



Direction of Technology

4th Edition 2025



Introduction

Explore the **six** main sections below, or use the global navigation at the top of each page to move seamlessly between them.

Click on the below to explore.



#1

Executive Summary

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Global Key Takeaways

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Direction of Technology



Executive Summary

The technology industry is moving at a breakneck pace that punishes hesitation and rewards bold, well-informed investments. Direct feedback from over **1,400** technology partners across **40** countries reveals a clear truth: market leaders don't just follow trends; they're strategically building **capabilities in the right areas, at the right time, and executing with precision.** This report highlights the key forces shaping the future of technology:



The New Winners: Service-Led and Future-Ready

Growth leaders are actively building balanced portfolios, blending fast-growing capabilities like artificial intelligence and data & analytics with resilient core offerings.



AI is the Foundation for Market Leadership

AI-powered solutions are the core of competitive advantage. Offering advanced solutions like AI-powered cybersecurity or automation will be key.



Cybersecurity is Fundamental, but Still a Battleground

Cybersecurity is a prerequisite for participating in the IT ecosystem, and evolving threats demand continuous innovation. Partners must deliver integrated security architectures with measurable business impact.



Specialization Beats Scale

End users aren't just buying solutions; they're buying expertise and trust.



Redesign Your Operating Model for the AI Era

AI is fundamentally changing how work gets done. Partners must be more progressive, predictive, and proactive to take advantage of this new technological era and the future of work.



Macroeconomic Challenges Persist, but Growth is Still Possible

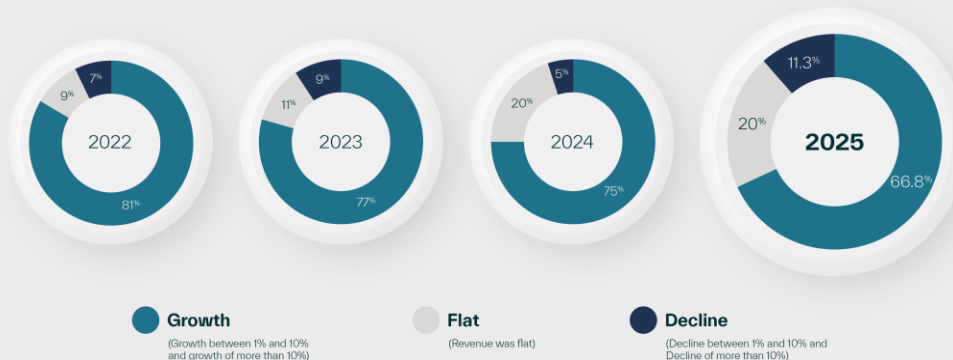
Despite macroeconomic challenges, growth outlook remains positive in most regions. The market will reward companies that combine strategic foresight with operational agility.



FIGURE 1

Growth momentum has slowed into 2025, so channel partners need to find a revenue spark.

*The remaining 1.9% of respondents selected "don't know" and were not categorized in the chart



TD SYNnex

Source: 4th Annual Direction of Technology Report

About this report

TD SYNnex's fourth annual **Direction of Technology report**, produced with Quadrant Strategies, surveys **1,412 channel partners across 40 countries** (APJ, Europe, LAC, North America) to assess the **IT ecosystem's outlook, performance, models, and operations** for the next 12 months.

Total	Asia Pacific & Japan (APJ)	Europe ²	Latin America & Caribbean ³	North America ⁴
1,412	302	486	212	412

Respondents represent a diverse array of channel partner types. The significant response rate has allowed this year's report to include individual breakouts by channel partner type, providing deeper insights based on specific IT business models. Which of the following best describes your organization?

Professional services	Hybrid Model Combining multiple business types	Managed Service Provider (MSP)	Software Integrator (SI)	Independent Software Vendor (ISV)	Value-Added Reseller (VAR)	Other *not reported on*
333	237	222	183	149	132	156

(¹) Australia, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Singapore, Vietnam (²) Austria, Belgium, Czech Republic, Denmark, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom (³) Antigua and Barbuda, Argentina, Brazil, British Virgin Islands, Cayman Islands, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Uruguay (⁴) United States and Canada



Data, Decoded: Introducing Standardized Net Growth and Optimism Indices. To help readers draw clearer conclusions, we've introduced two new indices this year that sharpen our understanding of differences by region and channel partner type.

Net Growth Index

The index measures the balance between partners growing & those declining.

Baseline = 100 <100 = market decline >100 = market growth

Region Net Growth Index (baseline = 100)

APJ	Europe	LAC	North America
107	94	90	107

Channel Partner Net Growth Index (baseline = 100)

ISV	Professional Services	Hybrid Model	SI	MSP	VAR
120	110	100	95	92	81

Net Optimism Index

This index measures market sentiment for the future

Baseline = 100 <100 = more pessimistic >100 = more optimism

Region Net Optimism (baseline = 100)

APJ	Europe	LAC	North America
77	98	116	110

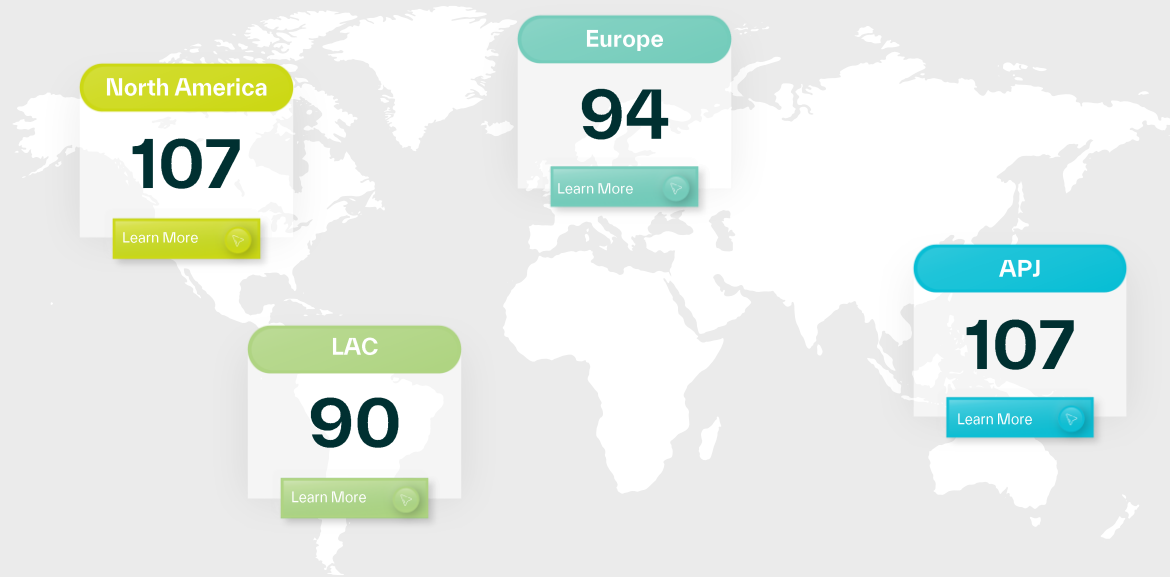
Channel Partner Net Optimism Index (baseline = 100)

ISV	Professional Services	Hybrid Model	SI	MSP	VAR
106	116	99	105	98	54



Direction of Technology Net Growth Index by Region.

Net Growth Index (2024-2025) Baseline = 100



The path forward is clear:



Build Resilience

Maintain a strong base in core infrastructure and cybersecurity.



Bet on High-Growth Tech

Prioritize AI, analytics, and automation with clear, measurable customer value.



Differentiate Through Specialization

Own a market segment or industry problem and solve it better than anyone else.



Cultivate a Future-Ready Workforce

Move beyond simply closing the skills gap by creating an operating model ready to take advantage of the AI era.

Report Areas



Global Key Findings

Explore



Regional Breakdown

Explore



Partner Personas

Explore



Tech Priorities

Explore



Leading the Charge: Winning in Market Redefined by AI, Services and Specialization

Each of the six global takeaways reflects a clear new reality: success in the IT channel hinges on agility, focus, and value creation. From the rise of AI to the growing demand for services and specialization, each of the six global takeaways reflects a broader market shift that rewards those who lead with strategy and deliver with precision.



#1

The New Winners:
Service-Led and
Future-Ready

[Learn More](#)



#2

AI is the Foundation for
Market Leadership

[Learn More](#)



#3

**Cybersecurity is
Fundamental**, but
Still a Battleground

[Learn More](#)



#4

**Specialization
Beats Scale**

[Learn More](#)



#5

Redesign Your
Operating Model
for the AI Era

[Learn More](#)



#6

**Macroeconomic
Challenges** Persist, but
Growth is Still Possible

[Learn More](#)



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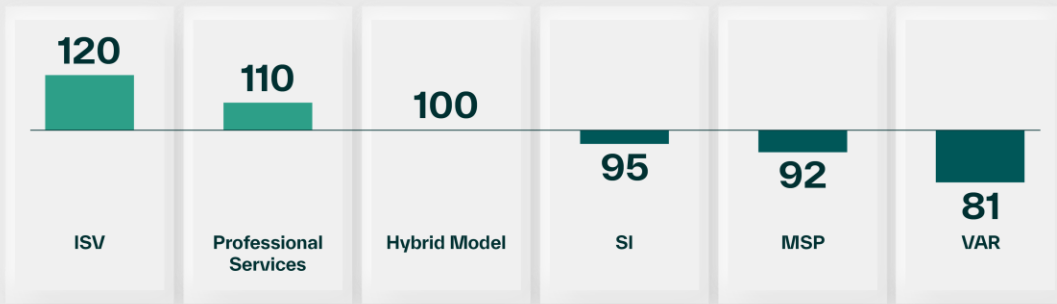
The New Winners: Service-Led and Future-Ready.



High growth performers this year are distinguished less by **what** they sell and more by **how** they operate.

FIGURE 2

Service-led partners pull ahead.



ISVs and Professional Services lead

VAR's lag

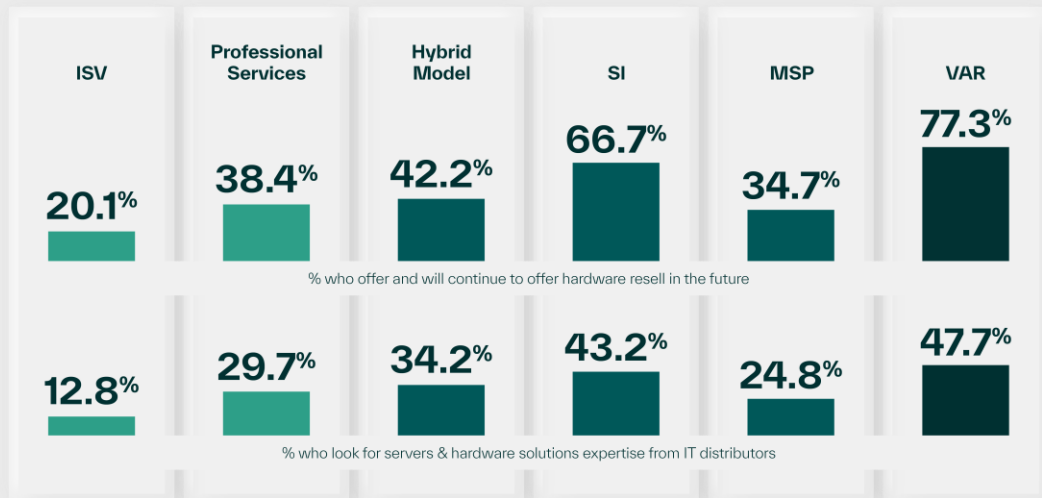


Source: 4th Annual Direction of Technology Report

To drive growth and outpace the competition, organizations are looking to pivot from an over-reliance on traditional hardware resell to a **more diverse, technology-adaptive portfolio**.

FIGURE 3

Service-led partners pull ahead.



Source: 4th Annual Direction of Technology Report

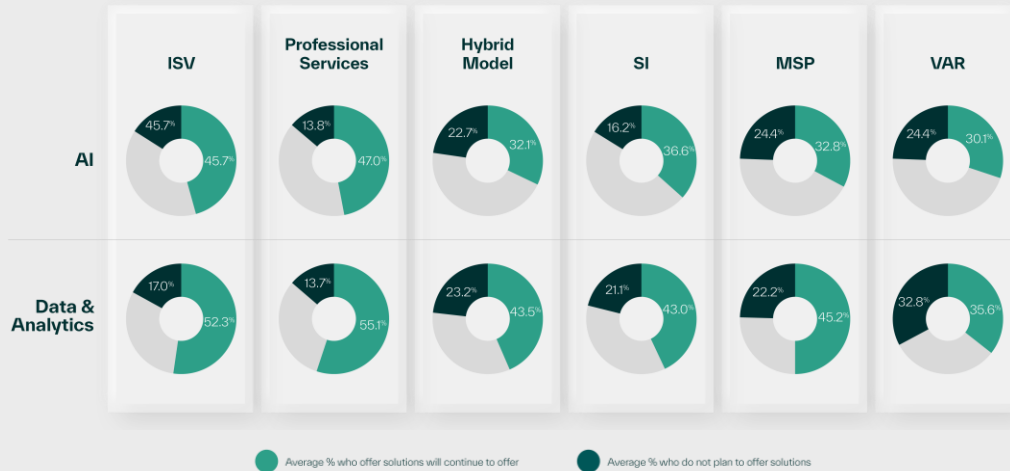


Specifically, to become a growth leader, **combine fast-growing capabilities like artificial intelligence and data & analytics with resilient core offerings.**

FIGURE 4



Growth leaders have built balanced portfolios that combine fast-growing capabilities like artificial intelligence and data & analytics with resilient core offerings.



The world is **very dynamic today**, but the **technology is also very dynamic**. Remaining agile with quick, decisive decisions together as **partners will absolutely grow business.**

Darren Grasby, EVP and Chief Sales Officer, AMD



Specifically, to become a growth leader, **combine fast-growing capabilities like artificial intelligence and data & analytics with resilient core offerings.**

#1 Area of Expertise Channel Partners Look For = Security



FIGURE 5



Partners are increasingly leveraging cloud marketplaces and hyperscale partnerships to deliver solutions, moving away from direct on-premises management.



Hyperscale Infrastructure

25.9%

Partners are increasingly leveraging cloud marketplaces and hyperscaler partnerships to deliver solutions, moving away from direct on-premises management.

The Opportunity: Expertise in future-ready technologies is no longer a differentiator; it's a baseline requirement to compete. Invest in talent and strategic partners to support this shift.

Q. Which technology skill sets are you hiring for? Please consider both general technology skills and vendor-specific knowledge. Please choose the top three priorities.

Q. What areas of expertise are most important to you in an IT distributor? Select the top 5.

TD SYNnex

Source: 4th Annual Direction of Technology Report

The Opportunity

Expertise in future-ready technologies is no longer a differentiator; it's a baseline requirement to compete. Invest in talent and strategic partners to support this shift.

Product Spotlight: StreamOne® Platform



Streamline your Operations

StreamOne® is a complete platform that includes a marketplace function, and also adds capabilities to enable a seamless, end-to-end journey for any user, at any level.



Global Reach

The most capabilities, available worldwide, instantly. StreamOne® is the largest global platform reaching more than **80** countries with full support for AWS, Microsoft and Google.



Full Range of API Integrations

A wide range of open API architecture enables commerce, order management and billing. Plus, StreamOne® PSA Connectors easily connect platform data with PSA software.



White Label Storefronts

Extend the power of StreamOne® automation to your customers. Rapidly deploy a pre-built marketplace or configure a custom experience.

StreamOne® Platform



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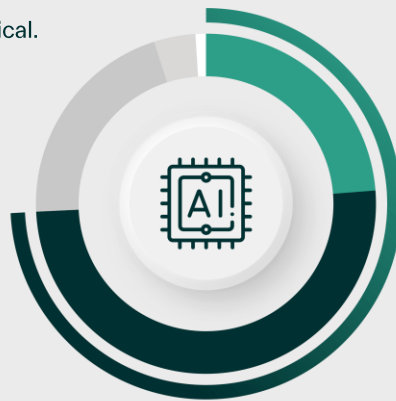
AI is the Foundation for Market Leadership



Offering AI solutions is now the backbone of competitive advantage and expanding advanced solutions like AI-powered automation and security is key moving forward.

FIGURE 6

AI is mission-critical.



75%

of channel partners see AI as critical/very important

- Business Critical (24%)
- Very Important (51%)
- Somewhat Important (21%)
- Not very Important (4%)
- Not at all Important (1%)



Source: 4th Annual Direction of Technology Report



I think in terms of **innovation** and **growth**, right now our customers are seeing the first opportunity to adopt a **truly new solution** which is the AI capabilities.

Mike Johnson, VP of Product Management, Courser

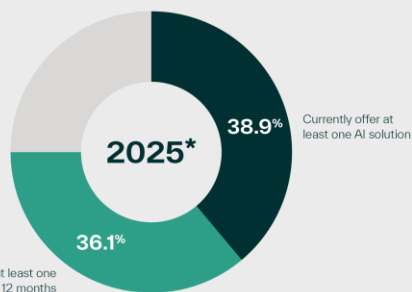
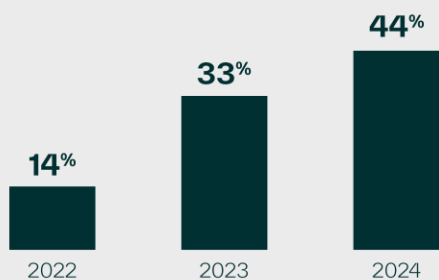




FIGURE 7

The adoption curve is steepening.

Indicated they'd offer AI/GenAI in the next 2 years



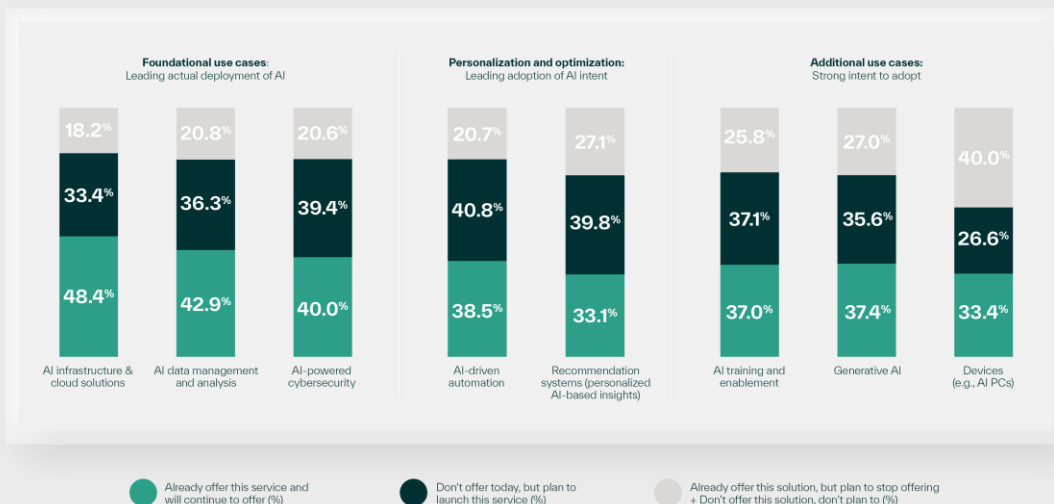
*The question was revised in 2025, so the results do not represent a direct year-over-year comparison. Instead, they should be interpreted as directional insights rather than precise tracking

TD SYNnex

Source: 4th Annual Direction of Technology Report

FIGURE 8

A major shift is underway. Partners must transition from foundational use cases to more advanced, impactful ones to stay competitive.



