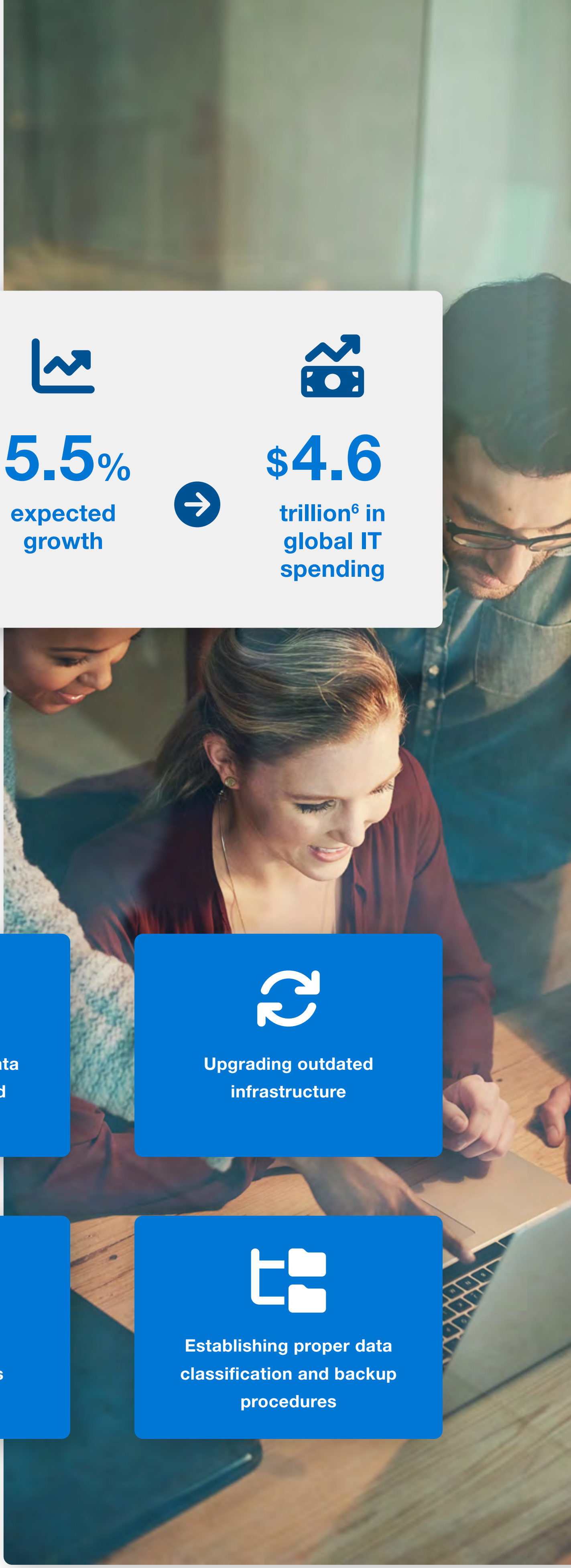
74%
of end users contract services directly from cloud service providers

According to our partner survey, MSPs indicated that cloud services and solutions will have a significant increase in demand within the next year with an average growth of ~21.5%, lining up well with the results we saw from end customers who are already placing a large portion of their data and solutions in the cloud (75% of end-user respondents are in the cloud). Partner survey results also indicate that the majority of participating VARs would like to evolve into more of an MSP business model within the coming year as a response to necessity and demand.

What the end user wants

With an expected growth of over 5.5%, totaling $4.6 trillion[6] in global IT spending in 2023 despite economic uncertainty and buying hesitation, it's no surprise that we've seen both sustained growth in existing tech and major booms in emerging markets. Companies continue to focus on technology investments that support remote work, digital transformation and other collaborative needs, prioritizing the business-critical tech that keeps efficiency at its best. This has led to the growth of cloud adoption at a scale we've never seen before.

While 91% of the surveyed end customers reported having a well-defined cloud strategy, there are still several areas of improvement they're focused on as they pivot with technology shifts and current needs.



5.5% expected growth → **$4.6** trillion[6] in global IT spending

- **Implementing a robust cloud backup system**
- **Conducting regular data accuracy checks and audits**
- **Upgrading outdated infrastructure**
- **Researching and selecting trustworthy cloud environments**
- **Streamlining software and portals**
- **Establishing proper data classification and backup procedures**

Developing strong solution portfolios around these issues offers growth opportunities for partners, and continued development in these areas will support a long-term relationship bridge for end customers as they feel supported in their cloud journey.

In comparing the data of both surveys, both partners and end customers prioritize migration, backup and disaster recovery services, as well as security solutions. However, partners have a higher emphasis on providing professional services, management, training, offering business applications, and services related to communications and collaboration. End customers, on the other hand, prioritize business applications, data center services and digital solutions. It is also worth noting that the end-user survey indicates that end customers are looking toward the future with a strong lean into hybrid cloud, cloud automation services and cloud-based disaster recovery.

This information is an excellent launching point for partners as they assess where to focus their cloud strategy for the next year.

Both partners and end customers prioritize migration, backup and disaster recovery services, as well as security solutions.

