

High Performance Unlocked

How Leading Partners Are Building
the Future of the Channel



An IDC InfoBrief

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**See Appendix for the methodology and demographics.*



In today's fast-moving digital economy, customers of all sizes are looking beyond technology. **They seek outcomes.**

They want faster returns on investment (ROI), simpler operations, and smarter decisions. And they are turning to a new breed of channel partner to get there.

This global *study of 2,000+ partners, commissioned by Sage and conducted by IDC, was not limited to Sage partners. Just over a third (36%) of respondents were active in the Sage partner network, making the findings relevant across the broader software reseller ecosystem.

This research identifies key trends across a wide cross-section of software resellers and explores what sets the fastest-growing partners apart. These **high performers**, defined by **20%+ revenue growth over two consecutive years**, are not just keeping pace with change; **they are shaping it.**

Executive Summary

High-performing partners are rewriting the rules of success. They are building scalable service-led models, embedding AI into their delivery and aligning deeply with customer goals. They do not just sell software; they architect transformation.

These partners speak the language of business: ROI, simplicity, and strategic value. They are trusted advisors, not transactional sellers. And they are building long-term success through recurring revenue, vertical IP, and smart investments.

This isn't about hype. It's about **impact.**



87%

of high performers have a dedicated AI practice.



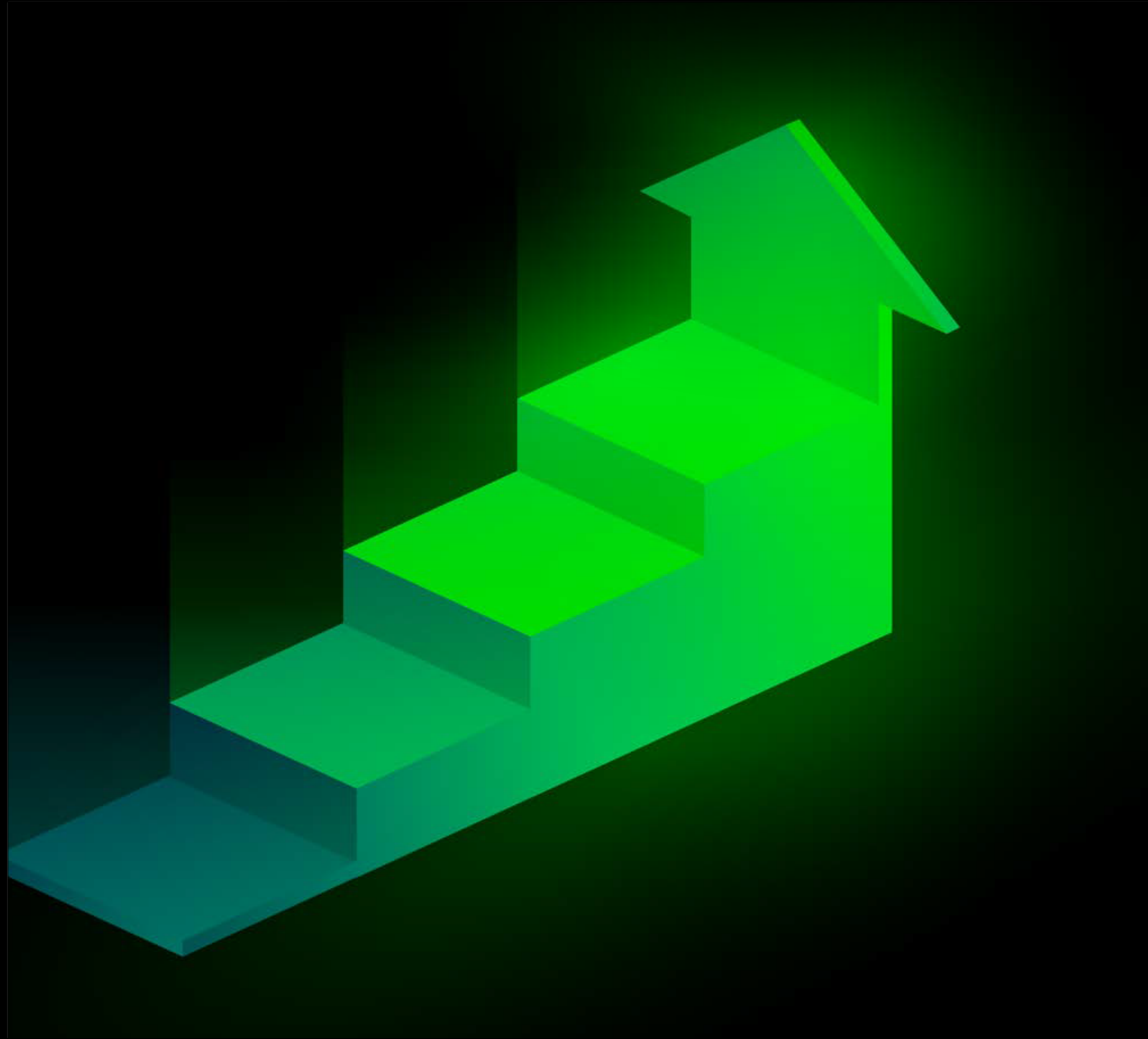
60%

say their customers already see measurable outcomes from AI.



84%

are targeting 20%+ growth again this year.



Why It Matters

The channel is evolving, from feature selling to outcome delivery and from vendor relationships to strategic alliances. **High performing partners are leading this shift**, and Sage is proud to support their journey.

This report offers a blueprint for growth, a lens into partner-led innovation, and a call to action for the entire ecosystem.

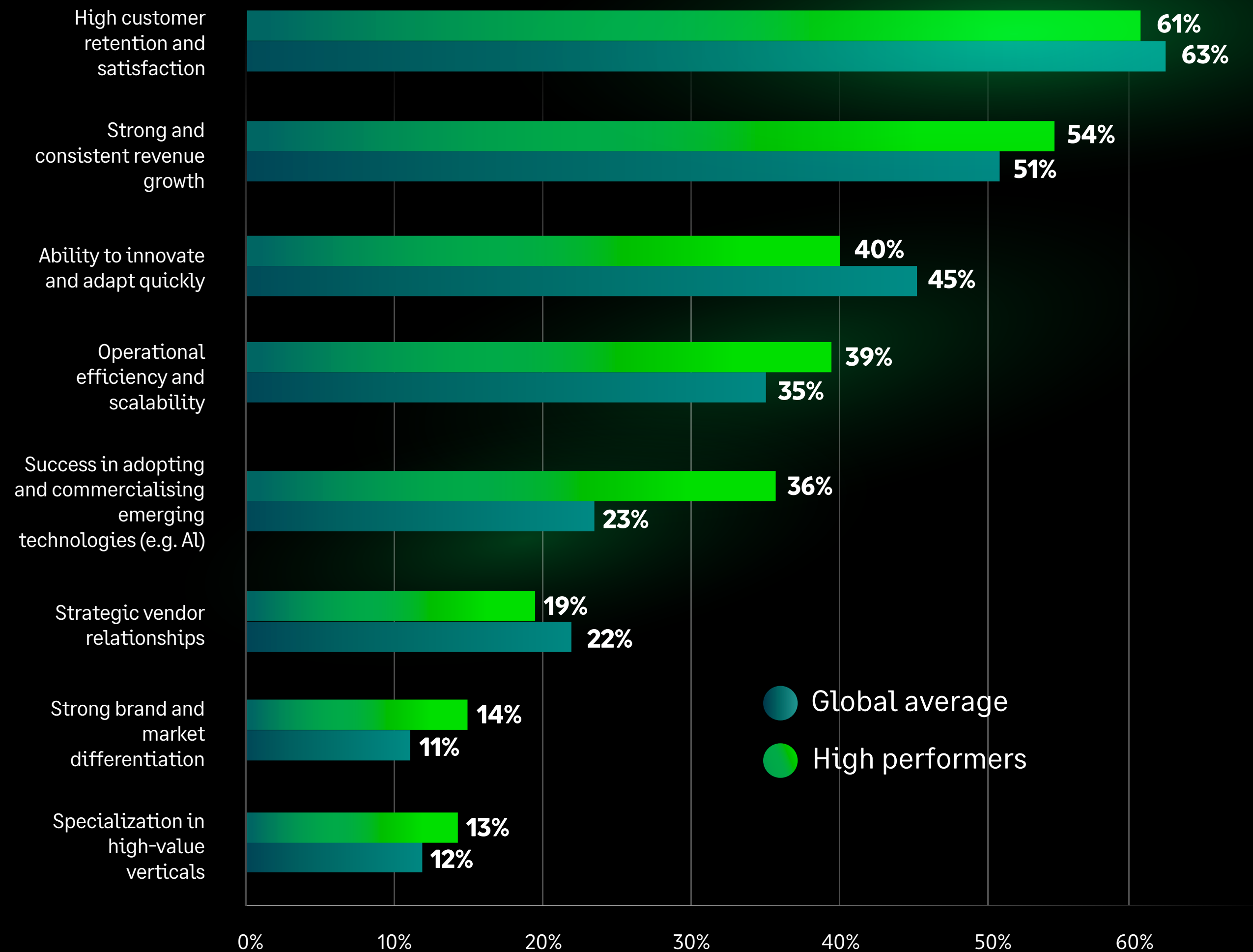
Now is the time to scale smarter, specialise deeper, and lead with trust.