TD SYNnex

Source: 4th Annual Direction of Technology Report

We knew that we had to get ahead of platform decisions. We needed to learn a new language. **TD SYNnex understood that and they supported it.** The market is demanding AI in a really, really big way. But when we started going into the hockey stick curve of AI adoption, our **business took off.** That collaboration that we have with TD SYNnex is really the **cornerstone of a lot of the success** that we've seen. **It's allowed a number of innovations across a number of industries**

Stan Wysocki, President, Mark III Systems

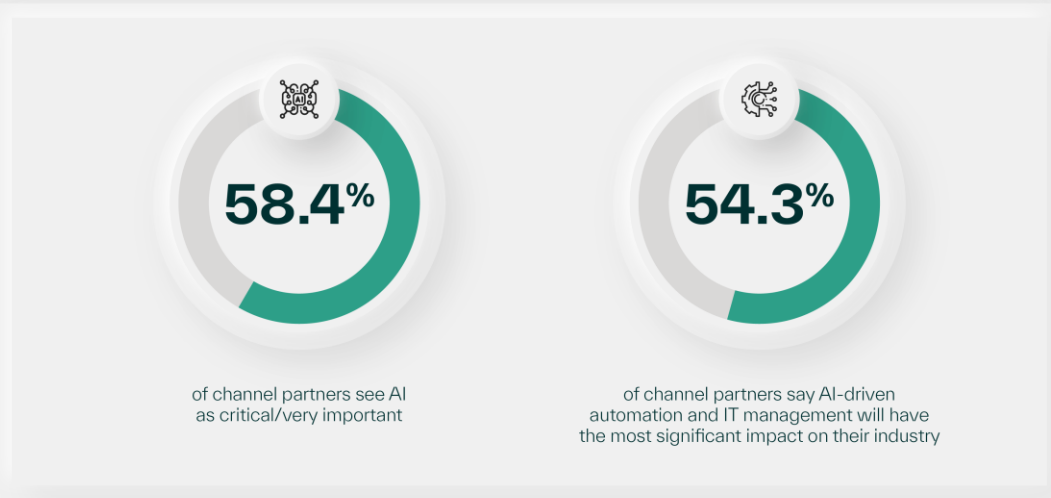




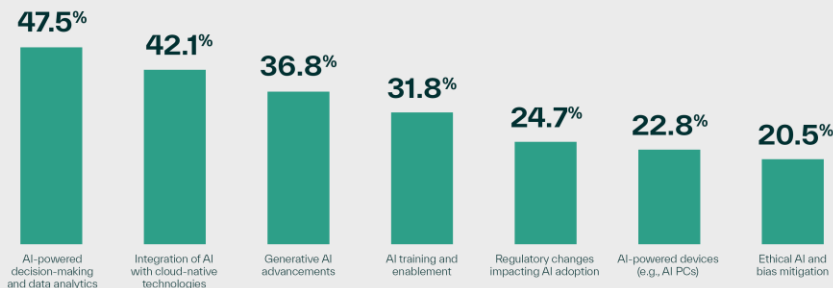
FIGURE 9



Specifically, **AI-powered cybersecurity** and **AI-driven automation** are poised to become the industry's next major growth drivers.



Additional areas that will impact the industry



Overcoming key obstacles is essential to navigate this ongoing transition.

#1

Customer expectations and adoption (e.g., difficulty in translating AI into customer-specific business value) is the top challenge partners face when implementing AI solutions.

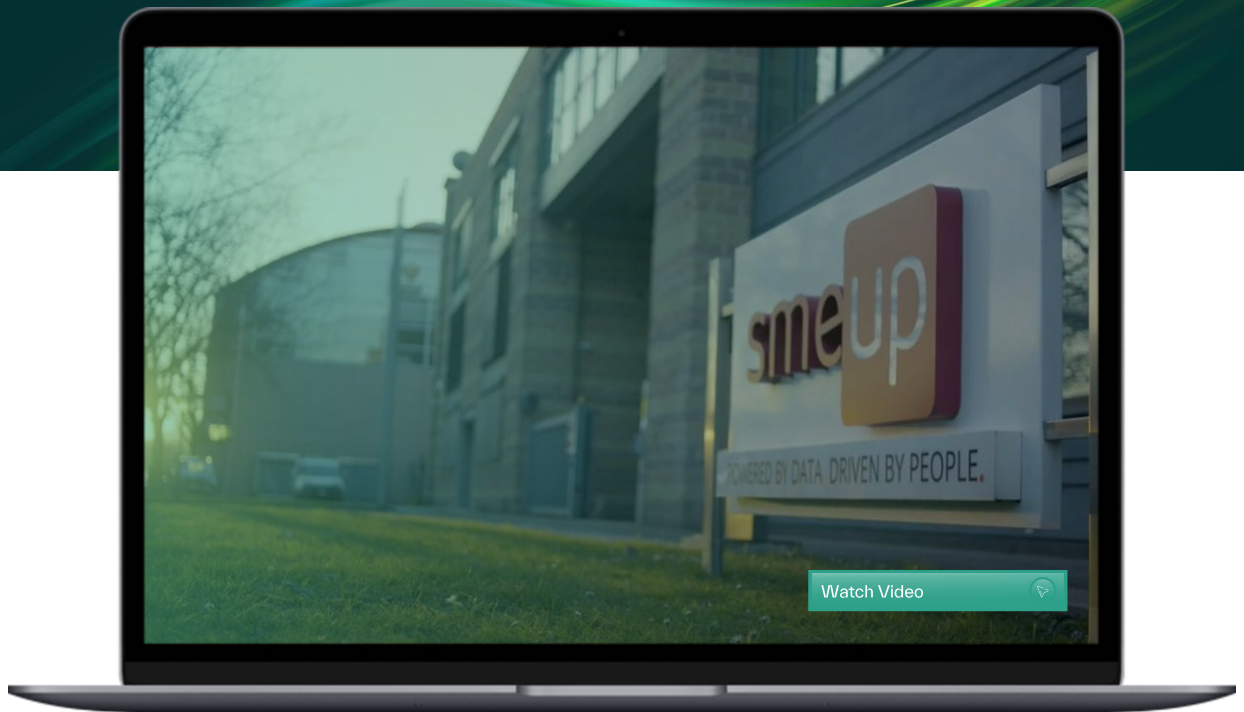
#2

Customer scepticism or lack of trust in AI outcomes (e.g., concerns around transparency, accuracy, and control) is the second biggest challenge partners face when implementing AI solutions.



The customer **always buys an outcome**. The customer does not purchase technology for its own sake. **The customer buys a project and outcomes they aim to achieve.**

Angelo de Bari, Sales Director, smeup



The Opportunity

Invest in major growth drivers or collaborate with a partner who can translate AI from a conceptual framework into a confident, scalable operational capability.

Product Spotlight: Destination AI

As AI matures, the market is increasingly focusing on integrated, AI-enabled technologies across security, networking, storage, cloud and more. The evolution of Destination AI requires a holistic approach to AI go-to-market strategies, emphasizing the importance of AI-ready infrastructure, hardware and other high-growth technologies. To navigate this shift, TD SYNEX has strategically enhanced its global Destination AI™ framework to better support partners' AI strategies.

[Destination AI](#)[Destination AI Launch](#)[Next Phase](#)

We've evolved **10 times over 25 years**. Destination AI is the next big one, and TD SYNEX is helping lead us through it. If we don't do it, we'll get left behind. **But together, we can bring real customer-led events, real examples, and real solutions.**

Adam Sprague, CEO, Brummet IT Solutions



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Cybersecurity is Fundamental, but Still a Battleground



I'm very **optimistic** about the IT industry. Cybersecurity is **growing exponentially year-on-year.**

Wilson Ng, Managing Director, NTC Integration

FIGURE 10



Offering robust cybersecurity is a prerequisite for participating in the IT ecosystem and this widespread adoption is fueling new growth.



80%

of channel partners already offer at least 1 cybersecurity solution.

TD SYNnex

Source: 4th Annual Direction of Technology Report



#1

AI-powered cybersecurity will have the most significant impact on the industry.



#2

Focus on cybersecurity and threat responses is the top area of growth for endpoint solutions in the last 2 years.



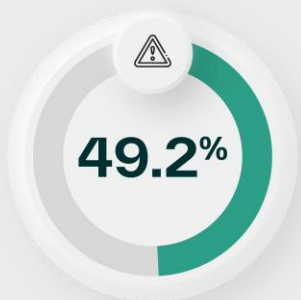
#3

Advanced endpoint security is the second most prioritized endpoint solution that partners plan to offer in the next 12 months.

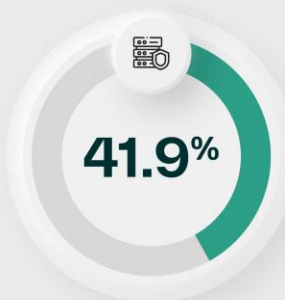


FIGURE 11

Threats are evolving, which demands continuous innovation and vigilance from all partners.



of partners say "emerging threats" is a big challenge when developing, deploying, or maintaining cybersecurity solutions



of partners say "data breaches" are a big challenge when developing, deploying, or maintaining cybersecurity solutions



Source: 4th Annual Direction of Technology Report



#1

Cybersecurity or misconfiguration threats is the #1 challenge when deploying IT infrastructure.



#2

Data quality, governance, security, and privacy concerns is the #2 challenge when implementing data & analytics solutions.



#3

Ensuring endpoint security against evolving threats is the #3 challenge when deploying endpoint solutions.

The Opportunity

Partners must deliver integrated security architectures with measurable business impact.



As a cybersecurity and cyber defense company, **our goal** is to make the world **more cyber secure**. TD SYNEX is, and has always been, a **strategic partner for us**. We see them as allies and as "parceros" (partners), as we say in Colombia. When I give a client a solution, I feel totally **confident** because TD SYNEX have **always** been at the forefront, always **researching new solutions**, keeping us in the loop about all the system updates or what's to come and **I love that**.

Carolina Masso, CEO, Gamma Ingenieros



Product Spotlight: Cyber Range

A virtual environment designed to immerse the student in a real-world customer network that can be used for educational training and for testing response procedures to known or simulated threats. TD SYNEX is committed to enabling new cybersecurity talent and significantly improving the skills of existing cybersecurity professionals in the partner channel and the end user community.

Cyber Range



We've had **great conversations** with the TD SYNEX team on how to address **social engineering** and ransomware. You've given us **training modules** and **solutions** we can take back to customers — and that's gone a **long way in building trust back with them.**

Adam Sprague, CEO, Brummet IT Solutions



A MARKET REDEFINED

Specialization Beats Scale



End users aren't just buying **point** solutions; they're buying expertise and trust.



Industry expertise and consultation is the #1 factor that end customers value in a partner.



Exceptional customer service is the #2 factor that end customers value in a partner.



People first, personalizing second — everything else comes as a result. We just happen to be in the technology business.

Michael Kanan, Chairman, Inacomp



As an MSP, **you're going to a place for expertise, support, and just that knowledge** that you need to bridge those gaps is the distribution end of the market, which is where TD SYNEX works. **They simplify what can sometimes be rather complex.**

Nicky Saner, Managing Director, Chorus





True differentiation requires a **robust strategy**.



#1

Developing **deep vertical solutions** that solve specific industry pain points.



#2

Building trust through high-touch service and advisory models.



#3

Using **service excellence** to insulate against margin pressure.



We don't treat our clients as clients — **we treat them as partners**. To do that, you have to be a thought leader. You can't commoditize your work like a widget. **You have to show up differently, every time.**

Dani Lockett, Vice President of Sales Operations, Burwood Group

FIGURE 12

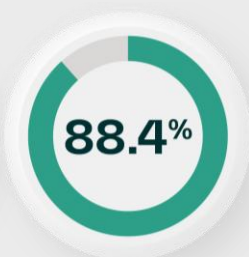


The market is already moving in this direction. In the next 12 months....

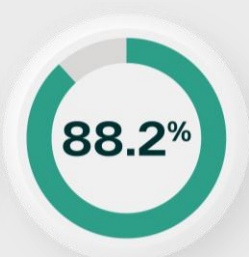
% of channel partners offer or plan to offer



Support and maintenance services



Custom IT solutions and integration services



Consulting and professional services



Launch managed services (including monitoring, management, and disaster recovery)

Getting in front of key challenges can help ensure partners deliver.



Increasing competition and rapid technological change.



#1

Increasing competition is the #1 challenge partners face when scaling IT operations.



#2

Balancing competitive pricing with profit margins is the #1 challenge partners face when scaling IT services.



#3

Market demand fluctuations and **competitive pressure** is the #2 challenge partners face when scaling IT services.



#4

Rapid technological change is the #2 challenge partners face when scaling IT operations.

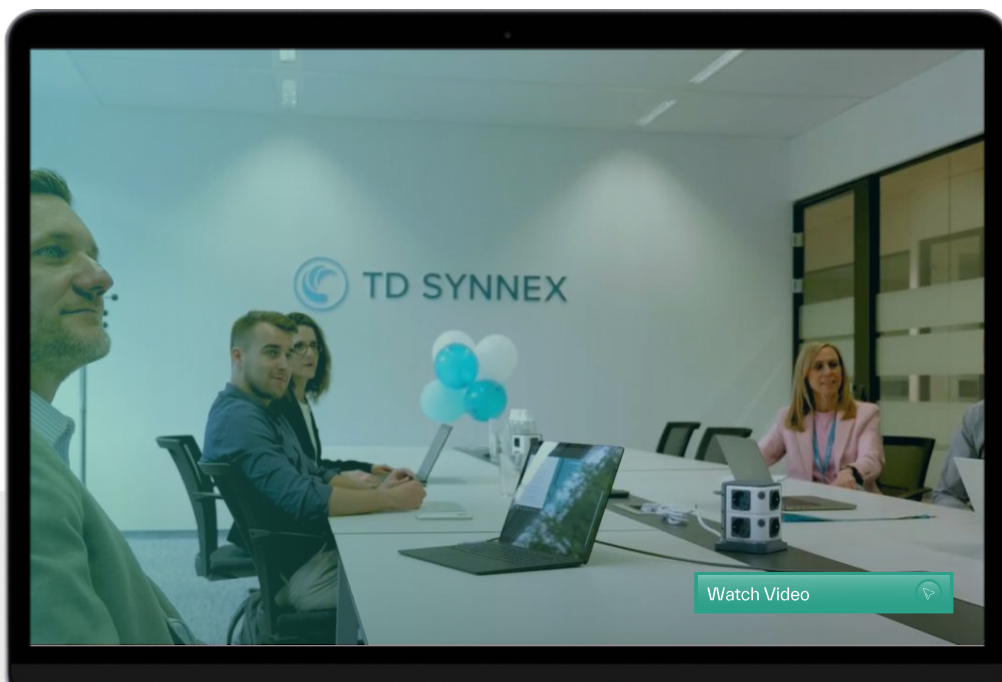
The Opportunity

Invest in internal capabilities or partner with the right distributor to build specialized capabilities and deliver truly innovative services to customers.



I believe that **business is primarily done between people, not only between companies.**

Michael Ivellio-Vellin, Senior Advisor, PIT.at





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Redesign Your Operating Model for the AI Era

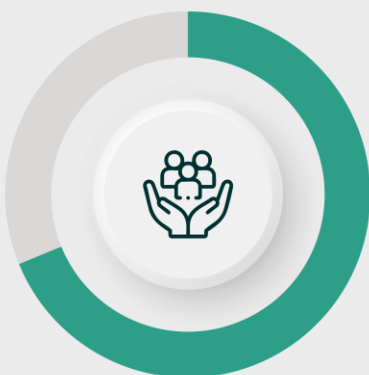


AI is changing how work gets done, **transforming company culture, roles, and workflows.** Partners have to be ready. **The Challenges are clear.**

FIGURE 13



The skills gap is still front and center, but it's no longer just about missing capabilities. It's a proxy for a larger shift: the need to redesign operating models for an AI-enabled future of work.



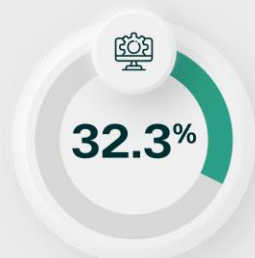
68.8%

of leaders are concerned about hiring or retaining talent at a macroeconomic level

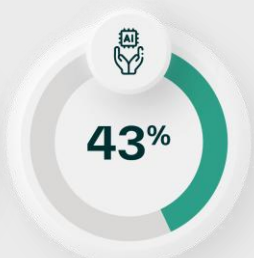
FIGURE 14



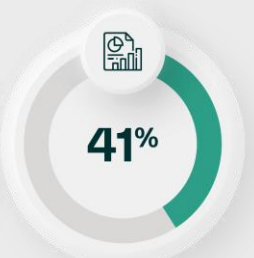
Technology Deployment & Security.



skills gap and challenges in partner enablement = challenge when deploying IT infrastructure



talent shortage/skills gap = challenge when implementing AI solutions



say skills gap and expertise limitations = challenge when implementing data & analytic solutions

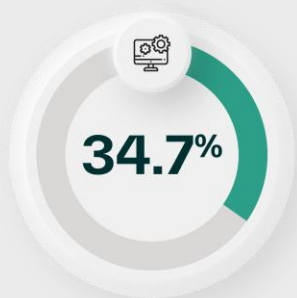


skills gap and expertise limitations = challenge when developing, deploying, or maintaining cybersecurity solutions



FIGURE 15

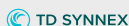
Operational & Service Scalability.



Talent recruitment and retention = **challenge when scaling IT operations**



Skills gap and workforce scalability challenges = **challenge when scaling services**



Source: 4th Annual Direction of Technology Report

And, additional **challenges** to be faced include...



The **evolution** of leadership adaptability.



Employee **empowerment**.



Cost-to-serve shifts.



Workforce/culture **adaptation**.

The Opportunity

Partners should be more progressive, predictive, and proactive to dig deeper into the future of work. This includes actively redesigning operating models and leveraging strategic partnerships to restructure workflows and build confidence in AI adoption.



Rethink how humans and AI agents can work side-by-side for efficiency.



Reallocate time from freed-up human capacity and automated workflows.



Explain how AI adoption should redesign roles, workflows, and responsibilities.





Customers want us to be everything. If we didn't have TD SYNEX with the **skill sets** and **digital tools**, we couldn't do it on our own.

Adam Sprague, CEO, Brummet IT Solutions

Questions for organizations to ask themselves.



How do humans and AI agents **co-create** workflows/ decisions?



What does **leadership** look like in a hybrid human-AI workforce?



How should organizations ensure technology adoption is **sticky, not superficial**, especially when tech changes every 3-6 months?

The C4 Human Capital Framework

To guide transformation, TD SYNEX proposes a multi-dimensional model for workforce readiness:



Capability

Skills + meta-skills



Capacity

Workflow redesign



Confidence

Adoption readiness



Culture

Leadership behaviors

This framework helps partners move from tactical enablement to strategic transformation.

Product Spotlight: Channel Academy

TD SYNEX Channel Academy is an online tool that provides a gateway to connect with, and better understand, our extended channel sales community. A free and easily accessible one-stop platform for partners, providing sales individuals with the necessary knowledge and skills required to drive more relevant interactions with their customers and prospects, and sell more effectively.