Everything as a service:
It's nothing new, so what's different?

Customers are looking for technology that targets specific use cases and provides measurable outcomes, which has led to a growing demand for more scalable solutions and bundles.

According to our partner survey, almost half of all respondents noted they are preparing for an increase in customer demand for cloud services. In addition, customers are prioritizing speed and agility, made possible by digital sourcing mechanisms, and are increasingly seeking flexible consumption options in the form of as-a-service models.

Offerings required from cloud adoption and services provider

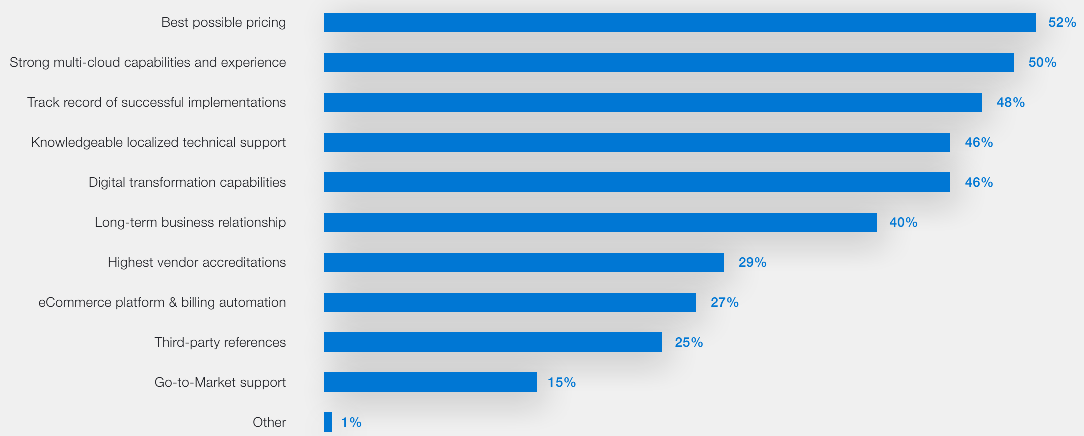
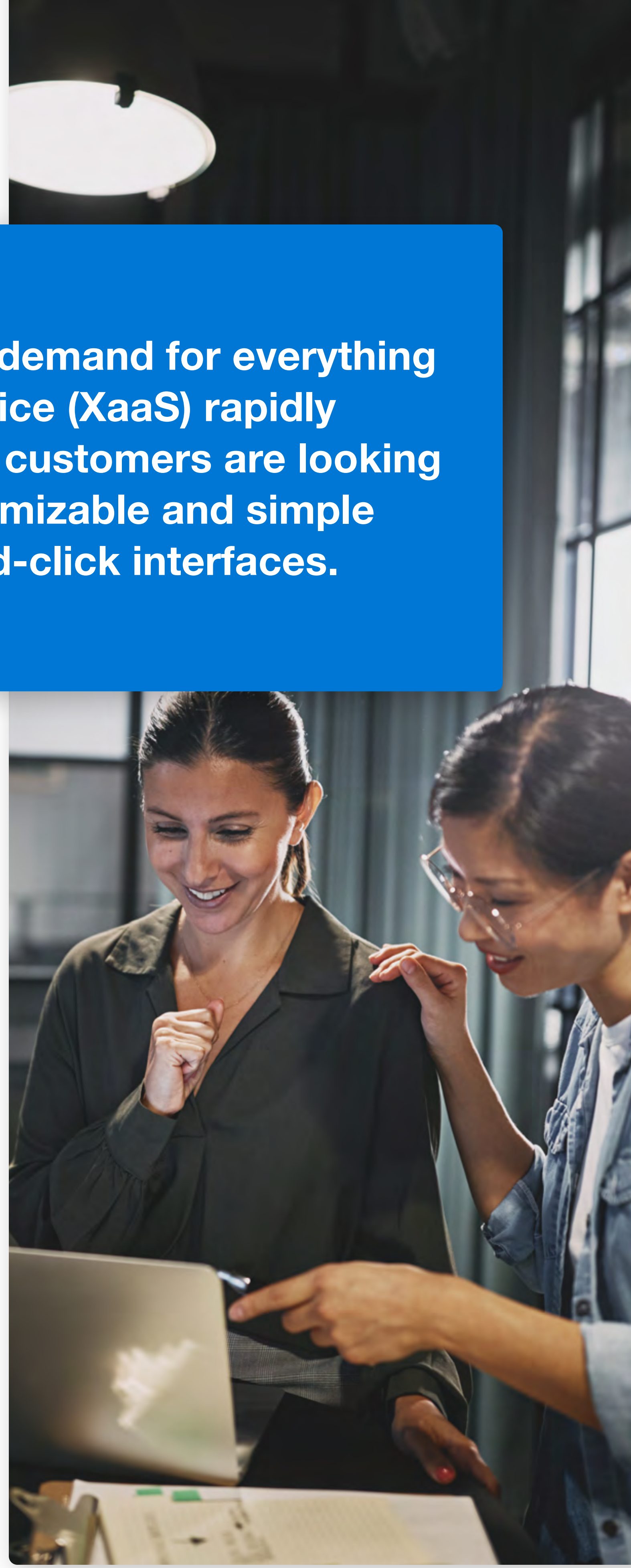


Figure 5: Offerings required from cloud adoption and services provider.
Source: Ingram Micro's State of the Cloud Channel End-User Survey. Question: What criteria do you focus on when choosing a cloud adoption and services provider? (Select all that apply). N=350

With the demand for everything as a service (XaaS) rapidly growing, customers are looking for customizable and simple point-and-click interfaces.