Inside the Partner Mindset: Defining High Performance

High performance in the channel is no longer just about growth. It is about consistency, adaptability, and customer impact. Partners agree that strong revenue growth is essential, **but high performers go further.** They prioritise customer satisfaction, operational efficiency, and rapid innovation.

These partners are more likely to adopt and commercialise emerging technologies like AI, positioning themselves as transformation agents rather than technology providers. Their agility and customer-first mindset are the foundations of their success.

Which of the following best reflects what “high performance” means for your business today? [Choose up to 3]



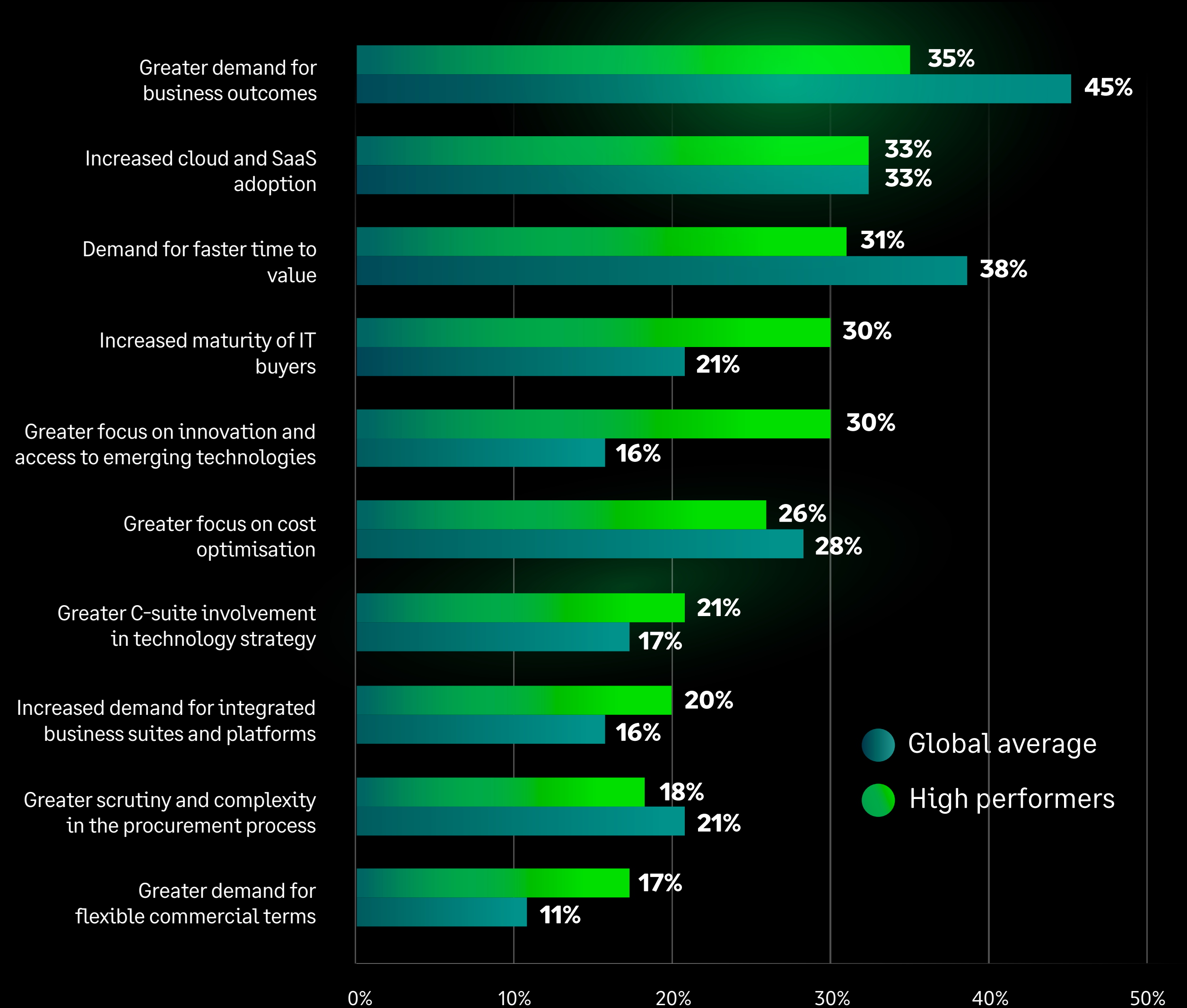
Customer Expectations Shift: Outcomes Over Features