NA/Global



Europe



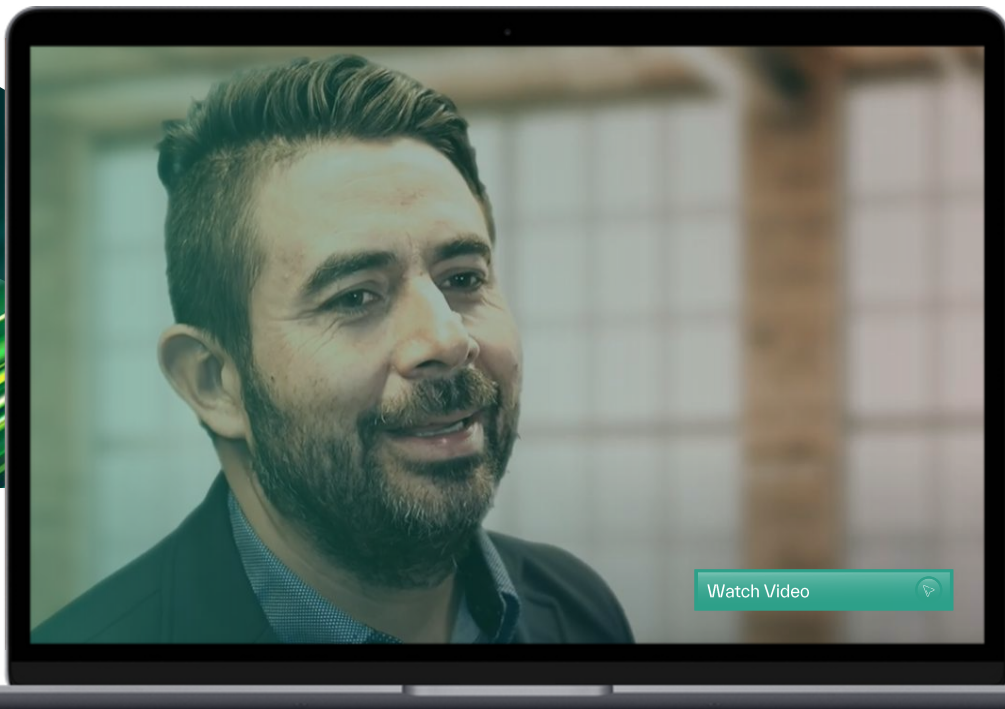
LAC





We are known for being a **pioneer**, and **bringing innovative solutions onto the market**. We have been working with TD SYNEX for over 10 years. The people at TD SYNEX have the same **passion** that we do, and are driven by the same energy to pursue business. Together, we can **build the kind of relationships that lead to better business**, client retention, and many other opportunities, like those offered by the booming technology market.

Cesar Zuluaga, Commercial Director, Comware S.A





A MARKET REDEFINED

Macroeconomic Challenges Persist, but Growth is Still Possible



Despite macroeconomic challenges, **growth** outlook remains positive in most regions

The survey was conducted during the period of uncertainty around the proposed U.S. tariffs, which may have impacted optimism for the future scores. Net Growth Index (2024-2025) Baseline = 100

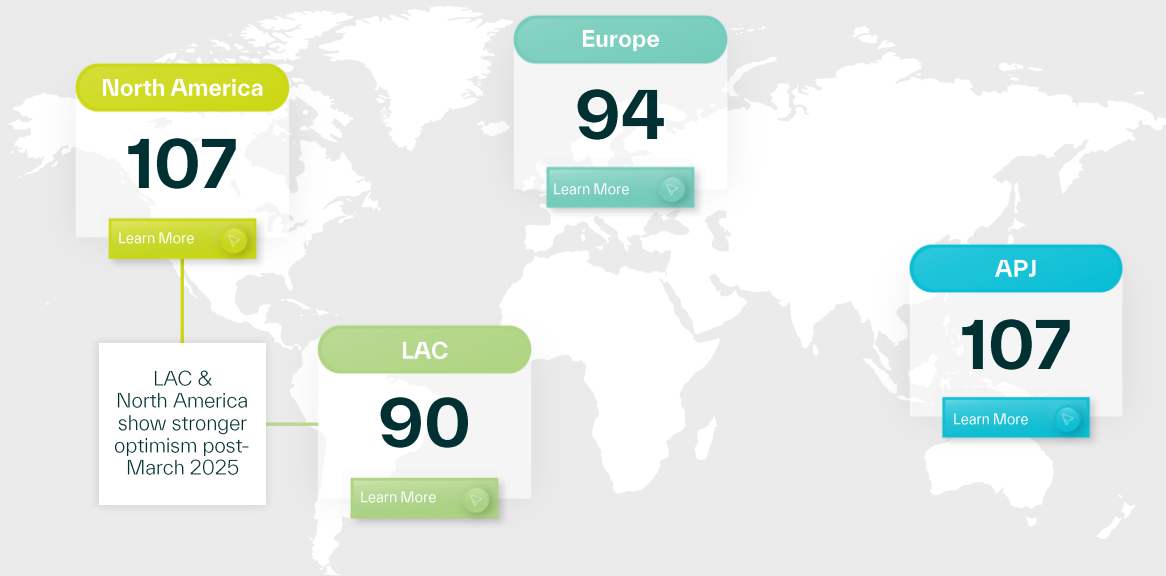
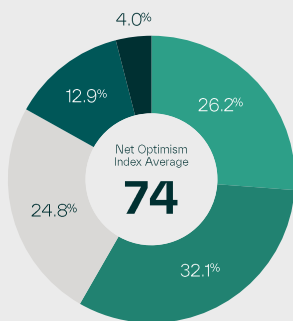
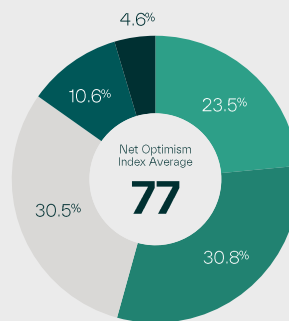


FIGURE 17

APJ



Pre-March 2025



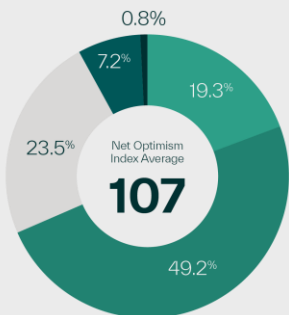
Post-March 2025

● Very Optimistic
 ● Slightly Optimistic
 ● Neutral
 ● Slightly Pessimistic
 ● Very Pessimistic

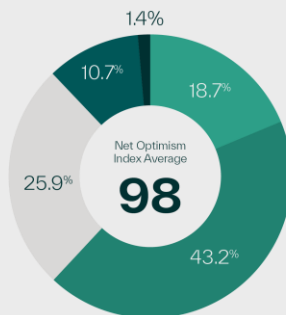


FIGURE 18

Europe



Pre-March 2025



Post-March 2025

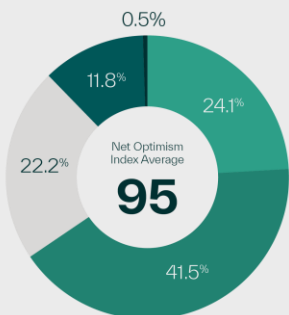
● Very Optimistic
 ● Slightly Optimistic
 ● Neutral
 ● Slightly Pessimistic
 ● Very Pessimistic



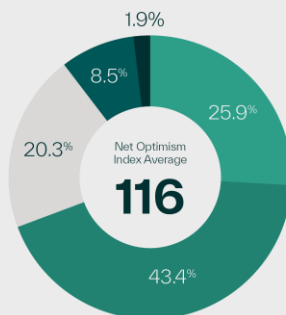
Source: 4th Annual Direction of Technology Report

FIGURE 19

LAC



Pre-March 2025



Post-March 2025

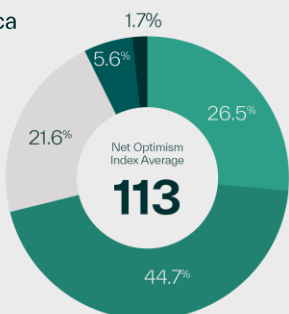
● Very Optimistic
 ● Slightly Optimistic
 ● Neutral
 ● Slightly Pessimistic
 ● Very Pessimistic



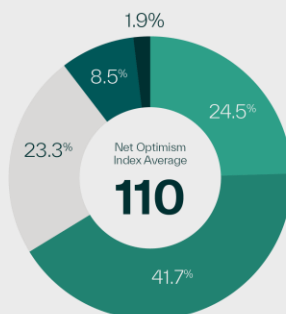
Source: 4th Annual Direction of Technology Report

FIGURE 20

North America



Pre-March 2025



Post-March 2025

● Very Optimistic
 ● Slightly Optimistic
 ● Neutral
 ● Slightly Pessimistic
 ● Very Pessimistic



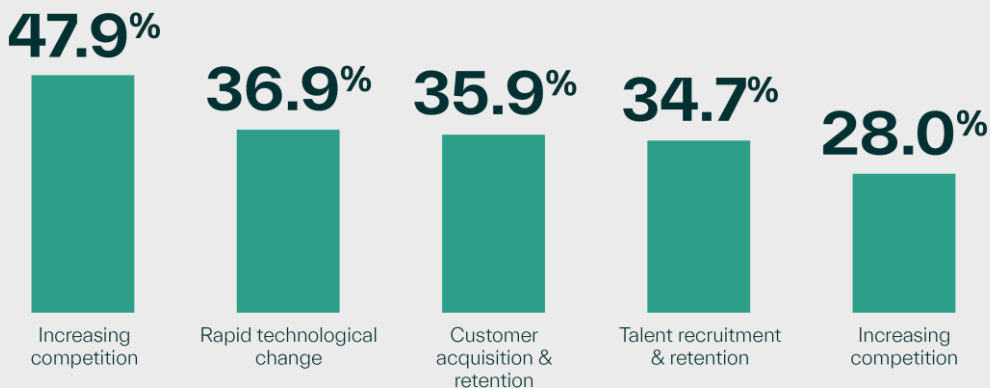
Source: 4th Annual Direction of Technology Report



Universal pressures are intensifying everywhere, making strategic clarity non-negotiable.

FIGURE 21

Challenges When Scaling IT Operations.

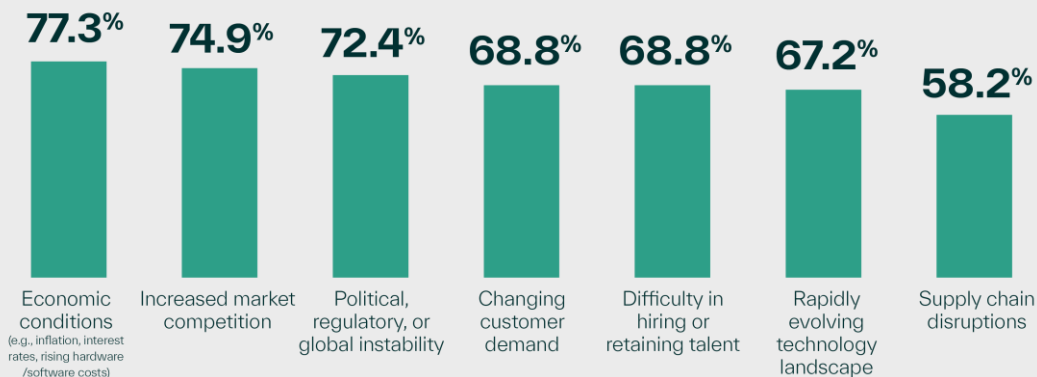


TD SYNnex

Source: 4th Annual Direction of Technology Report

FIGURE 22

Macroeconomic Concerns.



TD SYNnex

Source: 4th Annual Direction of Technology Report

The Bottom Line

The market is rewarding companies that combine strategic foresight with operational agility. Whether you're a global giant or a regional specialist, 2026 will not be the year to wait and see. It's the year to decide where you will lead and move decisively.

It's the year to decide where you will lead and move decisively.





Product Spotlight: PartnerFirst

PartnerFirst is an evolution of the customer digital experience, one that consolidates all TD SYNEX offerings through a unified global framework, but with local customization, simplifying processes and supporting partners through their journeys. It leverages AI, automation and advanced analytic technology to enhance operations and customer engagement. The PartnerFirst platform includes modern and intuitive commerce features, as well as comprehensive management and renewal dashboards to streamline purchasing, helping channel partners accelerate growth and meet demand for their end user customers.





Regional Realities Shaping Growth

Each region has distinct dynamics and headwinds. To truly win in the evolving technology landscape, partners must understand and adapt to regional nuances with strategic precision.

Each chapter on Regional Nuances is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a regional perspective. Sections should be reviewed alongside the global findings to give you a complete picture of what is most relevant to channel partners in each market.



North America

Partners lead in high-growth areas like cloud and AI, but a highly competitive market demands strategic clarity and operational agility. To outpace competition, partners must strengthen capabilities in next-gen technologies and deliver integrated, customer-centric solutions.

LAC

LAC partners are uniquely positioned for growth, driven by aggressive investment in high-growth areas. There is a strong opportunity to invest in strategic support, specifically around challenge areas like AI integration, to translate enthusiasm into measurable customer value

Europe

European partners' compliance-driven foundation creates a robust path to future success. Partners must continue to invest in innovative and compliant solutions that can differentiate them in a competitive market.

APJ

APJ's rapid growth presents a strong opportunity for partners to capitalize on a dynamic market. Partners must continue scaling service-based offerings, expand high-growth technologies, and close the skills gap.



REGIONAL REALITIES SHAPING GROWTH

Asia Pacific and Japan Nuances: The Opportunity to Scale for Growth



APJ remains one of the **fastest-growing regions** in the world, despite slower growth momentum in 2025.

This chapter on APJ Regional Nuances is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a regional perspective. This should be reviewed alongside the global findings to give you a complete picture of what is most relevant to channel partners in each market.

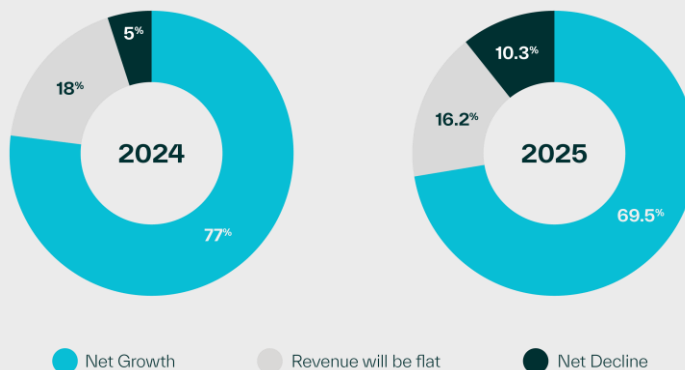


The outlook in APJ remains **positive**, with **significant opportunities** in high-growth technologies. AI, cybersecurity, and data and analytics are **driving change** across the ecosystem, and partners are investing to ensure these technologies are available to meet customer demand. Navigating this landscape involves many moving parts, and partners need a distributor who not only **simplifies complexity** and **accelerates** go-to-market, but also orchestrates these elements **seamlessly** to deliver **tailored solutions** for today’s challenges. As a value-added distributor with an end-to-end portfolio, our solutions, platforms, and capabilities **empower partners to scale with agility and capture growth**.

Jaideep Malhotra, President, TD SYNEX Asia Pacific & Japan

FIGURE 23

APJ remains one of the fastest-growing regions in the world, despite slower growth momentum in 2025.





Due to intensifying competition and a heightened sensitivity to macroeconomic conditions, optimism for the -future is low.

Amid a fast-evolving and highly competitive landscape in an era of complex digital transformation underpinned by the GenAI revolution, the key concerns for partners include economic conditions that include inflation, rising costs, and interest rates and difficulty in hiring talent.



The survey was conducted during the period of uncertainty around the Liberation Day tariffs, which may have impacted optimism for the future scores.

FIGURE 24

Macroeconomic Concerns: APJ v. Global Average. Highlight APJ.



● APJ ● Global Average

Source: 4th Annual Direction of Technology Report

#1

Challenge when scaling IT services = "increasing competition"

50.7% of APJ channel partners cite "increasing competition" as their top challenge when scaling IT operations (compared to 47.9% globally).

#1

Macroeconomic concern = "increasing market competition"

83.4% of APJ channel partners are concerned about "increased market competition" (compared to 74.9% globally).






The **future of growth** is defined by three clear imperatives.




#1

Continue scaling foundational offerings.



#2

Expand high-growth technologies.

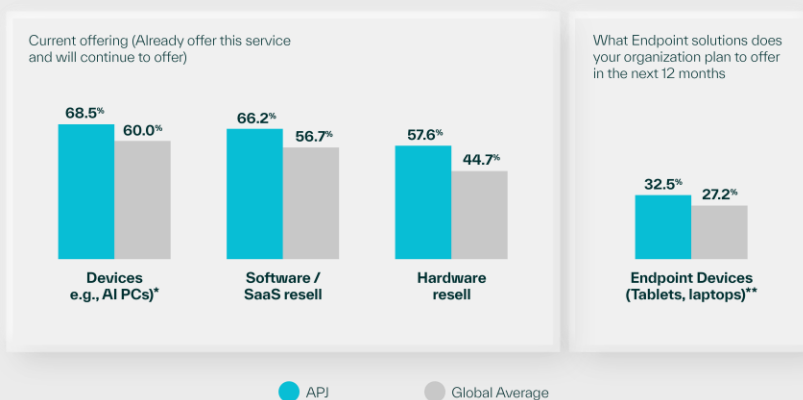


#3

Proactively close the skills gap.

FIGURE 25

Partners already show strong focus on foundational offerings like hardware and software resell.

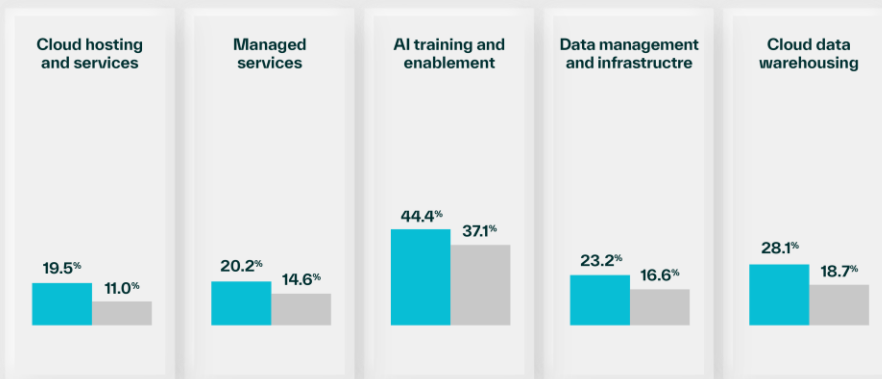


TD SYNnex

*69.0% of Japanese partners offer or plan to offer devices (e.g., AI PCs)
**32.8% of Japanese partners offer endpoint devices in the next 12 months

FIGURE 27

And, there's a clear path forward to grow higher-value services.



TD SYNnex

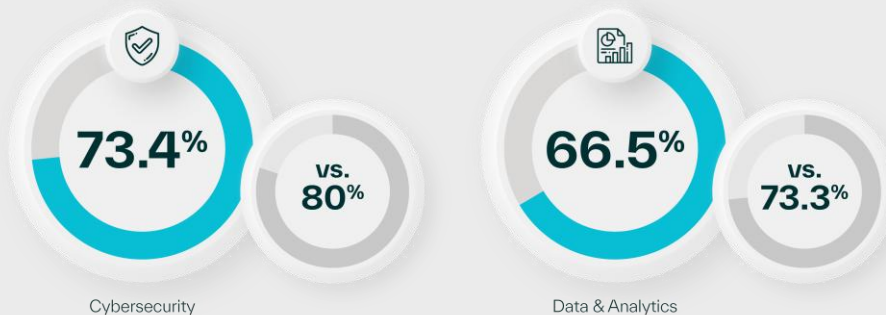
Source: 4th Annual Direction of Technology Report



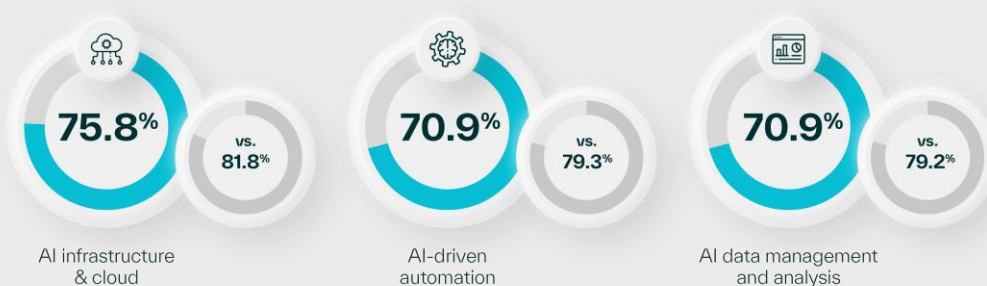
FIGURE 28



There's also a lot of opportunity to expand high-growth technologies. The upside is tremendous – high growth technologies are linked to more sustained growth.