This is where an MSP brings value—their ability to enable flexibility and scalability continues to drive seamless integrations. End customers can offload workloads and costs while truly focusing on their business.

In product and solution lifecycles, customers are constantly looking for shortened deployment times with increased scalability. With the demand for XaaS rapidly growing, customers are looking for customizable and simple point-and-click interfaces. The global XaaS market is expected to grow at a CAGR of 22.3% from 2022 to 2030.[7] The popularity of the XaaS model maintains its upward momentum due to the growing importance of innovative products and services, data-driven strategies, improved scalability, boosted productivity and more digitally enabled technological infrastructure.

Nonetheless, this momentum is met with some headwinds for both the partner and customer. One main challenge presented to both parties is integration. Whether it is issues transitioning from legacy systems or issues related to IT management, meshing two worlds will come with its technical obstacles. Another challenge, and recurring theme within the larger report, is around data security and privacy. As data becomes more abundant and prevalent, partners and customers need, now more than ever, to tightly manage and protect all their valuable information.

What to expect:
taking it to the cloud and beyond

“Cloud has completely changed the paradigm of growth for partners.

I've been in the industry for over 25 years and have known many businesses that used to celebrate 5-7% year-over-year growth. But, in the last five years, we're seeing the market growing at a 30-40% rate.

So, if you're not growing at that kind of a rate, and you don't have a mindset around what growth is, you could be losing share in your own market.”

John Dusett,
Executive Director, Cloud Services,
Ingram Micro U.S.

Cloud strategies:
flexibility and control

Our partner survey results suggest businesses are more focused on strategic intent and prioritizing flexibility and agility. This is paving the way for a wider, more diverse use of cloud computing. MSPs indicated that hybrid cloud (~45.65%) has become slightly preferred among their customers over the use of a singular public cloud (~41.30%). We are also seeing a growing inclination for multi-cloud as 10% of VARs surveyed indicate multi-cloud being their customer's preference. In contrast, the end-user survey indicated that end customers have a strong preference for private cloud (~45.14%), with hybrid cloud (~34.29%) trailing closely behind.

While the end-user survey results show end customers value flexibility and control in both private and hybrid cloud models, it is important to note they also placed high value on reliability and security. This indicates there's room for MSPs and resellers to provide end customers with a safety net of assurance in cloud security as they develop and provide solutions around private, public, hybrid and multi-cloud environments.

In addition to recognizing what the end customers are prioritizing, resellers have still indicated a relatively high need to support legacy systems.

Cloud computing deployment model

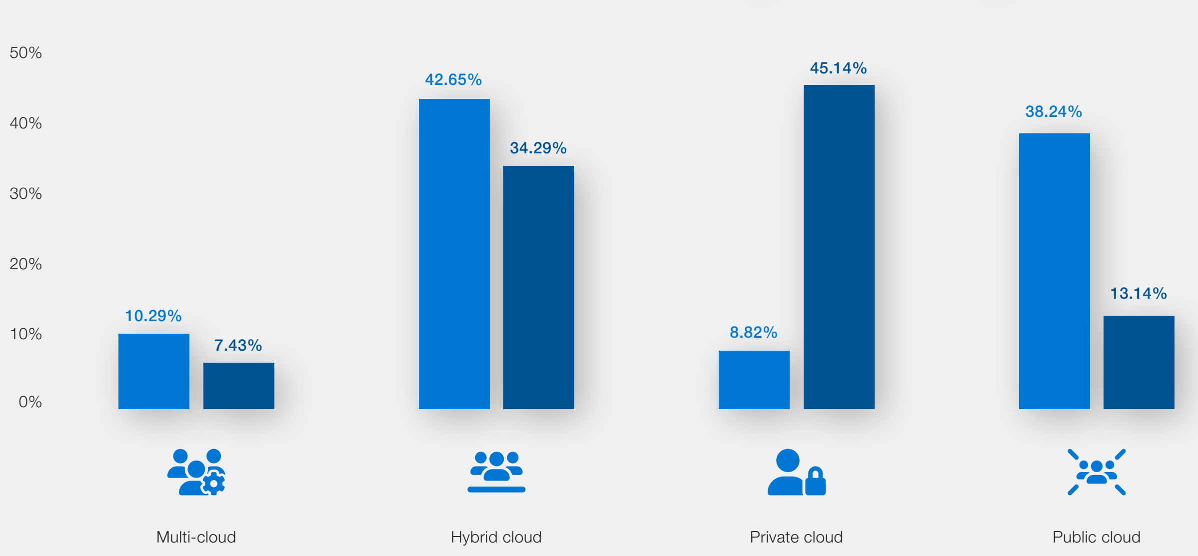


Figure 6: Preferred cloud computing deployment model 2022
Source: Ingram Micro's State of the Cloud Channel Partner Survey. Question: Which cloud computing deployment model is preferred by your customers in the last year? N=64
Ingram Micro's State of the Cloud Channel End-User Survey. Question: Currently, which cloud computing deployment model is predominant in your organization? N=350