Customers are shifting their expectations. They are not asking for more features; they are asking for faster ROI, clearer outcomes, and simpler operations.

High performing partners are attuned to this shift, responding with integrated platforms, flexible terms, and AI-powered services.

What sets them apart is their ability to translate complexity into clarity. They align with customer ambitions, delivering solutions that drive measurable impact and long-term value.

What are the most important changes you have seen in the last two years related to customer behavior and expectations? [Choose up to 3]



“ Customers want progress, not just features. High performance starts by meeting them where they are, taking complexity out, and making ROI easy to measure. Our job is to help them choose the right solutions for their challenges, unlock their full potential, and future-proof their business. When results are easy to measure and repeat, customers stay invested and partnerships grow. That’s when the conversation becomes less about features and more about fuelling the next wave of business growth. ”

Hannah Munro
Managing Director, Itas

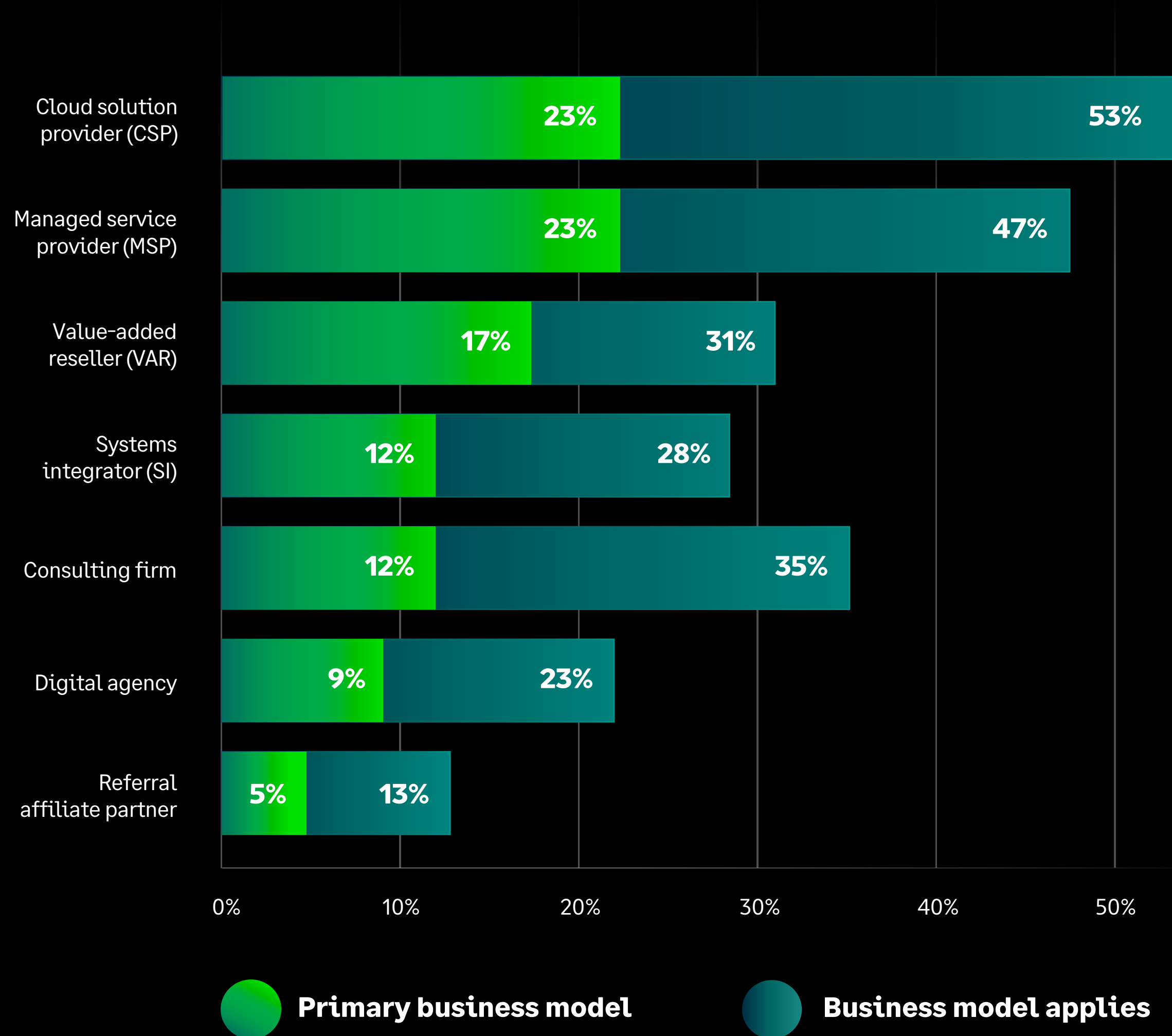
Modern Business Models: How High Performers **Scale**

High performers do not just choose business models; they evolve them. **Most operate as cloud solution providers (CSPs), managed service providers (MSPs), or digital agencies**, reflecting a shift to cloud-native service-led engagement. These models support recurring revenue, vertical specialisation, and scalable delivery.

Their preference for CSPs over traditional value-added resellers (VARs) reflects a deeper strategic shift **from resale to relationship, from product to platform, and from transaction to transformation.**

**Showing results for the global survey average*

***Which of the following common partner business models apply to your company? [Choose all that apply] Which partner business model do you consider primary?**



Revenue Mix: a Balanced Growth Strategy

Across the global partner landscape, **revenue generation is balanced between software resale and service delivery**. On average, partners derive 48% of their revenue from software resale and 46% from their own services, highlighting the dual engines driving channel growth.

This mix reflects the evolving nature of partner business models. **While resale remains foundational, services are increasingly central to value creation, customer retention, and long-term differentiation.** High performing partners build on this foundation with more advanced service portfolios, deeper specialisation, and stronger recurring revenue streams.