AI specific areas include:



Japan: Strong intent in hardware resell & endpoint devices in the next 12 months

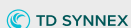
- 71.6% offer or plan to offer hardware resell
- 68.7% offer or plan to offer devices (e.g., AI PCs)
- 32.8% plan to offer endpoint devices

India: Strong intent in AI and data management in the next 12 months

- 87.3% offer or plan to offer AI infrastructure & cloud solutions
- 85.9% offer or plan to offer generative AI
- 83.1% offer or plan to offer data management and infrastructure

Singapore: Strong intent in advanced services, analytics, and security in the next 12 months

- 90.6% offer or plan to offer managed services
- 88.7% offer or plan to offer hybrid infrastructure
- 81.1% offer or plan to offer AI-powered cybersecurity



● APJ ● Global Average

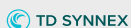
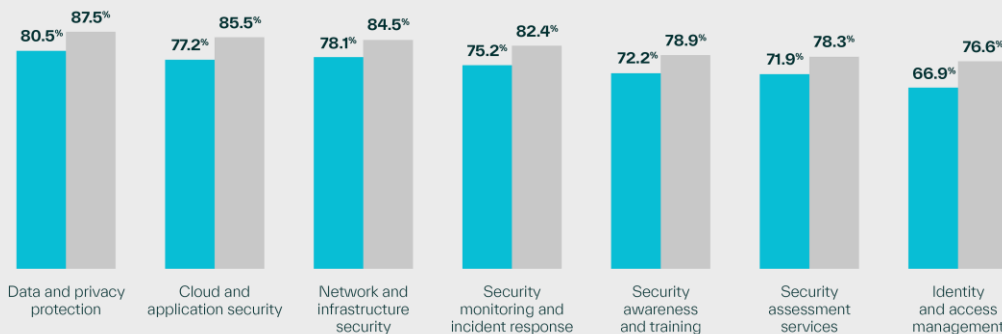
Source: 4th Annual Direction of Technology Report

FIGURE 29



Cybersecurity: Key differences APJ v. Global

Already offer this service and will continue to offer, plus don't offer today, but plan to launch this service



● APJ ● Global Average

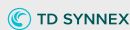
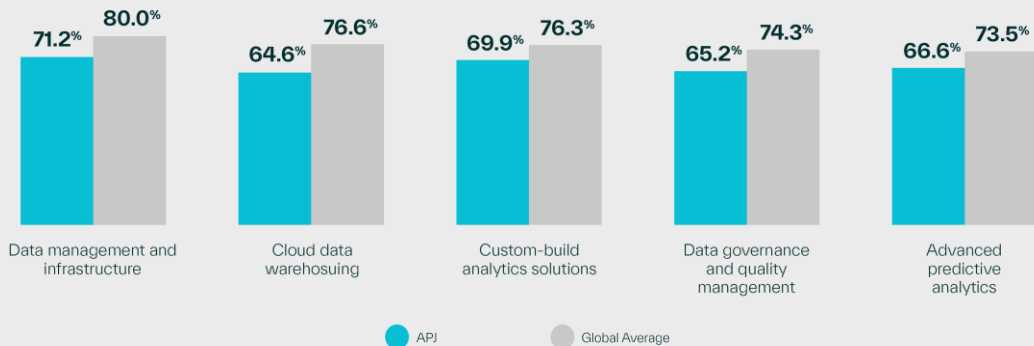
Source: 4th Annual Direction of Technology Report



FIGURE 30

Data & Analytics: Key differences APJ v. Global

Already offer this service and will continue to offer, plus don't offer today, but plan to launch this service



Source: 4th Annual Direction of Technology Report

Proactively closing the skills gap will be **integral** to **enable innovation, efficiency, and growth.**

#1

Challenge when implementing AI, data & analytics, or cybersecurity solutions = "skills gap"

52.0% of APJ channel partners say "talent shortage/skills gap" is their biggest challenge when implementing AI solutions.

Data & analytics: **49.7%** of APJ channel partners say "skills gap and expertise limitations" is their biggest challenge when implementing data & analytics solutions.

Cybersecurity: **48%** of APJ channel partners say "skills gap and expertise limitations" is their biggest challenge when deploying, developing, or maintaining cybersecurity solutions.

#2

Challenge when scaling IT services = "talent recruitment & retention"

41.7% of APJ channel partners cite "talent recruitment and retention" as their top challenge when scaling IT operations (compared to **34.7%** globally).

#2

Macroeconomic concern = "difficult in hiring or retaining talent"

79.8% of APJ channel partners are concerned about "difficulty in hiring or retaining talent" (compared to **68.8%** globally).

The Bottom Line

APJ leaders should leverage partnership support, continue scaling foundational offerings, expand high-growth technologies, and proactively close the skills gap to best foster positive growth and competitive advantage into the future.



Partner Spotlight: Wysetek



My conversation with Tech Data is always, ‘What new, what more exciting are you getting to the table?’ Which is **good**. I want to simplify technologies. They simplify, making sure that we can go and sell technologies to the customer. That's where Wysetek and Tech Data **combine together to showcase the right solution to the customer**.

Cherian Thomas, Co-Founder, Wysetek Systems Technologists

Partner Spotlight: Tech Data Solutions

Tech Data Center of Excellence (CoE) Tech Data’s CoE simplifies the complexity of building and delivering complete solutions to technology partners. As trusted advisors on solutions aggregation, we extend support and absorb the complexity from ideation to execution, freeing up partners to focus on what they do best. The CoE is built on four core pillars: an adaptive regional approach, a simplified solutions aggregation model, enablement tools, resources and platforms, and subject-matter experts to serve as trusted advisors for high-growth technologies.

Explore

Tech Data Practice Builder Our market enablement efforts are offered through both a digital and hybrid Practice Builder - training that caters to a wide audience, but is customized for high-growth technologies and our partners’ specific needs. Our range of Practice Builder programs provides channel partners with essential tools, resources and people to expand business capabilities. We take a holistic approach to training, whether it be strategy planning, certifications, sales readiness or marketing efforts.

Explore

Tech Data Capital Cutting-edge technology should be accessible to all organizations without financial restraints. Our goal is to empower businesses to innovate without the burden of upfront costs. With more modern businesses relying on flexible payment options for IT investments, Tech Data Capital is committed to turning IT dreams into reality. Tech Data Capital is designed to seamlessly integrate with your sales process, preserve your credit line, and serve as a one-stop-shop for products and payment solutions.

Explore

FIGURE 26

Partner Breakdown.

% of channel partners offer or plan to offer





REGIONAL REALITIES SHAPING GROWTH

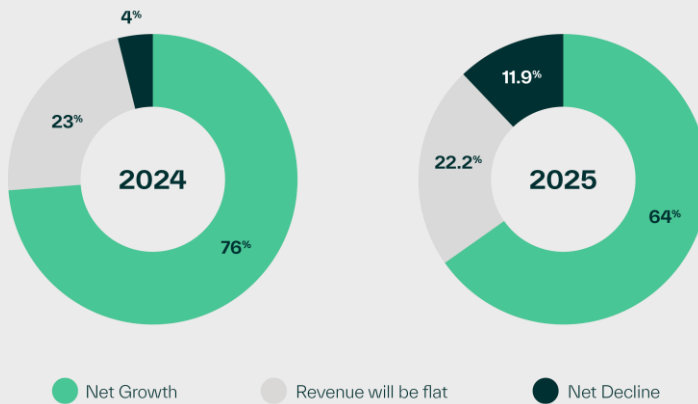
Europe Nuances: Building a Resilient, Compliance-Driven Foundation



This chapter on Europe Regional Nuances is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a regional perspective. This should be reviewed alongside the global findings to give you a complete picture of what is most relevant to channel partners in each market.

FIGURE 31

Growth momentum has slowed in 2025 compared to 2024.



Source: 4th Annual Direction of Technology Report

However, this is not cause for concern

European partners have neutral optimism for the future, driven by three key areas. Europe's Net Optimism Index following March 2025: 98 (compared to an average of 100).





FIGURE 32



1. Lower macroeconomic concerns.



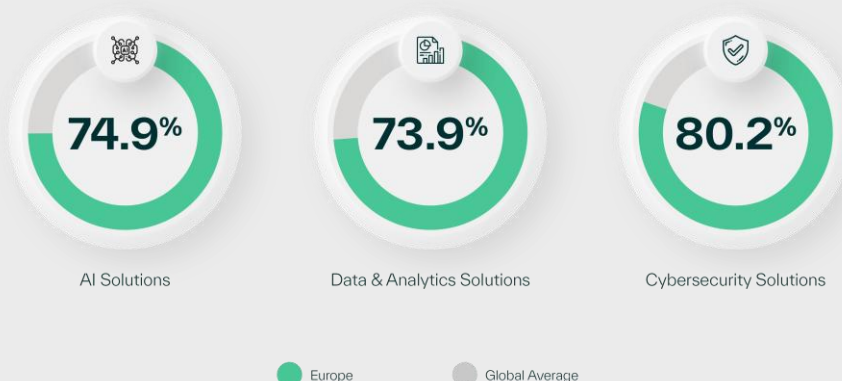
TD SYNnex

Source: 4th Annual Direction of Technology Report

FIGURE 33



2. High transformation readiness (% who currently offer or plan to offer).



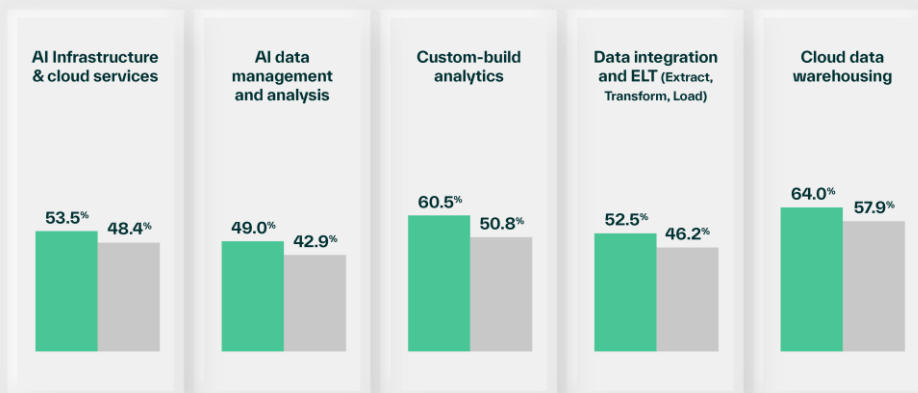
TD SYNnex

Source: 4th Annual Direction of Technology Report

FIGURE 34



3. High adoption in key technology areas.



TD SYNnex

Source: 4th Annual Direction of Technology Report



The Bottom Line

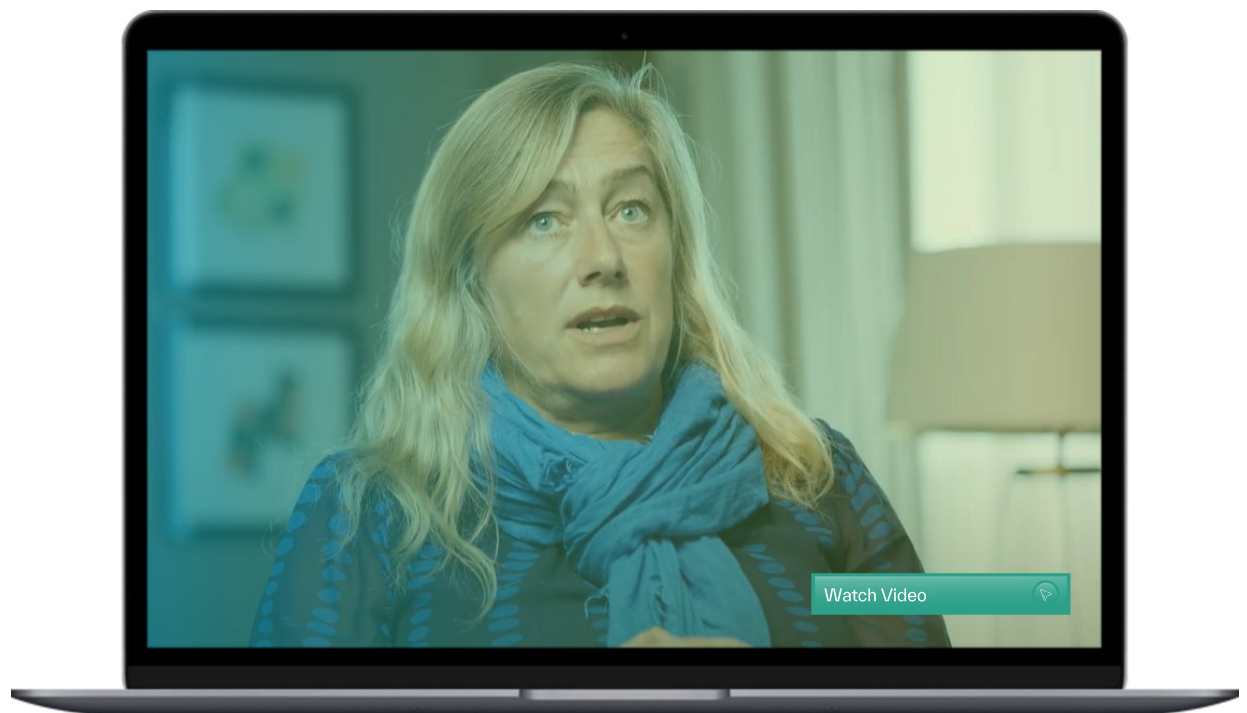
Europe's strategic focus on quality and compliance is a **long-term** advantage. The opportunity for partners is to leverage this foundation by continuing to invest in innovative and compliant solutions that can differentiate them in a competitive market.

Partner Spotlight: Insight



We may be able to automate things, digitise things, but it's rooted in people having figured out how to make that happen and **people putting the effort in to speed things up** so that we can go and do something else. There are touchpoints, **hundreds actually of touchpoints in EMEA alone between Insight and TD SYNnex, and all of those are personal**

Gill Holloway, Vice President of Partnerships, Insight





REGIONAL REALITIES SHAPING GROWTH

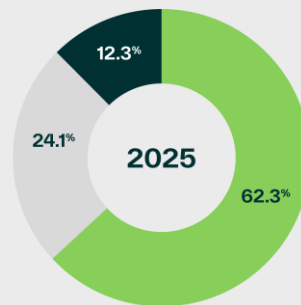
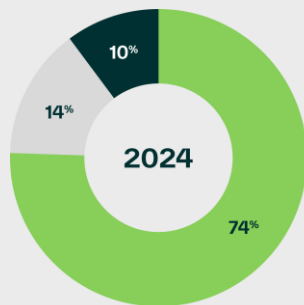
Latin America and the Caribbean Nuances: Optimism and Promise of Growth



This chapter on LAC Regional Nuances is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a regional perspective. This should be reviewed alongside the global findings to give you a complete picture of what is most relevant to channel partners in each market.

FIGURE 35

LAC's growth is moderate in 2025, but partners are highly optimistic about the future.



● Net Growth
 ● Revenue will be flat
 ● Net Decline



Source: 4th Annual Direction of Technology Report

LAC's Net Optimism Index following March 2025: 116 (compared to an average of 100).

This forward-looking sentiment is caused by an aggressive investment in high-growth areas.





Despite persistent macroeconomic and political challenges in Latin America, demand for digital transformation and innovative IT solutions remains a **powerful business growth driver**. Our partners are demonstrating remarkable optimism for the future, driven by the dynamic solutions they bring to the market. The fact that much of our technology portfolio in LAC is concentrated in high-growth segments, gives us a **solid foundation** to seize emerging opportunities and amplifies the optimism our partners already feel about the region's outlook. **This significant emphasis on Advanced Solutions and aggressive investments in high-growth areas such as AI, cybersecurity, cloud and modern infrastructure, are creating new pathways for innovation.**

This momentum reflects not only **confidence** in today's opportunities but also a **determination to build the capabilities that will define the future**. We take great pride in working alongside our partners on this exciting journey. **Together, we are ready to shape the future and achieve extraordinary success.**

Otavio Lazarini, President, LAC

FIGURE 36

34.0% of LAC partners think AI will be business critical, compared to 23.8% global average.



FIGURE 37



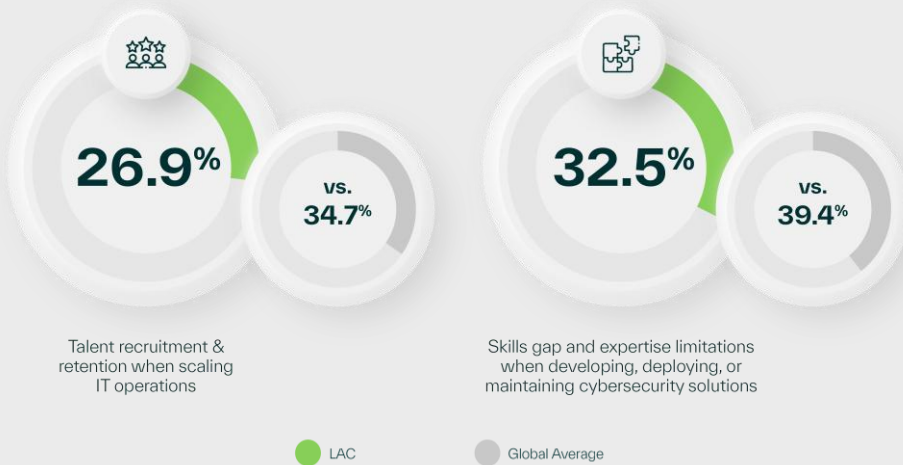
LAC

Global Average



LAC partners have a unique challenges profile. They appear less concerned about talent recruitment and the skills gaps

FIGURE 38



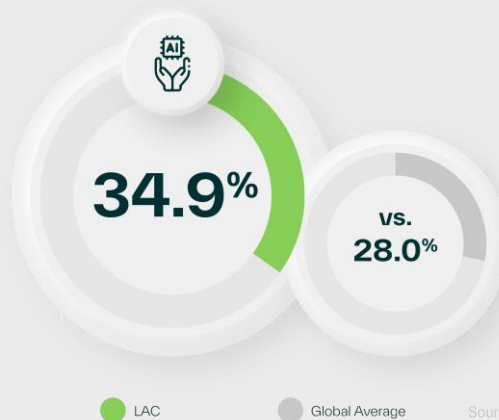
The Bottom Line

LAC partners are uniquely positioned for growth. There is a strong opportunity to invest in strategic support, specifically around challenge areas like AI integration, to translate enthusiasm into measurable customer value.

FIGURE 39



Over 1/3 of LAC channel partners cite AI integration while scaling IT operations is a key concern compared to a global average of 28.0%.