Hybrid cloud: the end-user darling

Resellers and end users are indicating hybrid cloud—an infrastructure utilizing a combination of on-premises, private and public cloud resources—as a “big bet” for propelling growth within their cloud strategy. The top reason for adoption of the hybrid model is that it grants greater flexibility and control as businesses opt for convenience and cost savings. The model allows organizations to migrate on their terms and promotes workload management across multiple environments to create more versatile workspaces.

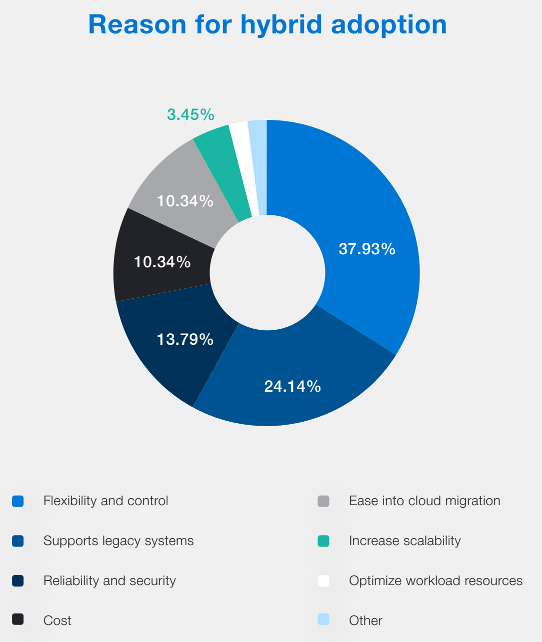


Figure 7: Reason for hybrid adoption
Source: Ingram Micro's State of the Cloud Channel Partner Survey. Question: What is the main reason for adopting the hybrid cloud deployment model? N=29

Enterprises stand to reduce latency, lower long-term expenses and enhance security, but are also met with multi-layered complexities and maintenance challenges. Constant synchronization between infrastructures and ensuring a secure environment present a need for dedicated cloud engineering and management. Ongoing support becomes critical with the expectation for transparency in consumption, workload efficiency options and optimized spending for bundled services.

MSPs and resellers have much to gain from offering hybrid cloud solutions. However, the same challenges that turn customers to external support are the same that can be taxing on a partner's internal teams. Governance, integration, provisioning, migration and cybersecurity become more intricate to handle with hybrid cloud environments, meaning partners must be equipped and flexible to expand with cloud workloads.

Multi-cloud: the up and comer

The term multi-cloud refers to a strategy leveraging services from multiple public cloud service providers—e.g, Amazon Web Services (AWS), Google Cloud and Microsoft Azure. In addition, there are specialized platform as a service (PaaS), infrastructure as a service (IaaS) or software as a service (SaaS) providers that intentionally support varying workloads. While each strategy deploys the use of multiple cloud services, multi-cloud differs from hybrid cloud in that hybrid cloud environments blend the use of on-premises, private and public cloud services, whereas multi-cloud architecture leverages two or more public clouds.

Our partner survey respondents report reliability, security, flexibility and control as their primary drivers in adopting a multi-cloud strategy. One of the more common reasons to use a multi-cloud environment is proactively geared toward disaster recovery. While cloud vendors offer a variety of options and service level agreements (SLAs) for redundancy, guaranteeing uptime, and backups to ensure data integrity, this relies on the supposition that the customer's entire infrastructure does not fail at once. It doesn't happen often, but it can happen—and if worse comes to worst, maintaining a multi-cloud environment can keep your infrastructure safe without on-premises maintenance.

Worldwide public cloud spending forecast to reach

$1.35

trillion in 2027[8]

Public cloud environments: spending is still on the rise

While hybrid and multi-cloud strategies gain in popularity among the cloud community, loyalty to and necessity for single public cloud still exists and is flourishing more than ever. According to IDC Worldwide spending on public cloud services is forecast to reach $1.35 trillion in 2027. Although annual spending growth is expected to slow slightly over the 2023-2027 forecast period, the market is forecast to achieve a five-year compound annual growth rate (CAGR) of 19.9%.[8]

Our partner survey concluded that 41% of partners reported a preference for public cloud over private cloud. Meanwhile, our end customers reported only 13.14% public cloud preference over a layered cloud infrastructure. Although this may seem contradictory, the cause for this may have to do with end customers preferring a private, hybrid or multi-cloud environment, citing security, reliability, flexibility and control as driving factors.

This gives room and opportunity for MSPs to build consumer trust for public cloud by offering robust solutions around security and providing end customers with a platform that gives them more control over their workspace.