48%
Revenue share
from **software
resale**



46%
Revenue share
from **own
services**

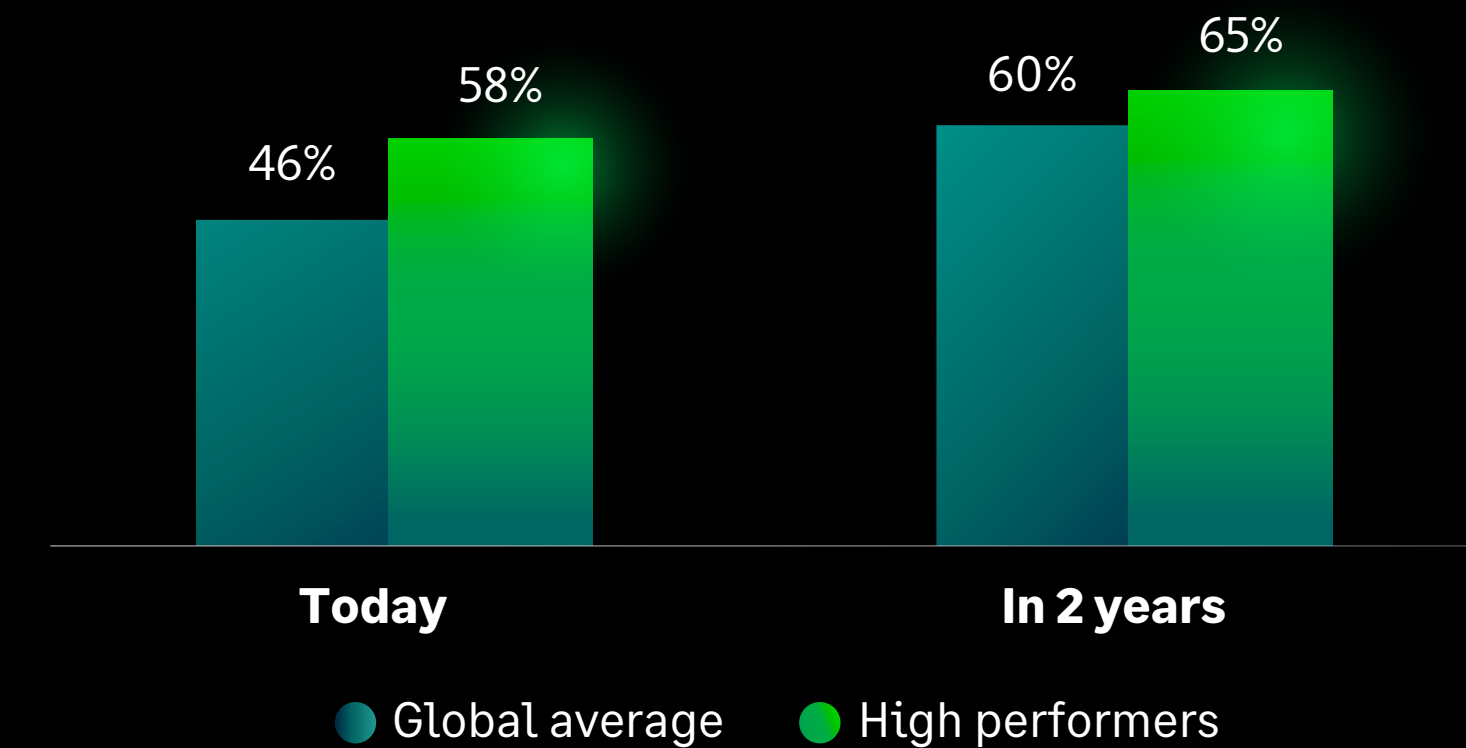


Recurring Revenue: The Engine Behind High Performance

Recurring revenue is the engine of high performance. High performing partners generate 67% of their software-related revenue from recurring sources, which is well above the global average. Their SaaS-heavy portfolios reflect a commitment to scalability, predictability, and customer stickiness. These partners are not chasing one-off wins; they are building long-term value.

What share of your company's software resale is from software as a service (SaaS)?

What will be the share of your company's software resale from SaaS in two years?