Partner Testimony

Innovation Center

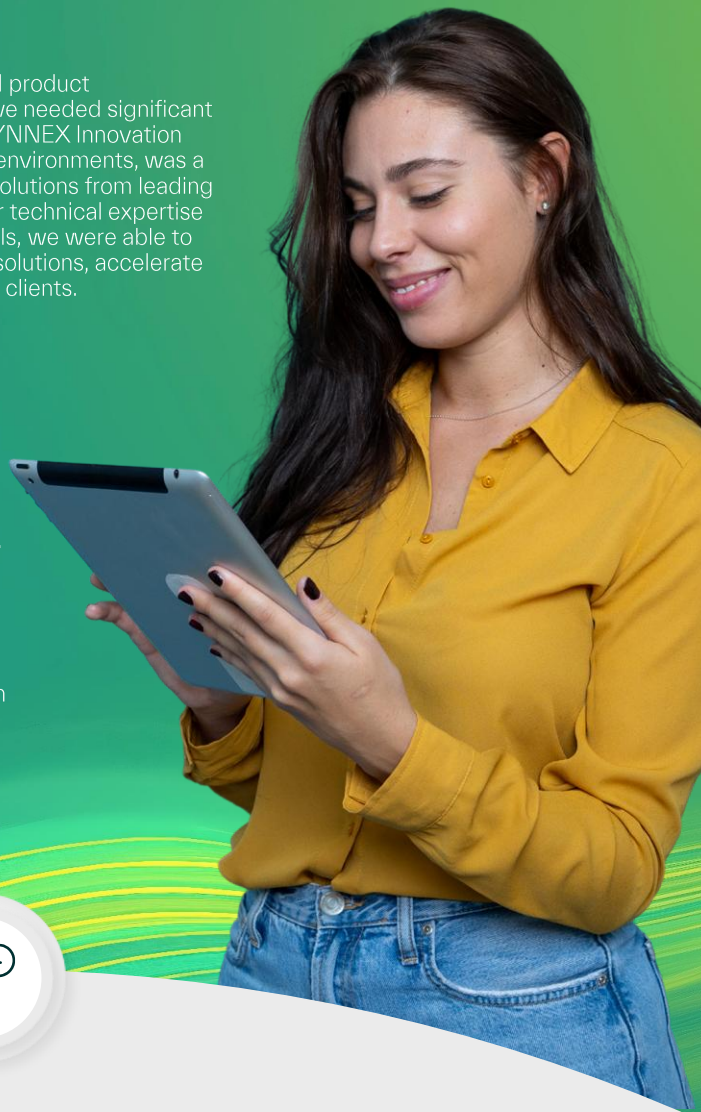
Facing two highly complex projects that required advanced product demonstrations and integration with third-party solutions, we needed significant investment in time, resources, and infrastructure. The TD SYNEX Innovation Center: a true Data Center blending on-premise and cloud environments, was a game changer. It provided hands-on access to integrated solutions from leading vendors, as well as a collaborative space designed to foster technical expertise and business growth. With support from skilled professionals, we were able to seamlessly integrate Netscout's security and observability solutions, accelerate project timelines, reduce costs, and deliver real value to our clients.

Cristiano Diniz, Pre-Sales Engineer, Netscout

Making IT Personal

TD SYNEX has become an essential extension of our team at Intelligent Networks, supporting us in every aspect, from financing and marketing to strategy and professional services. Their commitment and close partnership have enabled us to deliver secure, innovative solutions to our clients, accelerate project delivery, and confidently tackle even the largest opportunities. With TD SYNEX by our side, we not only achieve business growth and leadership in cybersecurity, but also gain the trust and peace of mind to focus on what matters most: delivering excellence to our clients and balance in our lives.

Jazmín Liñán, Commercial Director, Intelligent Networks



Solutions Highlight

Destination AI

TD SYNEX Destination AI continues to empower partners across Latin America by offering a comprehensive suite of AI services, resources, and specialized training. The program is designed to help business partners gain a competitive edge through access to expert guidance, tailored solutions, and ongoing support from a dedicated team of AI specialists in the region. As the AI market evolves, TD SYNEX remains committed to providing the tools and expertise needed for partners to differentiate themselves and seize new opportunities. While the latest phase of Destination AI, including advanced methodologies and tools, has recently been announced for North America, partners in Latin America benefit from a robust foundation of resources and regional expertise that supports their growth and innovation in AI. For more information about Destination AI in Latin America, please visit [Destination AI Latin America](#).

Explore





Solutions Highlight

Cybersecurity Practice

TD SYNnex has launched its Cybersecurity Practice for Latin America and the Caribbean, a strategic initiative designed to accelerate the adoption of advanced security solutions among partners in the region. This program delivers personalized support throughout the entire cybersecurity journey, backed by a dedicated team of over 250 experts—including business managers, business development managers, and pre- and post-sales engineers. Partners gain access to robust security and compliance frameworks, predictable as-a-service cost models, and the most comprehensive portfolio of security solutions and services in the market.

The Cybersecurity Practice enables agile delivery of solutions for multicloud and hybrid environments, addresses expanding IT and OT attack surfaces, and provides insights to anticipate emerging threats, including those driven by AI. With deep expertise in protecting devices, applications, networks, data, and users, TD SYNnex empowers partners to evolve their business models and deliver integrated, high-growth security offerings. Through the Practice Builder methodology, partners receive the essential tools, knowledge, and industry relationships needed to capitalize on market opportunities and create long-term value for their customers.

Explore 

Centre of Excellence (CoE)

Driving cloud growth, innovation, and accelerating partner transformation and success across LAC region.



#1

Training with specialists



#2

Having support during the sales cycle



#3

Co-creating solutions and position them in the market



#4

Executing projects with excellence



#5

Ensuring support in generating demand



#6

Organizing events with the ecosystem



#7

Planning market campaigns





REGIONAL REALITIES SHAPING GROWTH

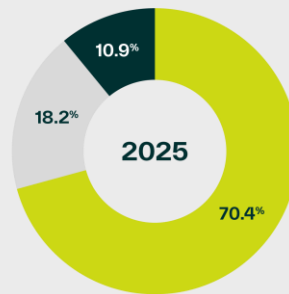
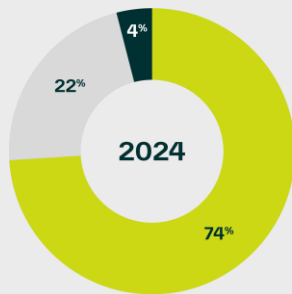
North America Nuances: Driving Strong Growth in Fierce Competition



This chapter on LAC Regional Nuances is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a regional perspective. This should be reviewed alongside the global findings to give you a complete picture of what is most relevant to channel partners in each market.

FIGURE 40

North America shows strong growth and high optimism.



● Net Growth
 ● Revenue will be flat
 ● Net Decline



Source: 4th Annual Direction of Technology Report

North America's Net Optimism Index following March 2025: 110 (compared to an average of 100).

However, an increase in revenue decline since last year signals a highly competitive market where strategic clarity is crucial.

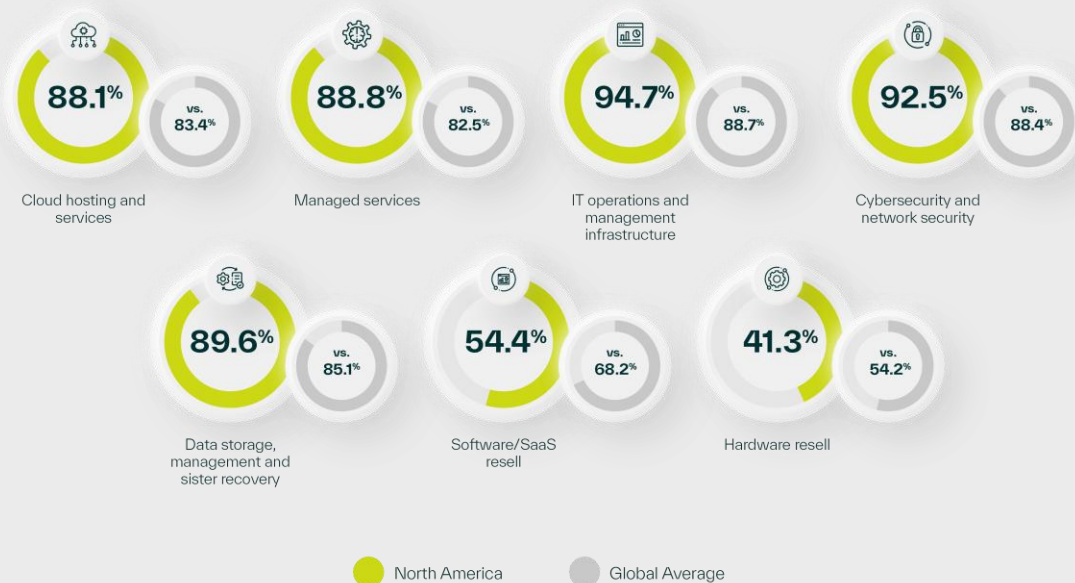




FIGURE 41



Success in this market is driven by a clear focus on cloud, high-value services, and foundational infrastructure.



Specifically, partners are aggressively investing in next-generation technologies and expertise.

FIGURE 42



Cybersecurity: Partners already offer or will offer in the next 12 months ...





FIGURE 43



Data & Analytics: Partners already offer or look to offer... Data management & infrastructure



TD SYNnex

North America

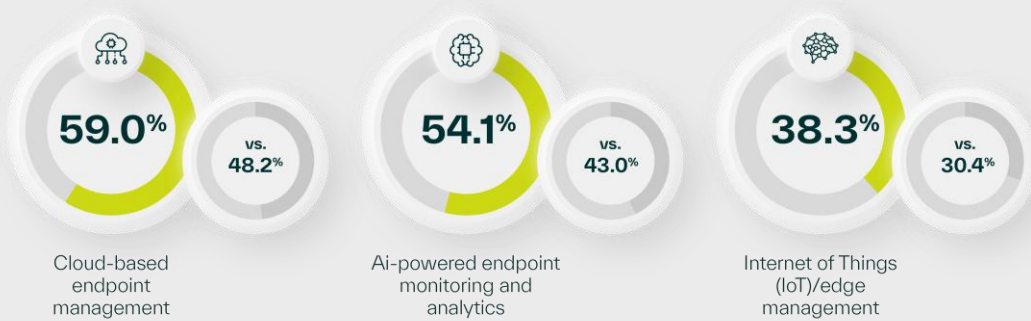
Global Average

Source: 4th Annual Direction of Technology Report

FIGURE 44



Endpoint: Partners already offer or will offer in the next 12 months ...



TD SYNnex

North America

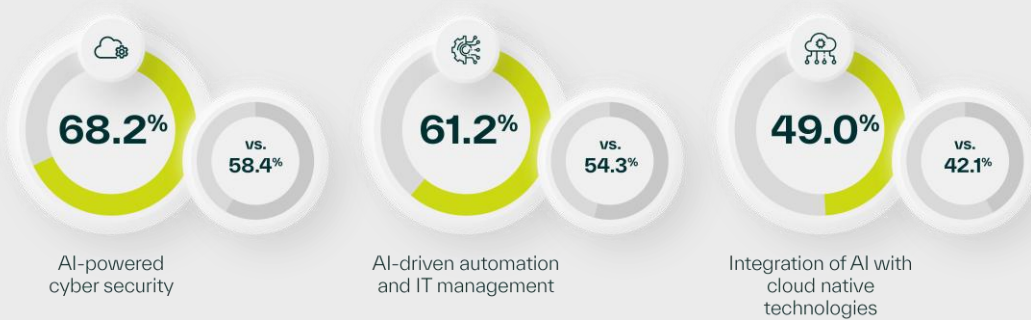
Global Average

Source: 4th Annual Direction of Technology Report

FIGURE 45



AI: Partners recognize that the following services will have the greatest impact on their industry.



TD SYNnex

North America

Global Average

Source: 4th Annual Direction of Technology Report



And, customer service and user experience are becoming increasingly important differentiators.



#1

Area of importance for end uses = exceptional customer service

53.2% NA partners ranked #1-3 compared to 46.5% globally

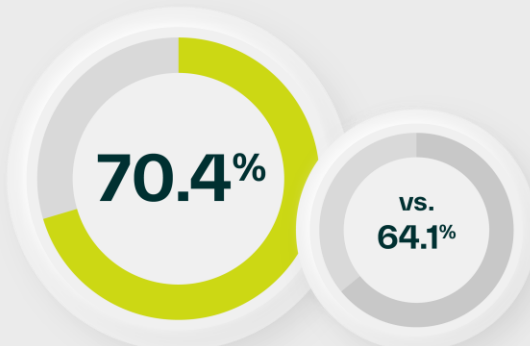
#1

Most important factor when selecting an IT distributor = customer service

46.8% NA partners ranked #1-3 compared to 38.5% globally

FIGURE 46

North American partners reported an increase in focusing on user experience and accessibility features in endpoint solutions.



TD SYNnex

North America

Global Average

Source: 4th Annual Direction of Technology Report

Getting ahead of distinct operational challenges will be key for North American partners.

FIGURE 47

Macroeconomic concerns.



Increased market competition



Rapidly evolving technology landscape



Changing customer demand

North America

Global Average

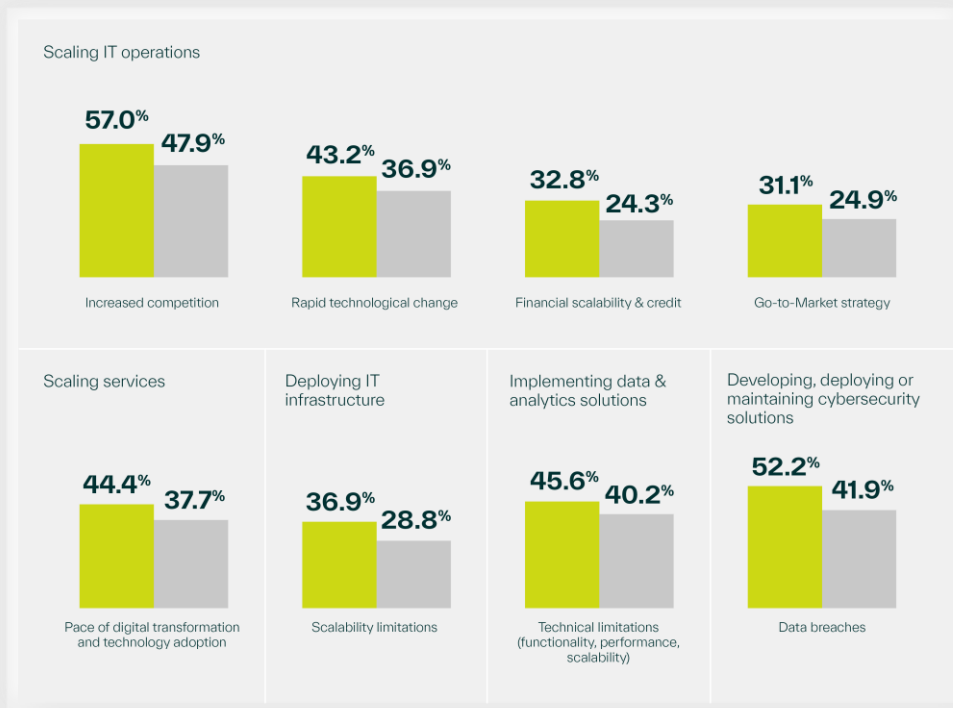
TD SYNnex

Source: 4th Annual Direction of Technology Report



FIGURE 48

Challenges when...



The Bottom Line

North America's fiercely competitive market rewards those who can deliver **integrated, high-value solutions**. There's a clear opportunity to outpace competition and mitigate operational challenges by **strengthening capabilities in next-gen technologies and delivering customer-centric solutions**.

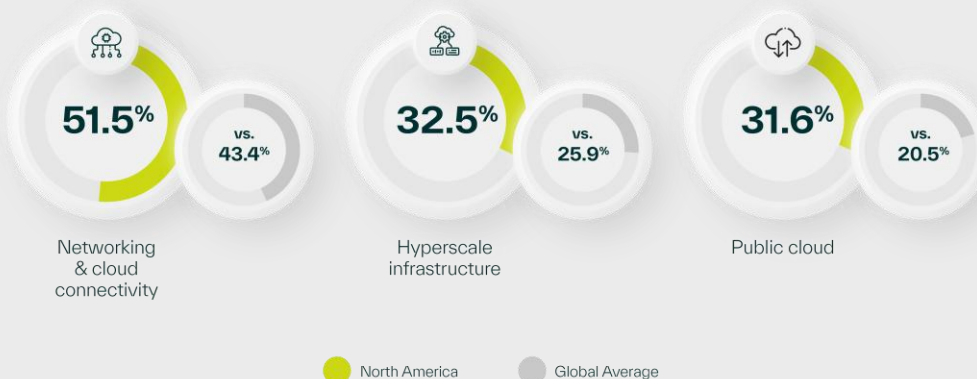


Distributor partnership can bridge gaps in critical areas partners need, like hyperscale infrastructure and cloud connectivity.



FIGURE 49

Distinct differences in areas of expertise needed from an IT distributor in North America compared to the global average.



Source: 4th Annual Direction of Technology Report

Product Spotlight

Partner Loyalty Program

An initiative designed to boost and reward partner ecosystem engagement and incentivize sustained growth by connecting partners with specialized resources, sales support and skills-building opportunities. It is now available at no additional fee to eligible partners prioritizing growth and leveraging TD SYNnex's Advanced Solutions portfolio, consisting of AI, modern infrastructure, security, cloud and analytics solutions, and will expand to other partner types later this year.

[Explore](#)



Courser

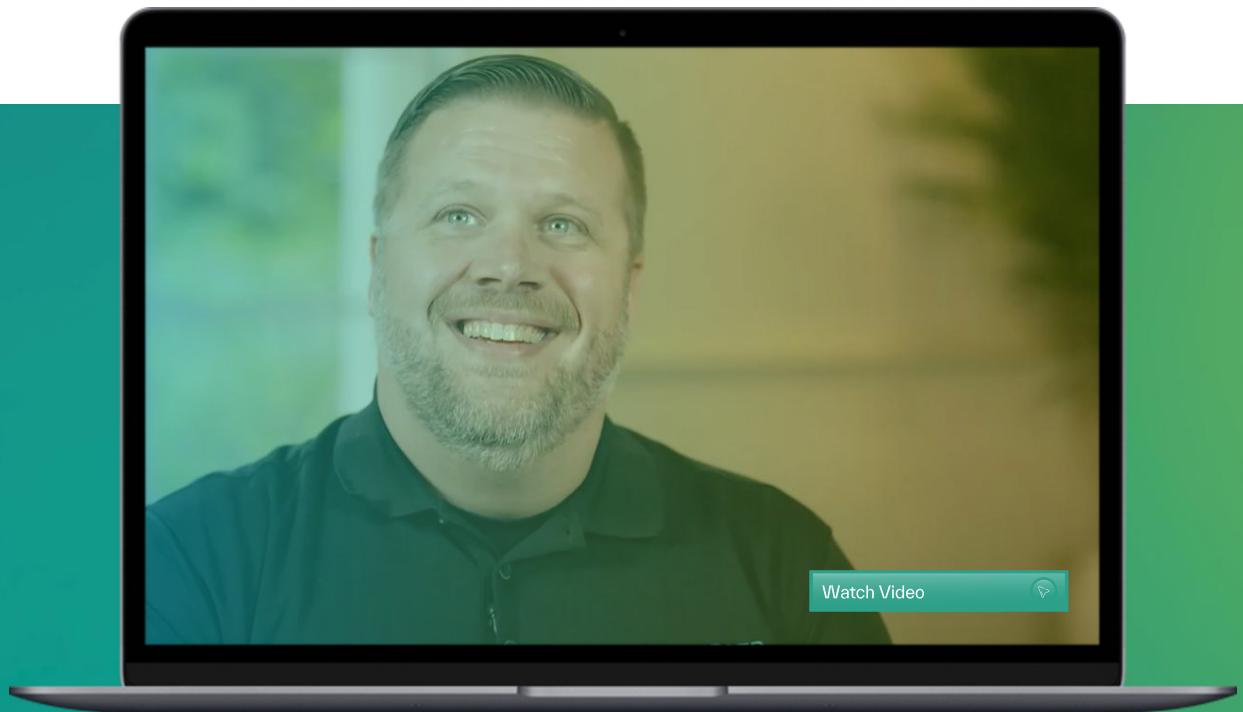
When Courser needed someone in their corner to help small businesses tap into the power of AI, TD SYNnex stepped up. Now, Courser is moving faster and smarter with a team that's built for enablement. "StreamOne was one of the key things. Having that extra benefit of a platform that's available to me that we're not responsible to maintain and provides the same level of value for a customer being able to log in and self-service—that is a huge win for us."