Forecast: serverless cloud

Is serverless...more? Before we dive deeper into today's computing selection, it's important to define what serverless means. Serverless cloud is a development model that allows developers to build and run applications without having to manage servers. The term "serverless" does not mean there are "no servers"—in actuality, there are servers in serverless cloud computing—however, developers do not interact with them in any way.

Serverless cloud is a development model that allows developers to build and run applications without having to manage servers.

Serverless cloud architecture offers organizations an excellent option for focusing on the development of custom application functionality while reducing the level of complexity and management requirements for development teams. The future of serverless looks promising as its demand continues to rise across sectors such as telecommunications, IT, financial services, healthcare and IoT, with an expected CAGR of 23% through 2030.[9]

The adoption of serverless computing is gaining momentum as more companies discover its potential benefits. Among many possible advantages, serverless computing is transforming the way an IT team operates, eliminating the responsibility of server provisioning, patching, and work machine maintenance for the customer and leaving management to cloud service providers.

While serverless computing has an edge and provides greater scalability over similar backend architectures, other options like PaaS can also provide developers with better control over their deployment environments.

PaaS:
a one-size-fits-all solution

PaaS, a scalable platform that helps develop, deploy, manage and run applications, is becoming more prominent as a leading cloud service. It provides access to a range of advanced functionality that enables businesses to quickly build, integrate, deploy and manage applications while CSPs manage runtime, middleware and operating systems. There are varying types of PaaS, including public PaaS, private PaaS and hybrid PaaS, each of which have its strengths.

> According to IDC's projections, public cloud PaaS spending is expected to grow at a five-year (2022-2027) CAGR of 24.9% in the U.S. and Canada.[1]

Leveraging PaaS is a one-size-fits-all solution. Like most as-a-service models, PaaS provides access to highly valuable resources without breaking the bank, giving businesses a path to more efficient software development. Customers are looking to partners and CSPs to better understand specific vendor capabilities and compatibility in order to make the right decision for their business. With the amount of PaaS options available on the market today, it's become mandatory that partners actively demonstrate their value in their solution offerings and create more intelligent paths to productivity every day.

Artificial intelligence and machine learning: ready or not, here AI come

While not yet the channel's primary focus, the Cloud AI Developer Services Market cannot be ignored. It is projected to experience substantial growth with a CAGR of over 21% from 2023 to 2030.[10]

Our surveyed partners indicated a growing interest in AI from their customers based on inquiries. On average, partners gave a "medium importance" ranking to AI and ML, which are expected to grow rapidly in the next one to three years, with the end-customer demand higher in the United States than in Canada.

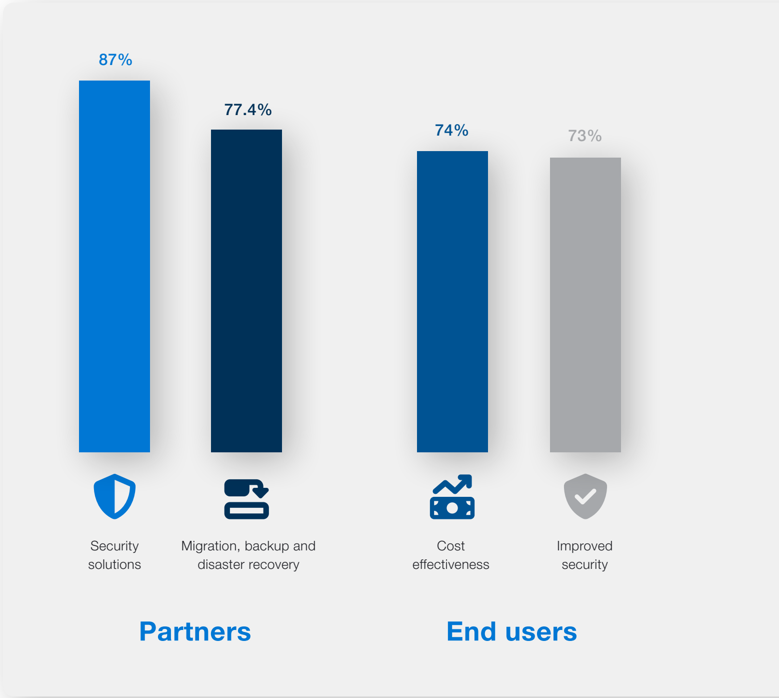
Another reason to keep AI on the radar, and a likely driving force for future market growth in the channel, is the ability to leverage AI models to improve operational efficiency and gain better insight from large data sets. Currently, cloud content applications maintain their focus on integrating AI, ML and advanced analytics.

As a result, this can provide intelligent guidance for decision-making, increase the value derived from the content ecosystem and automate tasks across various business processes. Vendors have begun offering tools such as low-code/no-code workflow builders that enable business users to work with automation technologies without requiring IT expertise.

Security and data management:
more data, more problems

In 2022, Forrester noted that 63% of organizations had been breached in the past year and spent a median of 37 days and a mean of $2.4 million to find and recover from a breach.[11] It may come as no surprise that according to our partner survey, the top two services and solutions that customers have inquired about in the past year are security solutions at 87%, and migration, backup and disaster recovery at 77.4%.