Average share of software-related revenue that is recurring:

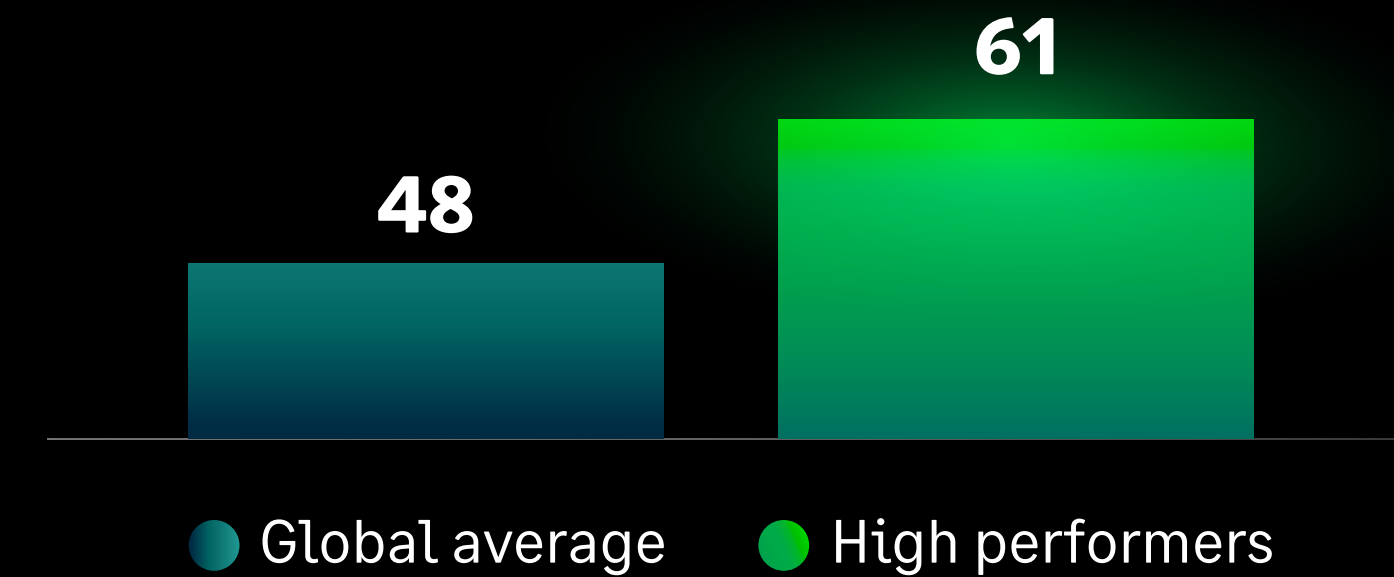


High Performers: Higher NPS Scores and Higher Profitability

High-performing partners aren't just growing; they're thriving.