[Explore](#)





Hear from Mike Johnson, VP of Product Management at Courser, on how the StreamOne platform, training, and expert support are fueling their next chapter with confidence.



Product Spotlight

PartnerLINK Program

PartnerLINK keeps you future-ready on your growth journey with partner-led communities that link you to exclusive benefits, enablement, access, incentives, market intelligence and specialized support. Whether you're driving high-growth technologies or expanding and refreshing infrastructure while offering services, PartnerLINK unlocks opportunities and capabilities to strengthen, empower and boost growth. TD SYNEX's partner-centric approach links highly engaged partners with innovative market leaders to build collaborative and knowledgeable community networks.

Explore



PartnerLINK has **700 partners**, and those within it see **24% more revenue** growth than those outside. It's extraordinary enablement and **executive exposure**

Michael Kanan, Chairman, Inacom



We don't look at it as a standard distributor relationship — **you all are just an extension of our team. We treat it as such**

Steve Hull, President and Co-Founder, Westwind Computer Products





Channel Partner Profiles

Each chapter on IT Channel Partners is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a company type perspective. Sections should be reviewed alongside the global findings to give you a complete picture of what is most relevant to each partner type.



#1

Independent Software
Vendors (ISVs)

[Learn More](#)



#2

Professional Services
Organizations

[Learn More](#)



#3

Hybrid Business
Models

[Learn More](#)



#4

System
Integrators (SI)

[Learn More](#)



#5

Managed Service
Providers (MSP)

[Learn More](#)



#6

Value-Added
Resellers (VAR)

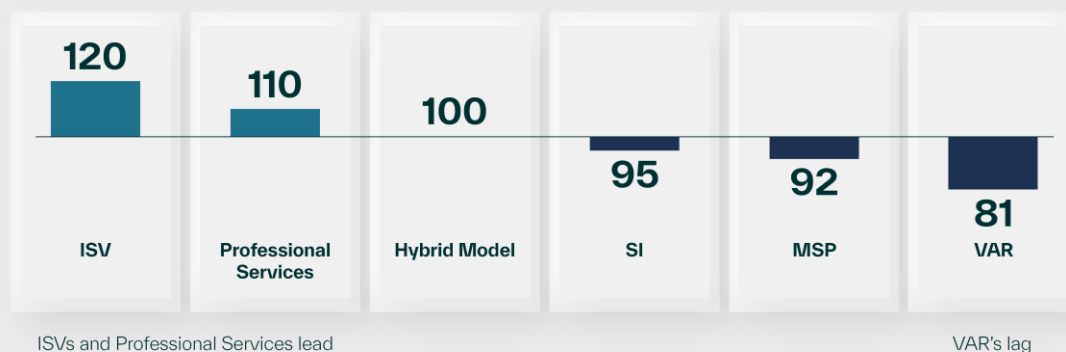
[Learn More](#)



FIGURE 50



The IT channel partner ecosystem is at a pivotal inflection point. The traditional lines between partner profiles are blurring, creating new opportunities for diversification and growth.



ISVs and Professional Services lead

VAR's lag



Partners who are proactive and adaptive to new technologies are experiencing robust growth.



Organizations with business models rooted primarily in older technologies and hardware resell are facing more challenges and slower growth.



Success in this evolving market hinges on **embracing next-generation technologies, addressing key customer demands, and strategically managing talent and operational challenges.**



A MARKET REDEFINED

Independent Software Vendors (ISVs)



This chapter is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from an ISV perspective. The section should be reviewed alongside the global findings to give you a complete picture of what is most relevant.

ISVs are leading the market.



Net Growth Index **120**



Net Optimism Index **106**

FIGURE 51

This success is largely driven by the demand for software solutions and their swift adoption of emerging technologies.

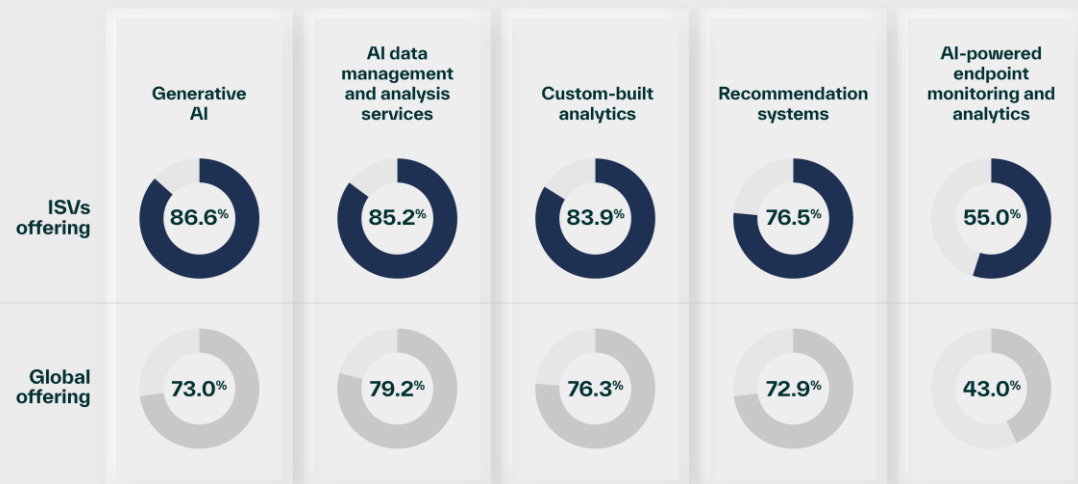
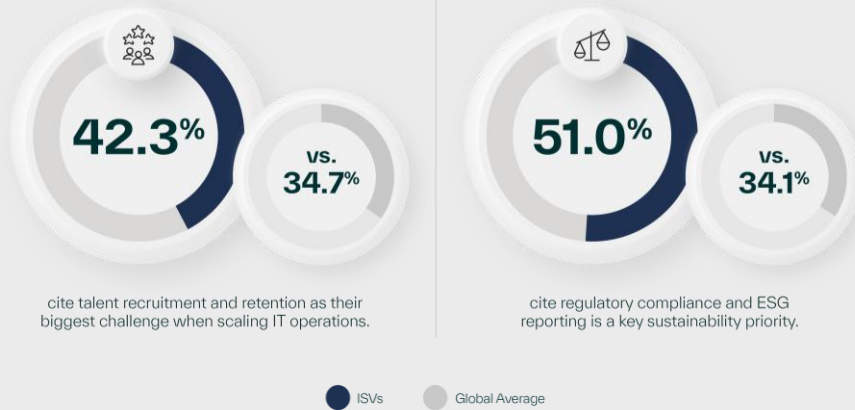




FIGURE 52



Despite strong growth, ISVs face significant hurdles.

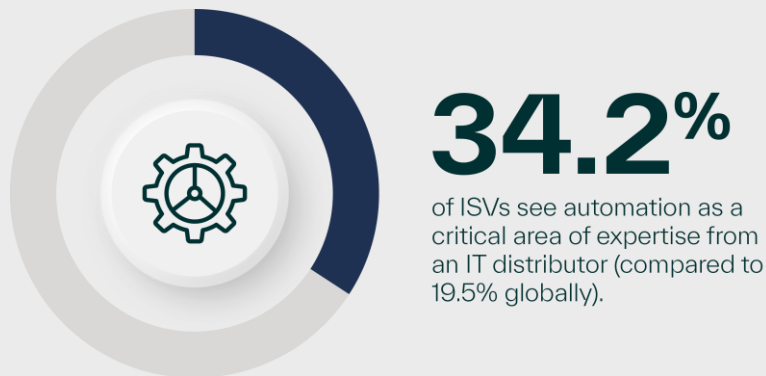


Source: 4th Annual Direction of Technology Report

FIGURE 53



Continuing to advance capabilities and solidify partnerships that provide the necessary expertise and support to scale operations is a critical next step.



Source: 4th Annual Direction of Technology Report

Product Spotlight: ISV Solutions Factory

Tech Data's ISV Solutions Factory is a commercial offering and partnership-building framework. It's designed to tap into the ISV market and generate new revenue streams by accelerating their cloud adoption journey and expanding their partner ecosystem.

Explore





A MARKET REDEFINED

Professional Services Organizations



This chapter is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a Professional Services perspective. The section should be reviewed alongside the global findings to give you a complete picture of what is most relevant.

ISVs are leading the market.



Net Growth Index **110**



Net Optimism Index **116**

Their positive trajectory is a direct result of the rising demand for specialized expertise and tailored solutions.

#1

factor professional services customers look for in a partner = "professional services"

#2

factor professional services customers look for in a partner = "industry expertise and consultation"

#3

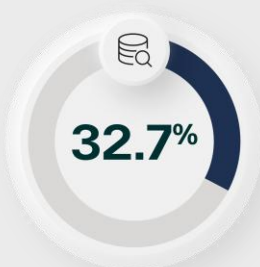
factor professional services customers look for in a partner = "exceptional customer service"



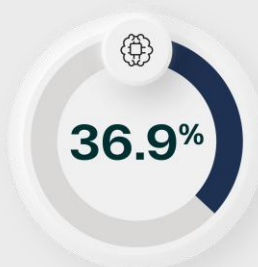
FIGURE 54



Professional services are positioned for growth. To capitalize, there is a strong opportunity to invest in strategic support, specifically around AI integration and data analytics.



of Professional Services see data analytics support as a key area of expertise from an IT distributor, compared to **24.9%** globally



of Professional Services see AI integration as a main challenge when scaling IT operations, compared to **28.0%** globally



A MARKET REDEFINED

Hybrid Business Models



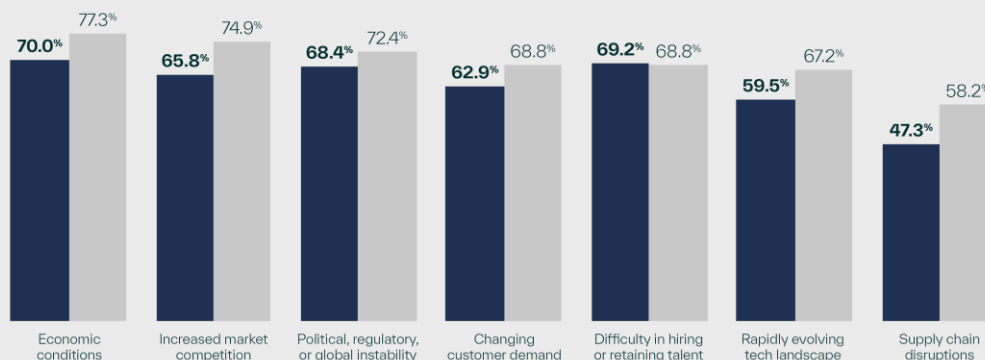
This chapter is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a Hybrid Business Model perspective. The section should be reviewed alongside the global findings to give you a complete picture of what is most relevant.

ISVs are leading the market.

Net Growth Index **100**Net Optimism Index **99**

FIGURE 55

This neutrality stems from market resilience that comes from diversified capabilities and business lines. As such, hybrid businesses are least concerned about macroeconomic challenges.



TD SYNnex



Hybrid %



Global Avg %

Source: 4th Annual Direction of Technology Report

A key strategic next step = preparing for next-generation technology. **40.9% of hybrid business models are planning to launch AI infrastructure and cloud capabilities**, compared to 33.4% global average.

Hybrid businesses must proactively mitigate customer skepticism to ensure smooth scaling of this tech. Customer skepticism is the top challenge when implementing AI solutions. For **52.7%** of hybrid business models, and **43.1%** global average.





A MARKET REDEFINED

Systems Integrators (SI)



This chapter is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from an SI perspective. The section should be reviewed alongside the global findings to give you a complete picture of what is most relevant.

Systems integrators are facing some headwinds, but feel relatively optimistic about the future.



Net Growth Index **95**



Net Optimism Index **105**

In response to market pressure, they're shifting priorities to services that provide them with greater control and operational flexibility.



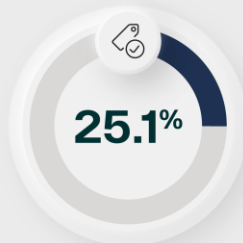
15.8% of SIs are planning to launch cloud hosting and services, compared to a 11.0% global average.

FIGURE 56

The next steps include....

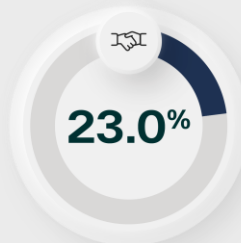


Better meeting customer demands for competitive pricing



Over a quarter of SI end users rank competitive pricing as the #1 most important factor in a partner, compared to **16.7%** globally

Investing in or establishing partnerships that provide the necessary expertise and support to grow and reach customers



Significantly more SIs see sales enablement and training as important when considering an IT distributor, **12.7%** globally



A MARKET REDEFINED

Managed Service Providers (MSP)



This chapter is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from an MSP perspective. The section should be reviewed alongside the global findings to give you a complete picture of what is most relevant.

MSPs are facing intense competition challenges.



Net Growth Index **92**



Net Optimism Index **95**

FIGURE 57

56.3% of MSPs cite increasing competition as their top concern when scaling IT operations, compared to 47.9% globally.



FIGURE 58

In response, they are actively investing in cloud solutions and hyperscale infrastructure to keep pace with peers.

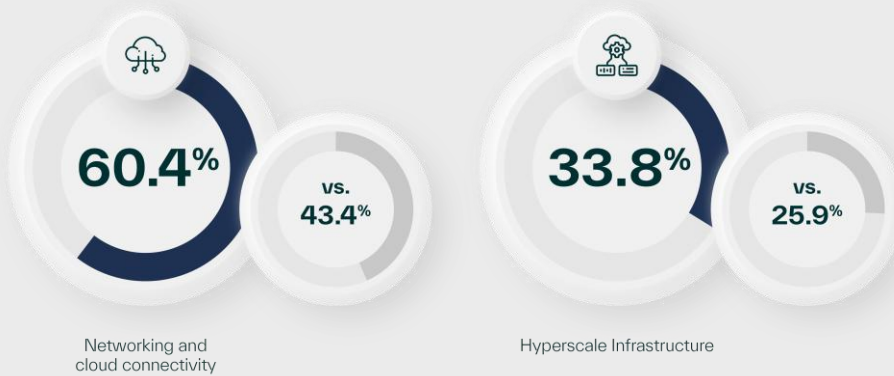
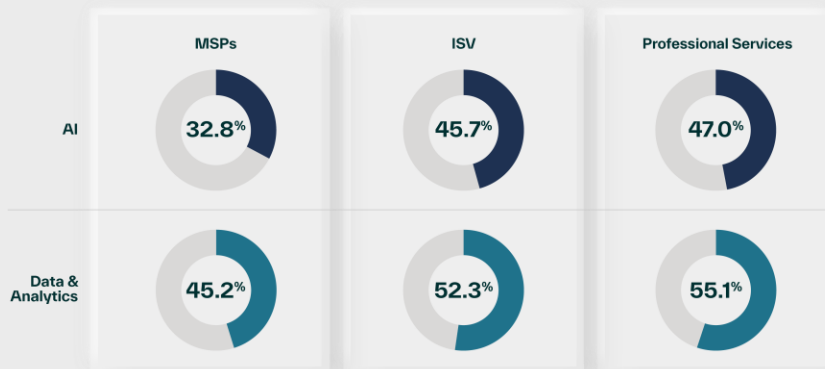




FIGURE 59



But simply keeping pace will not be enough. MSPs need to invest in high-growth technologies and differentiated solutions to gain a competitive edge.



Product Spotlight: MSP Evolve

MSP Evolve features a range of support, services, solutions and training programs to help streamline processes and provide cost-effective IT support to clients, including features within the global TD SYNnex StreamOne® Cloud Platform. The platform enables the end-to-end digital journey of MSPs, accounting for how they acquire, integrate, purchase, manage, and bill solutions for their customers.

StreamOne® provides its users with the ability to integrate best-of-breed tools via its open API architecture, including the newly enhanced PSA Connectors for ConnectWise and Autotask featuring automatic billing reconciliation. Other StreamOne® capabilities to help MSPs optimize and scale their cloud business include IaaS optimization tools, white label storefronts, access to real-time subscription and consumption data and StreamOne® MSP Ready Solutions.

[MSP Evolve](#)[StreamOne® MSP](#)



A MARKET REDEFINED

Value Added Resellers (VAR)



This chapter is designed as a companion to the main DoT Global Report, providing additional context to help you understand the technology landscape from a VAR perspective. The section should be reviewed alongside the global findings to give you a complete picture of what is most relevant.

VARs are the most challenged partner segment.



Net Growth Index **81**



Net Optimism Index **54**

FIGURE 60

This decline is largely attributed to: **Heavy reliance on hardware resell.**



77%

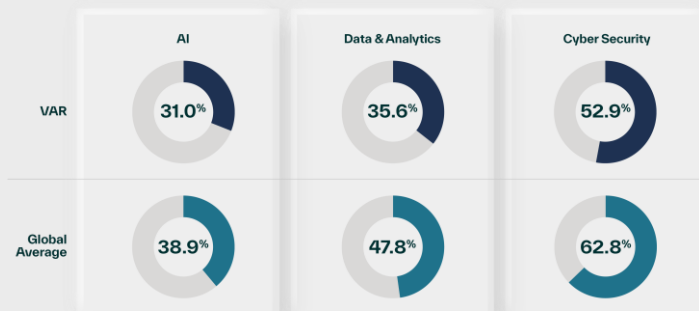
of VARs offer and will continue to offer hardware resell, compared to **45%** globally.

TD SYNnex

Source: 4th Annual Direction of Technology Report

FIGURE 61

Notable lag in offering high-growth technologies. To change course, VARs must move from hardware to a diverse, tech-adaptive portfolio aligned with leading partners.



TD SYNnex

Source: 4th Annual Direction of Technology Report



Future-Defining Technology Priorities

This section presents global findings, aggregating partner insights on current offerings, future plans, and domain-specific challenges. Unless otherwise noted, these insights are consistent across all geographic markets.



#1

Cybersecurity

[Learn More](#)



#2

**Artificial
Intelligence (AI)**

[Learn More](#)



#3

IT Services

[Learn More](#)



#4

**Modern
Infrastructure**

[Learn More](#)



#5

**Data &
Analytics**

[Learn More](#)



#6

**Endpoint
Devices**

[Learn More](#)



#7

Sustainability

[Learn More](#)





FUTURE-DEFINING TECHNOLOGY PRIORITIES

Cybersecurity



While cybersecurity is a **relatively** mature market for partners, success will depend on the ability to address increasingly complex challenges and the industry-wide skills gap.

FIGURE 62



Cybersecurity is foundational to IT strategy, and partners are already highly engaged in the space.