In solidarity with what partners are saying, our end-user respondents reported cost effectiveness (74%) and improved security (73%) as the top areas of concern. We believe this to be driven, at least in part, by increasing scrutiny from regulators, insurance providers and customers.



> As security threats become more complex, so do solutions. MSPs not only need to provide a strong solution for their customers, but also keep a pulse on what's next while upskilling their teams on the latest security trends. Leaning on a distributor like Ingram Micro can help resellers find the solution that best fits the end customer regardless of size and scalability, while also following the guidance of the U.S. National Institute of Standards & Technology Cyber Security Framework (NIST CSF). Ingram Micro's security line card gives solution providers a glimpse at our available vendor offerings. This allows them to quickly identify and fill in any missing gaps in their cybersecurity approach."

Eric Kohl
Vice President, Network and Security Sales at Ingram Micro

KPIs for cloud strategy

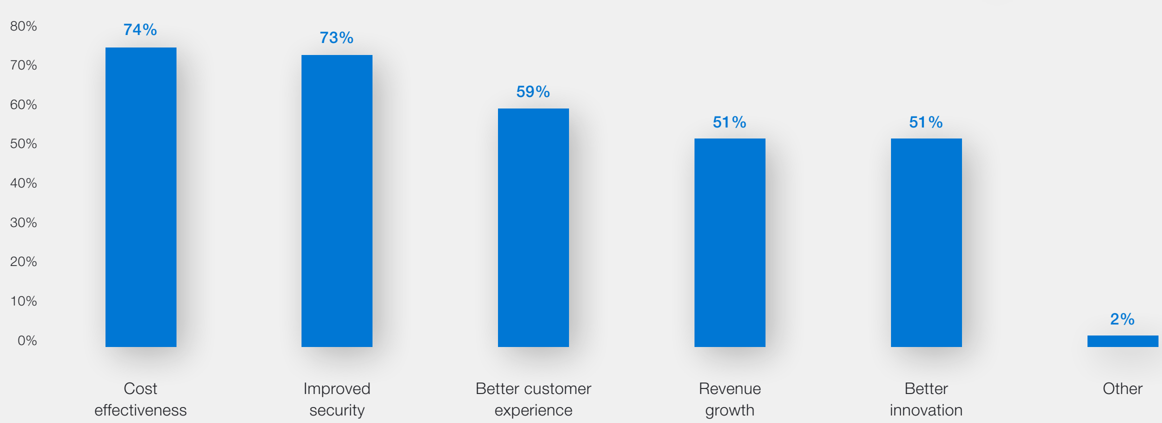


Figure 8: KPIs (key performance indicators) for Cloud Strategy
Source: Ingram Micro's State of the Cloud Channel End-User Survey Question: What KPIs do you use to measure the success of your organization's cloud strategy? N=319

With the increase in demand for data management solutions, there has been a rising need for disaster recovery resources. These disasters, among others, include ransomware, which is also driving the demand for these offerings. Enter disaster recovery as a service (DRaaS). DRaaS is a cloud-based service that offers backup and recovery to enterprises, intended to help them recover from a disaster more efficiently and with minimal negative impact.

With an anticipated CAGR of 26.1% from 2020 to 2025 and a projected value of $12.32 billion, market area growth is stimulated by the rise in cyberattacks and data breaches.[12]

As such, the adoption of DRaaS is expected to increase among small and midsize businesses due to the prioritization of a more affordable, reliable and easily managed disaster recovery plan.

As the IT industry continues to see positive development in areas like IoT, expansion in cloud services and the inevitable adoption of AI and ML, along with factors like the continued adaptation to a more remote workforce, security threats become more common and more creative. Reliance on online infrastructures force businesses to constantly check their security posture and continuously bolster defenses.

Previous in-demand cloud technologies

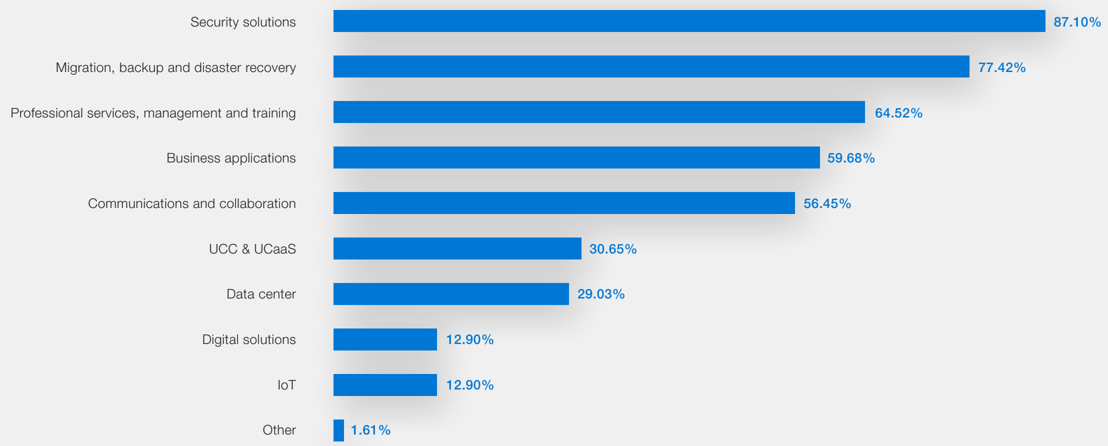


Figure 9: Previous in-demand cloud technologies
Source: Ingram Micro's State of the Cloud Channel Partner Survey. Question: What types of services and solutions have your customers inquired about in the past year? N=62