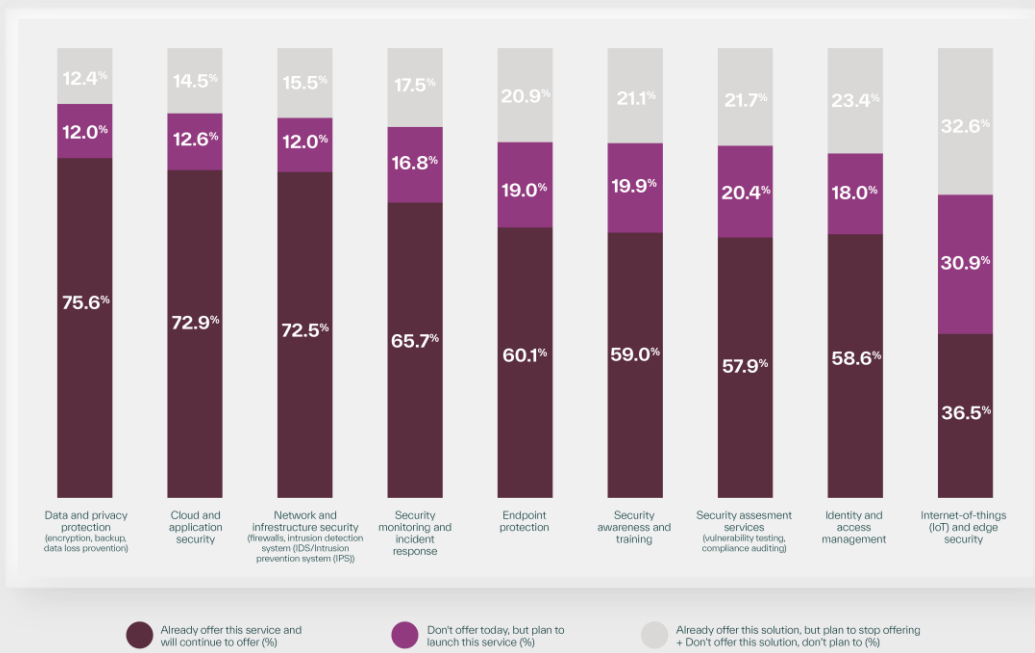
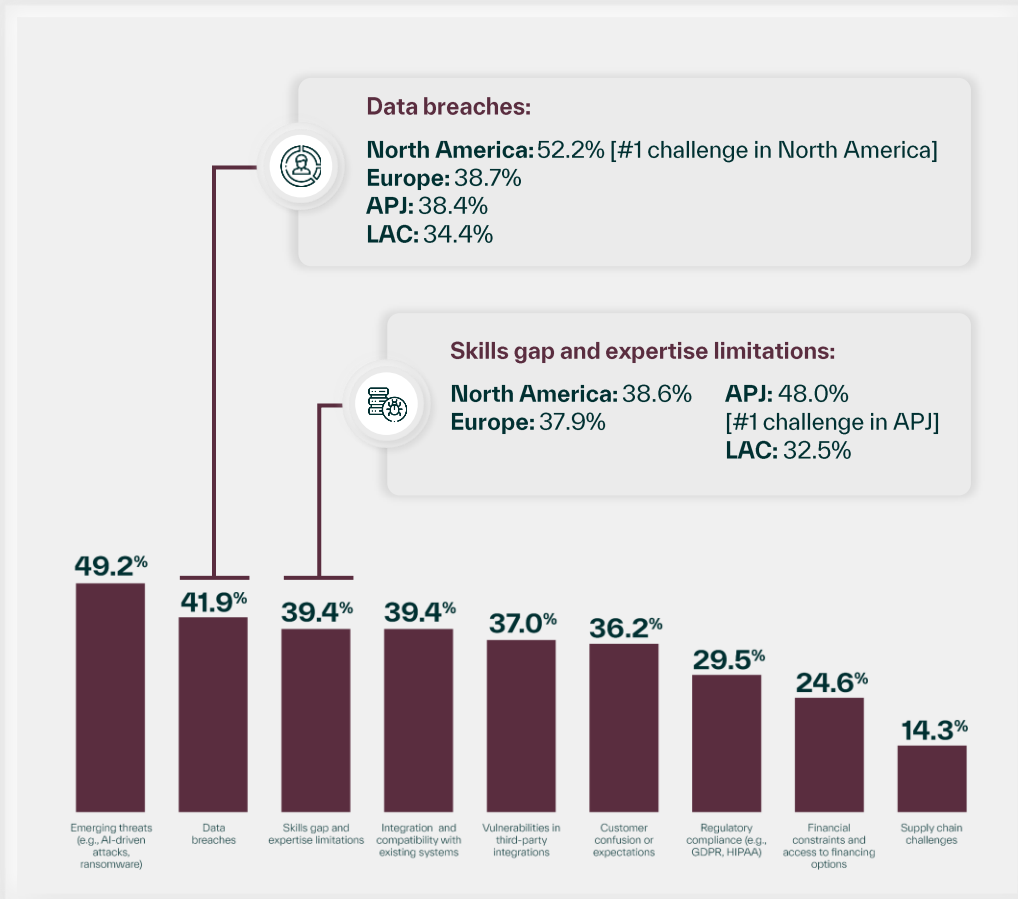




FIGURE 63



But the nature of threats is rapidly evolving, demanding a shift from basic offerings to more sophisticated solutions.



We are in an era of **very large challenges, of very big changes.** To address it, systems and processes may be important, **but people advance technology even further**

Alessandro Ballerio, CEO, Elmec Informatica





FUTURE-DEFINING TECHNOLOGY PRIORITIES

Artificial Intelligence (AI)

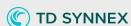
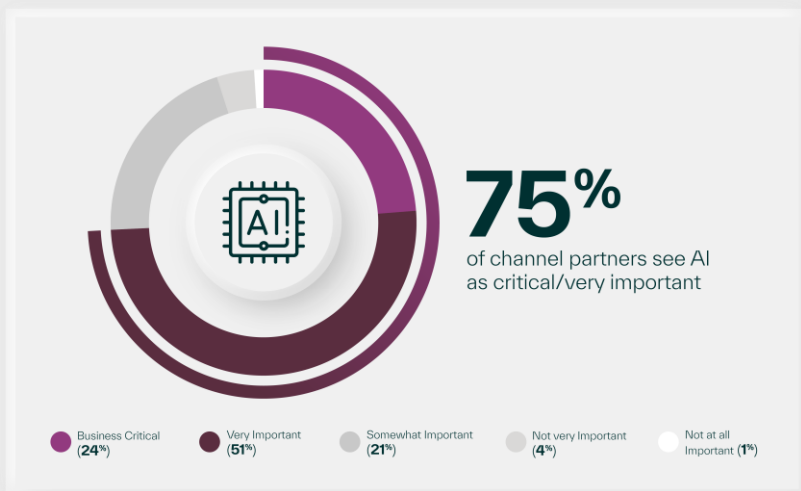


AI is mission-critical, but the challenge now is to move beyond foundational offerings. Partners must focus on demonstrating practical outcomes and building trust with customers to unlock the technology's full potential.

FIGURE 64



AI adoption is essential to stay competitive.

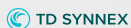
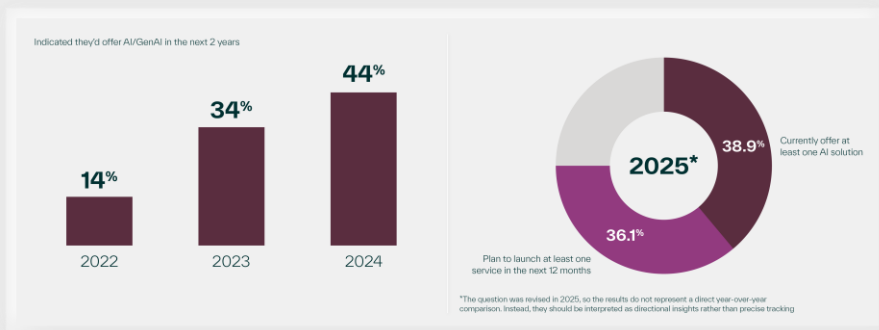


Source: 4th Annual Direction of Technology Report

FIGURE 65



The AI landscape is rapidly maturing.



Source: 4th Annual Direction of Technology Report



FIGURE 66



A major shift is underway. Partners must transition from foundational use cases to more advanced, impactful ones to stay competitive.

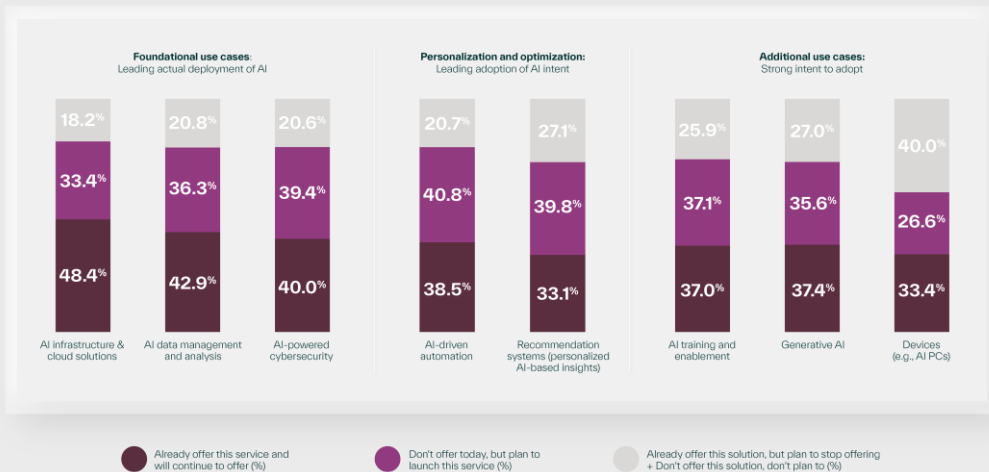
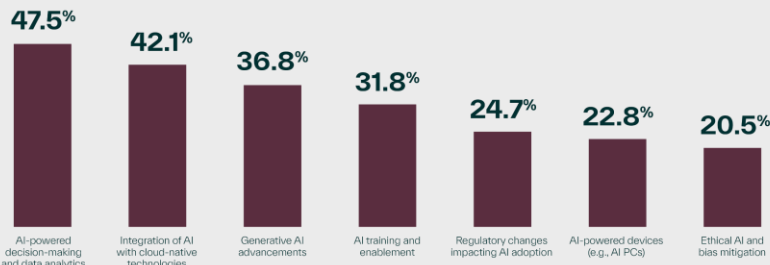


FIGURE 67



Specifically, AI-powered cybersecurity and AI-driven automation are poised to become the industry's next major growth drivers.





The next phase of adoption hinges on the ability to demonstrate real-world value and overcome skepticism.

#1

Customer expectation and adoption

44.6% say this is a big challenge

#2

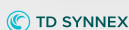
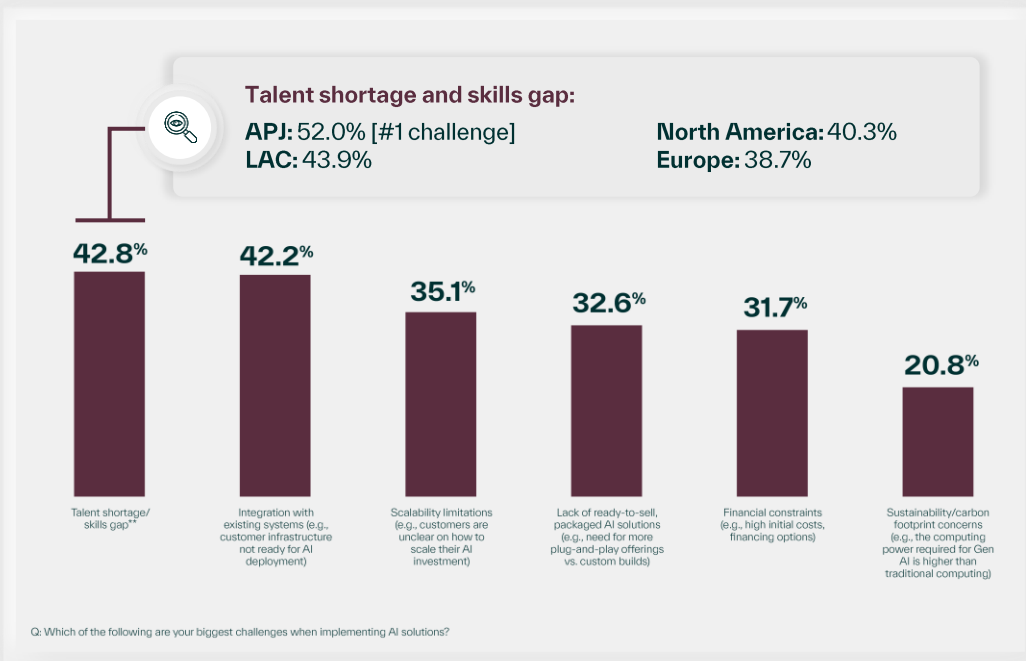
Customer skepticism or lack of trust in AI outcomes

43.1% say this is a big challenge



FIGURE 68

Secondary challenges include:



Source: 4th Annual Direction of Technology Report

Product Spotlight: Innovation Studio

The Innovation Studio is a dynamic space that supports digital and business transformation by connecting TD SYNnex partners with advancing technologies like AI, data, automation and hybrid cloud in a hands-on environment. With a dedicated space for partners to explore and demo IBM solutions, such as watsonx, with their customers, TD SYNnex simplifies access to new technologies and provides comprehensive support pre- and post-sale.



Explore





FUTURE-DEFINING TECHNOLOGY PRIORITIES

IT Services



Services, particularly managed services, are the future. Partners must continue to expand their service portfolios and address operational challenges to sustain growth moving forward.

FIGURE 69



Channel partners are continuing to pivot from hardware resell to a service-centric model.

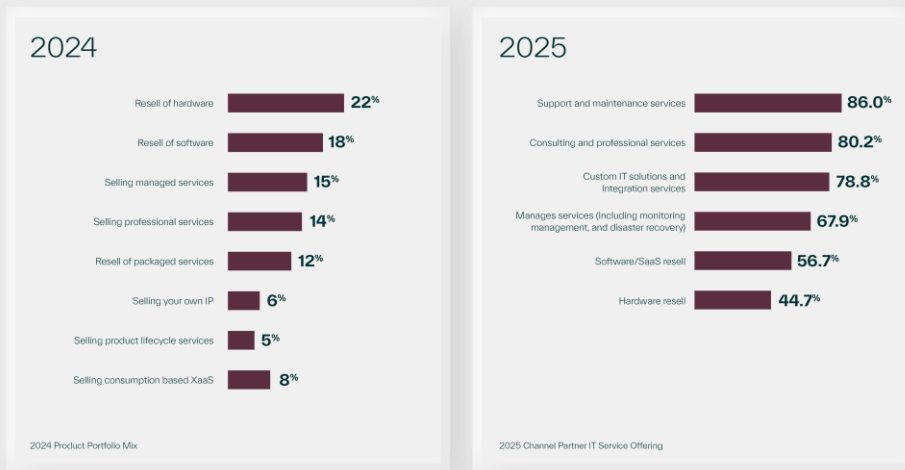


FIGURE 70



Manages services, specifically, are surging ahead.

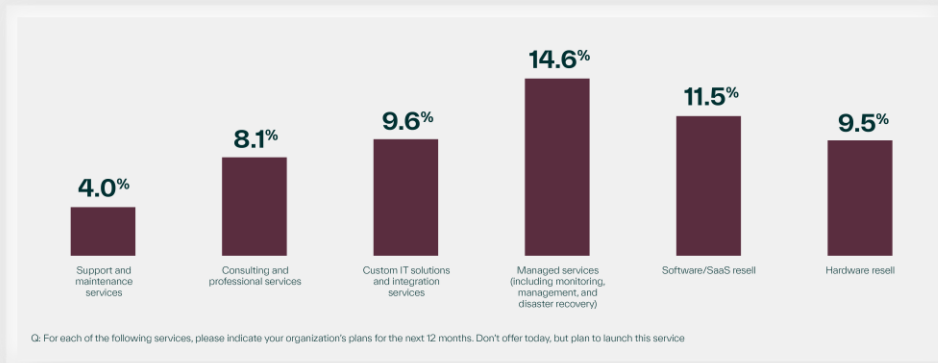




FIGURE 71

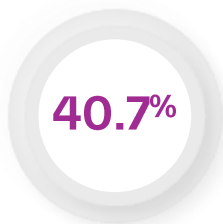


Channel partners will need to stay ahead of operational challenges to succeed.



TD SYNnex

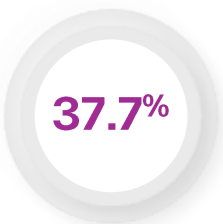
Source: 4th Annual Direction of Technology Report



Pace of digital transformation and technology adoption

North America: 44.4% APJ: 36.8%

Europe: 34.2% LAC: 34.0%



Skills gap and workforce scalability challenges:

North America: 39.1% APJ: 47.0% [#2 challenge]

Europe: 38.1% LAC: 41.0%



Product Spotlight: TD SYNEX Capital

No two deals are the same, so at TD SYNEX Capital and Tech Data Capital in APJ we offer a complete portfolio of solutions to accommodate any budget need. Here are just a few of our offerings:



Installation Payment
Agreements



100% Software and
Services Financing



Solutions for Managed
Service Providers



Consumption-Based
Financing



Subscription Financing
(as-a-service)



Private Label including
Embedded Terms (*not
available in APJ)

Explore



An example would be clients who are **budget challenged**. We've been able to extend net terms almost instantaneously, and we've leveraged TD SYNEX Capital **more in the last couple of years than in the previous 25**

Dani Lockett, Vice President of Sales Operations, Burwood Group



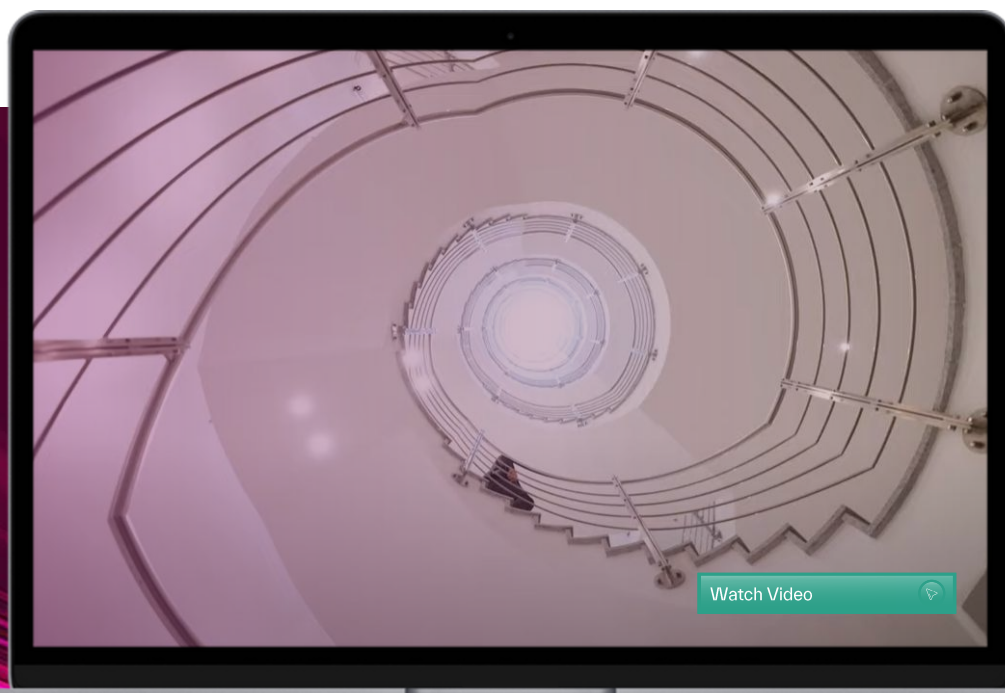
We couldn't have done it alone. TD SYNEX brought **finance, integration facilities, and subject matter specialists to the table**. Even conservative finance folks took a leap of faith on us — trusting a small reseller with **\$100 million**. **That trust was everything**