Containers and Kubernetes:
ctrl, alt, repeat

Neat little virtual “boxes,” that package up all the necessary components for software to run, stand to make moving across computing environments easier while avoiding logistical or performance-related issues. This organized act of relief is performed by cloud containers. Assisting containerized workloads and services, Kubernetes is an open-source container management platform and a tool that helps manage varying cloud environments and service architectures. Kubernetes allows manual processes like the deployment, management and scaling of containerized applications to be automated. It can also be deployed on multiple platforms, making it a DevOps team’s dream.

$1.4 billion

is the projected figure the container management market is expected to attain by 2025.[13]

The container management market has seen accelerated growth over the past year. The market is forecast to reach $1.4 billion by 2025, with a 25.1% CAGR between 2022-2025.[13] In the United States, the market is expecting 34% of workloads to be running in a cloud-native environment in 2023, up from 32% in 2021.[14]

According to both our partner and end-customer survey results, containers and Kubernetes are not prioritized as highly as other technology solutions, but nonetheless remain relevant as the future of technology continues to evolve.

Ingram Micro's response to today's growth opportunities

In a world that continues to transform, one thing remains clear: the customer experience means everything. We are no longer following a "pick, pack and ship" model in today's channel. And as customer demand continues to grow, partners are expected to have the answer, no matter the problem. This is where we at Ingram Micro have created a one-stop shop for resellers, vendors, MSPs, VARs and end customers with an all-encompassing platform that drives their technology journey.

From Ingram Micro Xvantage™ to dedicated financial services, Ingram Micro has various dedicated resources aimed at helping partners achieve success, growth, simplicity and scalability in their business models—big or small.

Financial services and capital

Financing can be a game changer as our markets continue to evolve. Through **Ingram Micro's financial solutions**, we help our partners secure the necessary capital for investing in CapEx expenses, increasing their ability to enhance profits and enabling the expansion of their portfolios into previously inaccessible verticals. We fully understand that purchasing solutions can come at a heavy cost—that's why we offer better deal rates and financial structures for partners to afford their next business move. We are seeing solutions that include cloud, hybrid and edge technologies—and now there is a preference for the end customer to use more e-commerce to purchase commoditized technology. Through our channel financing, we fund the product, device and/or service. We can even finance your growth strategy and overall transaction as you make the move to a new business model. As an added bonus, most of our financing solutions do not require a contract between Ingram Micro and the end user.

Professional Services and Training

Obtaining technical certifications can take time—not only that, but hiring certified employees, or even providing training for existing staff, can come at a high cost. This is where Ingram Micro steps in. We are the only relationship you need for all your technical **certification training** and **professional services** needs. Our training courses—which include over 60 industry-leading vendors—are designed to help upskill your team's technical competencies so you can avoid the heavy cost of hiring new talent. We also hold great value in maintaining our own **certifications**. Our dedicated team of experts have approximately 11,000 technical certifications located around the world.

Growth Solutions

Our primary focus is helping our vendors and customers grow in a multitude of ways. We can help businesses expand their breadth in four major areas within **cloud technology**—modern cloud platforms, security, connected workplace and business performance. We understand that solution providers don't need to have every solution. As a distributor, we want you to lean on us to do all your heavy lifting—this includes taking advantage of our business development team to identify the right-sized areas of opportunity that can ultimately improve your business through pre-defined solutions, services, enablement and marketing. We bring to the table our expertise, robust vendor relationships, services bench, continuous educational support, and up-to-date insights to help you get ahead of future adoption.

Modern cloud platforms

Our modern cloud platforms give you the infrastructure and platform solutions that are essential for driving growth through application modernization, data and insights, and cloud strategies.

Seamless security

We can help you offer solutions that will secure your customer's infrastructure—and enable you to drive strategic, long-term engagements that will increase your margins and market position.

Connected workplace

We are helping organizations stay connected and efficient through innovative cloud connectivity solutions—this includes our comprehensive suite of collaboration apps, digital experiences and virtual desktops.

Business performance

We have the tools, resources and expertise to help transform your customer relationship management (CRM) system by creating personalized customer offerings that boost the value of your engagements.

Ingram Micro Xvantage™

An intelligent, digital platform built for the technology industry, [Xvantage] lets solution providers discover, learn, purchase and manage technology and cloud solutions in a single pane of glass. Instead of struggling with manual processes and fragmented administrative tasks, or wasting time with inefficient methods for tracking orders, generating product recommendations and creating quotes, through Xvantage they can:

Do more

Streamline business operations and spend more time creating a better experience for customers

Sell more

Shorten time to market and deliver a full range of offerings to customers when they need them

Grow more

Quickly adapt to market changes and stay ahead of the competition

Xvantage also offers the opportunity to grow recurring streams and overall long-term revenue, reduce the cost of sales for new solutions and acquire net new customers while reducing customer churn. The platform is designed to allow partners to seamlessly purchase solutions in cloud, tech hardware, software and professional services, ultimately allowing them to transform their business potential and reshape how customers see and interact with them.

Ingram Micro continues to adapt and lead in providing partners with what they need to be successful, and our reach is far and wide. With the ability to reach nearly 90% of the world's population, Ingram Micro strives to be a full-bodied solution provider that enables partners to grow, expand and thrive in today's ever-evolving market.

Conclusion:
Growth of cloud computing
Victor Baez

Our survey and research findings reinforce the importance of having a highly competent, trustworthy and reliable ecosystem to support your business. Ingram Micro has acted upon that notion with the development of Xvantage—an intelligent, digital platform that empowers collaboration between our customers, vendors and internal teams, in addition to the technology, capabilities, and programs that we invest in. This allows relationships to become more insightful, meaningful and productive for us all.

Technology providers have an incredible pipeline of innovation to help customers accelerate adoption, desired outcomes and return on their investments. There are plenty of growth opportunities out there in the market today. Customers are short-staffed and budget constrained while deploying complex solutions. Fast outcomes and sustainable results are vital for their investments. Service providers don't need to have every solution—having a strong distribution partnership can act as a powerful extension of any business.

The distributor-partner relationship can strengthen business capabilities, create solutions for end customers, expand portfolio offerings and open the door to profit. This isn't your run-of-the-mill distribution relationship anymore, as we understand that no one can do this by themselves. This is our time to take action together, and to create more opportunity through greater collaboration and more meaningful experiences.

Victor Baez
Senior Vice President, Cloud & Global
Vendor Engagement, Ingram Micro

END NOTES

1. IDC, Worldwide Software and Public Cloud Services Spending Guide, June 2023,
https://www.idc.com/getdoc.jsp?containerId=IDC_P33214

2. Spherical Insights, “Everything as a Service (Xaas) Market Size at a CAGR of 23.4% by 2030.” January 2022,
https://www.sphericalinsights.com/reports/everything-as-a-service-xaas-market

3. 451 Research, Voice of the Service Provider: Differentiation, Vendor Selection & Budgets, 6 April 2023,
https://451research.com/

4. IDC, Worldwide Black Book: Live Edition, August 2023,
https://www.idc.com/getdoc.jsp?containerId=IDC_P336

5. IDC, Future of Digital Infrastructure: 2023 Trends Driving As-a-Service (XaaS) Growth, Doc #US50440123, March 2023,
https://www.ibm.com/downloads/cas/GYAX9KKR

6. Gartner, “Gartner Forecasts Worldwide IT Spending to Grow 5.5% in 2023,” 6 April 2023,
https://www.gartner.com/en/newsroom/press-releases/2023-04-06-gartner-forecasts-worldwide-it-spending-to-grow-5-percent-in-2023#:~:text=Worldwide%20IT%20spending%20is%20projected,IT%20spending%20growth%20in%202023

7. Grand View Research, Everything as a Service Market Size & Share Report, 2030,
https://www.grandviewresearch.com/industry-analysis/everything-as-a-service-market-report

8. IDC, “Worldwide Spending on Public Cloud Services is Forecast to Reach $1.35 Trillion in 2027, According to New IDC Spending Guide”, 29 Aug 2023,
https://www.idc.com/getdoc.jsp?containerId=prUS51179523

9. Straights Research, “Global Serverless Computing Market Share by Enterprise, Service, End user, and Region.”
https://straitsresearch.com/report/serverless-computing-market

10. A2Z Market Research, “Cloud AI Developer Services Market Is Expected to Exhibit a Massive CAGR of 21% by 2030: Aible, Alibaba, Amazon,” 17 February 2023,
https://www.openpr.com/news/2935417/cloud-ai-developer-services-market-is-expected-to-exhibit

11. Mellen, Allie, “Breaches by the Numbers: Adapting to Regional Challenges Is Imperative.” Forrester blogs, 13 April 2022,
https://www.forrester.com/blogs/breaches-by-the-numbers-adapting-to-regional-challenges-is-imperative/

12. MarkWide Research, “Disaster Recovery as a Service (DRaaS) Market 2023-2030: Size, Share, Growth,” 15 June 2023,
https://markwideresearch.com/disaster-recovery-as-a-service-draas-market/

13. Smith, Dennis, and Wataru Katsurashima, “Report: 2022 Gartner Market Guide for Container Management,” D2iQ Blog, 15 March 2022,
https://d2iq.com/resources/report/gartner-market-guide-for-container-management

14. Illsley, Roy, “Omdia Universe: Container Management Solutions, 2022–23,” Omdia, 24 October 2022,
https://omdia.tech.informa.com/OM023765/Omdia-Universe-Container-Management-Solutions-202223

For more information,

Visit Ingram Micro