Steve Hull, President and Co-Founder, Westwind Computer Products



There are situations where we need to access external resources. TD SYNEX provides us with these resources—whether it’s access to manufacturers, financing services, or **most importantly**, post-sales services, everything that has to do with installations. **We’re growing** and **we want to continue to grow**. It is **very important to have a strong partner like TD SYNEX at our side**

Christoph Hesse, Sales Director, Erik Sterck GmbH



Product Spotlight: TD SYNEX Capital Amplify

Amplify is a TD SYNEX Capital credit program that allows partners to pick their own net terms on eligible orders to address the needs of end users while reducing reliance on outside finance companies. Amplify includes extended payment terms, common due dates and a self-service portal to help partners manage payments. **Enjoy:**



Ability to better align your terms with your end user



Early payment incentives



Options to match or exceed existing flooring relationship lines, credit and payment terms



Pick payment terms for each opportunity

Explore





FUTURE-DEFINING TECHNOLOGY PRIORITIES

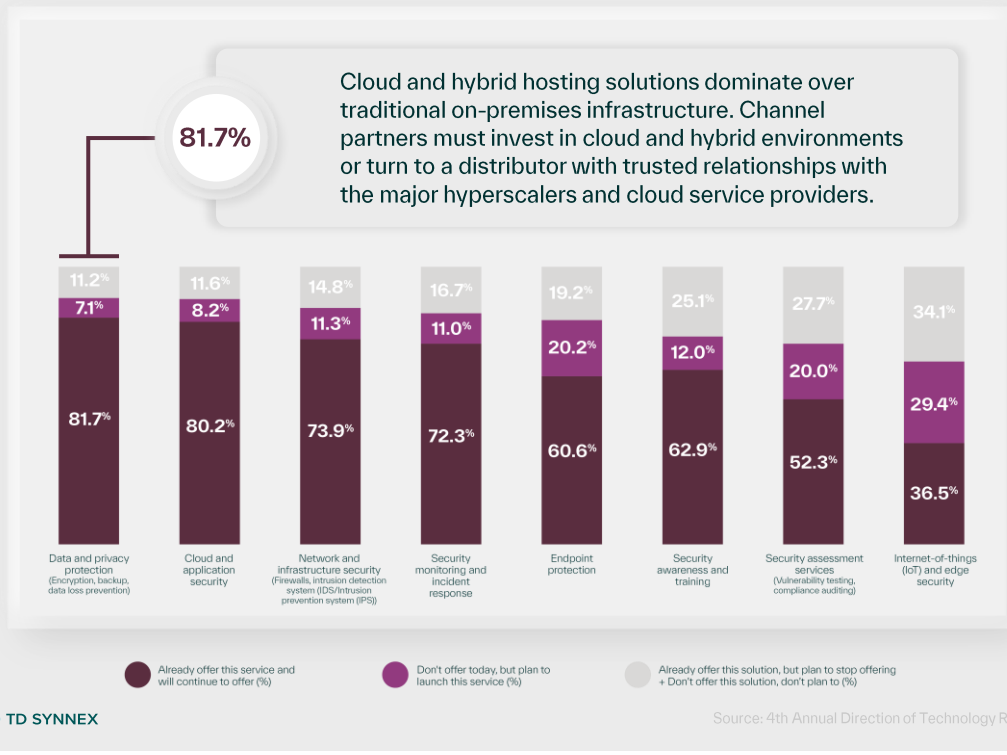
Modern Infrastructure



With cloud and hybrid solutions dominating the market, partners must focus on elevating capabilities and addressing key deployment challenges to stand out.

FIGURE 72

Core infrastructure stability and digital protection are essential for all partners.



Product Spotlight: Cloud Labs

Cloud Labs serves as a simulated production environment, enabling vendors and partners within the IT channel to bring products to market faster and at scale through showcasing product features and services seamlessly to end users. Vendors are empowered with the flexibility to stand up the environment through any of the leading cloud providers. Additional Cloud Labs **features** and **benefits** include:

Explore Cloud Labs



Vendor Go-To-Market Efforts



Accelerate Go-To-Market Success





Questions for organizations to ask themselves:

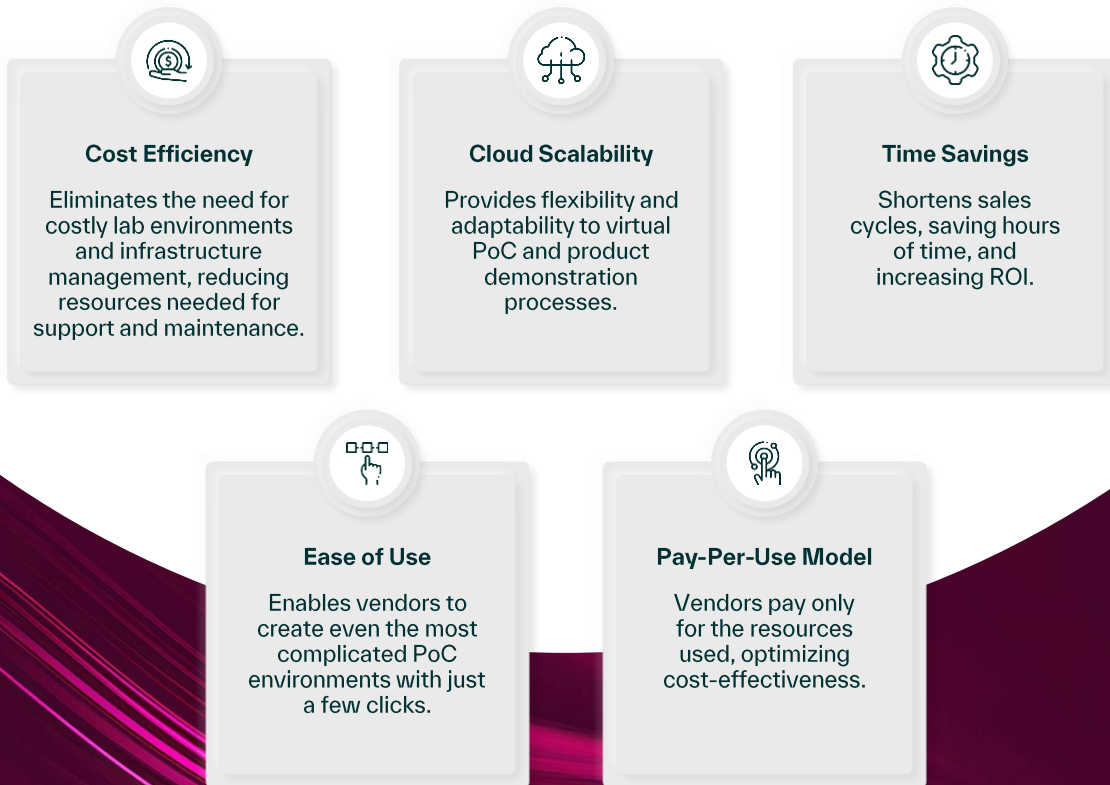
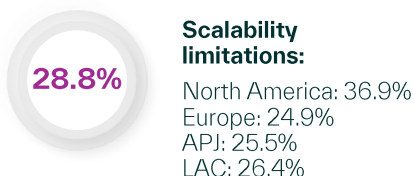


FIGURE 73



Proactively addressing technical and security concerns with the deployment of infrastructure is crucial.





FUTURE-DEFINING TECHNOLOGY PRIORITIES

Data & Analytics

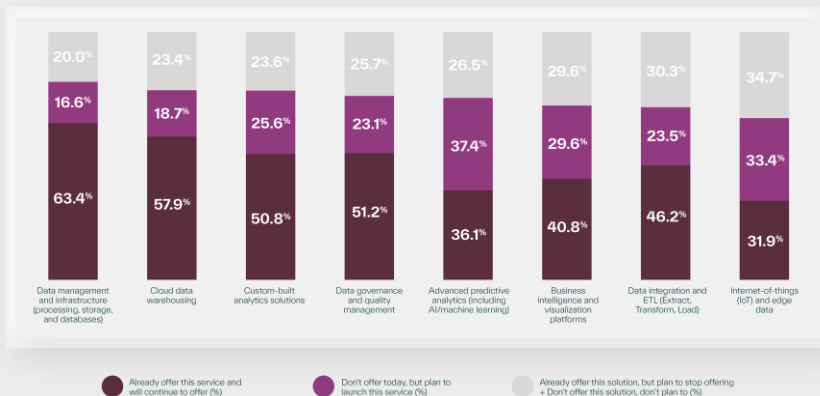


Partners must move beyond basic services to more advanced solutions. Overcoming persistent challenges in data quality and integration will be key to delivering tangible value to customers.

FIGURE 74



Data solutions are evolving alongside the broader technology landscape. There is a clear strategic intent to move toward more advanced capabilities.



Source: 4th Annual Direction of Technology Report

FIGURE 75



Data & Analytics implementation challenged globally.



Source: 4th Annual Direction of Technology Report



Product Spotlight: Digital Bridge

Digital Bridge streamlines how thousands of TD SYNEX partners—from emerging MSPs to enterprise customers—connect, automate and grow. Pre-built connectors and enterprise-grade APIs surface live pricing, inventory, and order workflows inside the systems you already rely on.

[Digital Bridge](#)[Integration Gap](#)

Product Spotlight: Cloud Competency Center

The center is dedicated to support registered TD SYNEX partners—including resellers, software developers, and integrators—rather than serving end customers directly. One of 3C's primary objectives is to collaborate with partners to deliver high-quality solutions to the market. The center provides partners with technical support to develop their cloud capabilities, as well as services related to migration, FinOps, governance (Control Tower), Data Lake, analytics, and generative AI.

[Explore](#)

Its offerings include:



Consulting services & cloud solutions deployment



Managed services (MSP)



Cost optimization (FinOps)



Rapid projects with defined



Support for AWS programs (MAP, OLA, etc.)



Mentoring for ISVs and support for publishing on the AWS Marketplace



Failure is not a problem. In fact, don't be afraid of it. We aim for **success** and ask, "How do I achieve success?" It's interesting to see **what works**, we refine it, stay focused, and **learn from what works to repeat it**

Sacha Rosenthal, Founder and CEO, XEFI





FUTURE-DEFINING TECHNOLOGY PRIORITIES

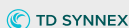
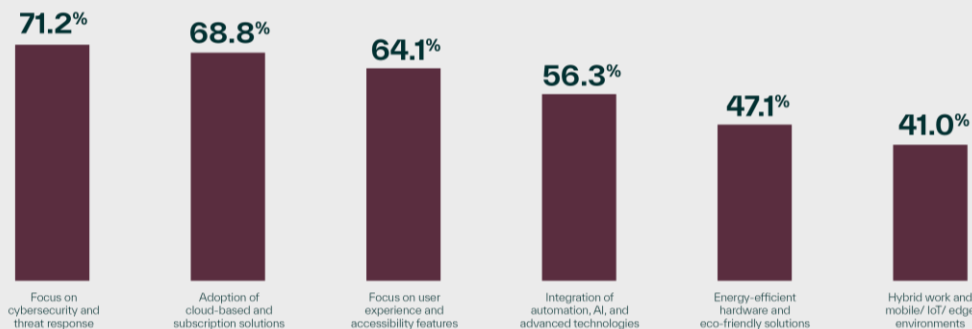
Endpoint Devices



The endpoint market is becoming more complex. Partners must focus on integration, security, and a consistent user experience while managing the high costs of technology refreshes.

FIGURE 76

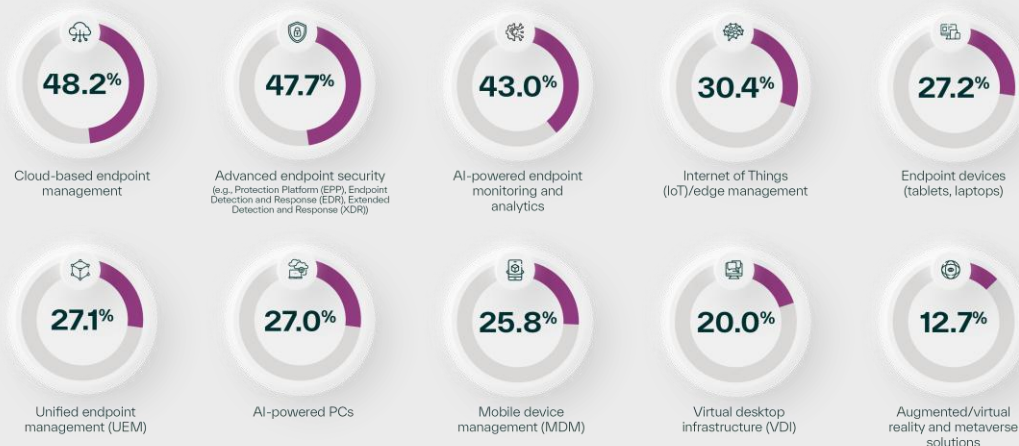
Channel partners are investing across the broad spectrum of endpoint solutions. **Endpoint services with at least 6% growth over the last 2 years.**



Source: 4th Annual Direction of Technology Report

FIGURE 77

Endpoint management and advanced endpoint security are poised to become the industry's next major growth drivers.



Source: 4th Annual Direction of Technology Report



43%

AI-powered endpoint monitoring and analytics

At least one-quarter, predominantly those in North America, Europe, and APJ, plan to offer AI-powered PCs within the next 12 months.

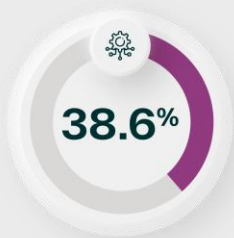
27%

AI-powered PCs

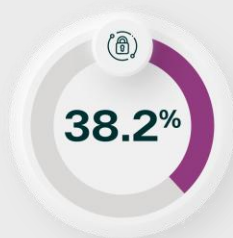
54.1% of North American partners show intent to offer AI-powered endpoint monitoring and analytics in the next 12 months.

FIGURE 78

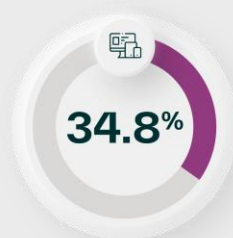
Over 1/3 of IT channel partners deal with the following top 3 challenges in implementing endpoint.



Integrating with existing IT infrastructure



Ensuring endpoint security against evolving threats



Managing diverse device types and operating systems



Source: 4th Annual Direction of Technology Report

FIGURE 79

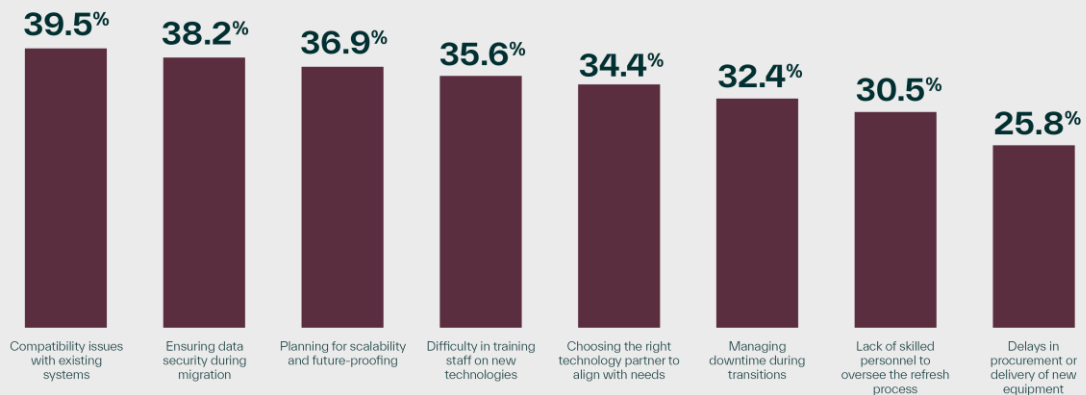
Cost is the biggest barrier to technology refreshers.

47.2% of partners indicate high costs of upgrading or replacing technology as the top challenge impacting technology refreshes within their customers organizations.



FIGURE 80

Additional challenges include:



Source: 4th Annual Direction of Technology Report



FUTURE-DEFINING TECHNOLOGY PRIORITIES

Sustainability



While a low overall priority, specific sustainability areas are gaining traction. Partners can differentiate themselves by specializing in initiatives that are already on their radar, such as social sustainability or regulatory compliance.



Sustainability initiatives in tech rank **15/25** for areas of expertise most important in an IT distributor.

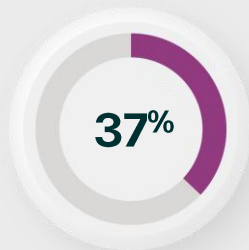
FIGURE 81



Sustainability is a lower strategic priority for channel partners in 2025.

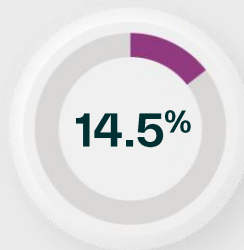
The question was revised in 2025, so the results do not represent a direct year-over-year comparison. Instead, they should be interpreted as directional insights rather than precise tracking.

2024



Said meeting and documenting ESG standards will be a key business challenge in the next 2 years

2025



Say meeting and documenting ESG standards is a challenge while scaling IT operations



Source: 4th Annual Direction of Technology Report



I believe the **strongest organizations** and those that are going to **thrive for many years to come** are those that put **sustainability at the forefront strategy**

Alastair Wynn, Business Transformation Director, Softcat

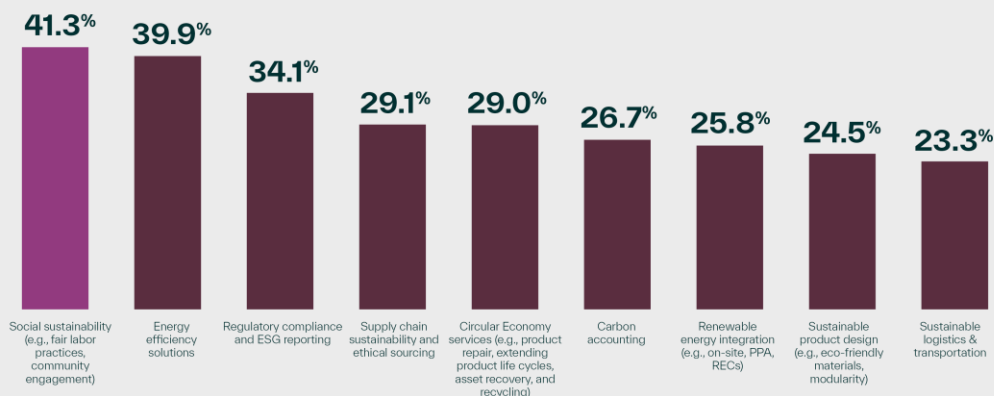




FIGURE 82



Partners are focused on sustainability in other ways.



41.3%

North America: **42.5%**
 Europe: **39.7%**
 APJ: **42.4%**
 LAC: **41.0%**

26.7%

North America: **34.7%**
 Europe: **29.2%**
 APJ: **14.9%**
 LAC: **22.2%**

39.9%

North America: **44.7%**
 Europe: **39.1%**
 APJ: **32.8%**
 LAC: **42.5%**

25.8%

North America: **26.0%**
 Europe: **28.8%**
 APJ: **21.5%**
 LAC: **25.0%**

34.1%

North America: **32.3%**
 Europe: **36.6%**
 APJ: **30.1%**
 LAC: **37.3%**

24.5%

North America: **20.4%**
 Europe: **25.5%**
 APJ: **29.5%**
 LAC: **23.1%**

29.1%

North America: **32.3%**
 Europe: **36.6%**
 APJ: **30.1%**
 LAC: **37.3%**

23.3%

North America: **21.8%**
 Europe: **25.5%**
 APJ: **22.2%**
 LAC: **23.6%**

29.0%

North America: **26.5%**
 Europe: **32.3%**
 APJ: **27.8%**
 LAC: **27.8%**



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