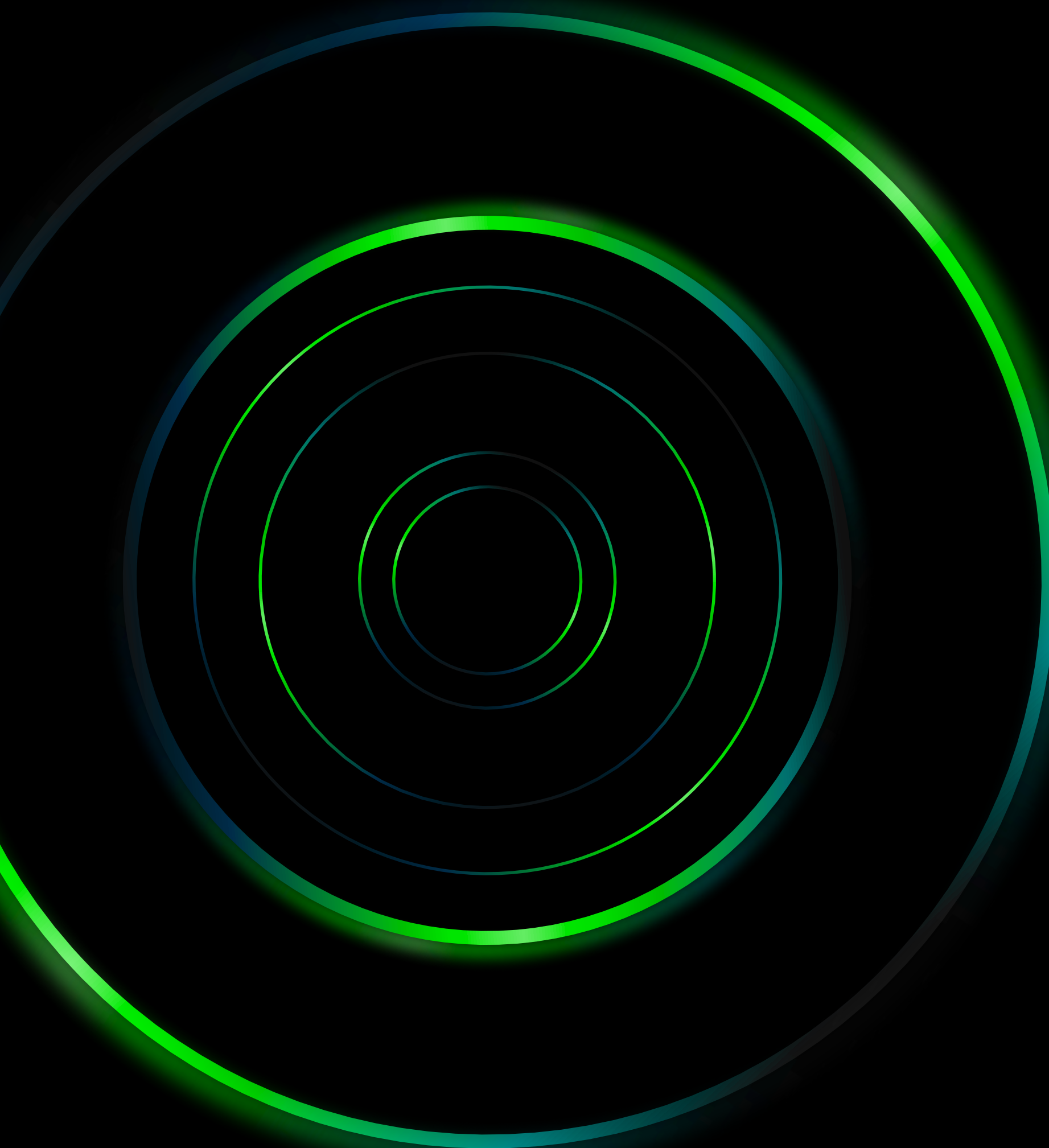
With an average gross profit margin of 66% (vs. 42% globally) and a Net Promoter Score of 61 (vs. 48), they are delivering both financial strength and customer satisfaction. These metrics reflect more than operational efficiency. They signal trust, loyalty, and long-term value. High performers build businesses that scale profitably while keeping customer experience at the core.

Average NPS Score:



Average gross profit margin (across the software business):





“

Customers expect more than a solution. They want an advisor who can guide them through change and help them achieve their goals. Trust is at the heart of how we work. Our approach goes beyond saving time. We empower finance leaders with trusted data so they can set the vision and direction for their organisations. We're not just selling software. We're forging partnerships that fuel long-term success.

”

Susan Vincent
Managing Director, Baker Tilly

AI Practices and High Performers

AI is no longer optional; it is foundational. Among high performing partners, **87% report a dedicated AI practice**. Across the wider market, the figure is about 70%, often referring to basic offerings such as reselling AI-infused software or solutions with embedded functionality, so maturity varies.

High performing partners are moving beyond resale. They have embedded AI into service models to drive smarter decision-making, automate delivery, and unlock new customer value. Their success lies in translating innovation into outcomes. This signals that AI is no longer a future consideration; it is a present-day differentiator and a core pillar of how high performing partners operate, innovate, and grow.

Does your company have a dedicated AI practice?



The **Impact** of AI-Powered Tech Already Visible

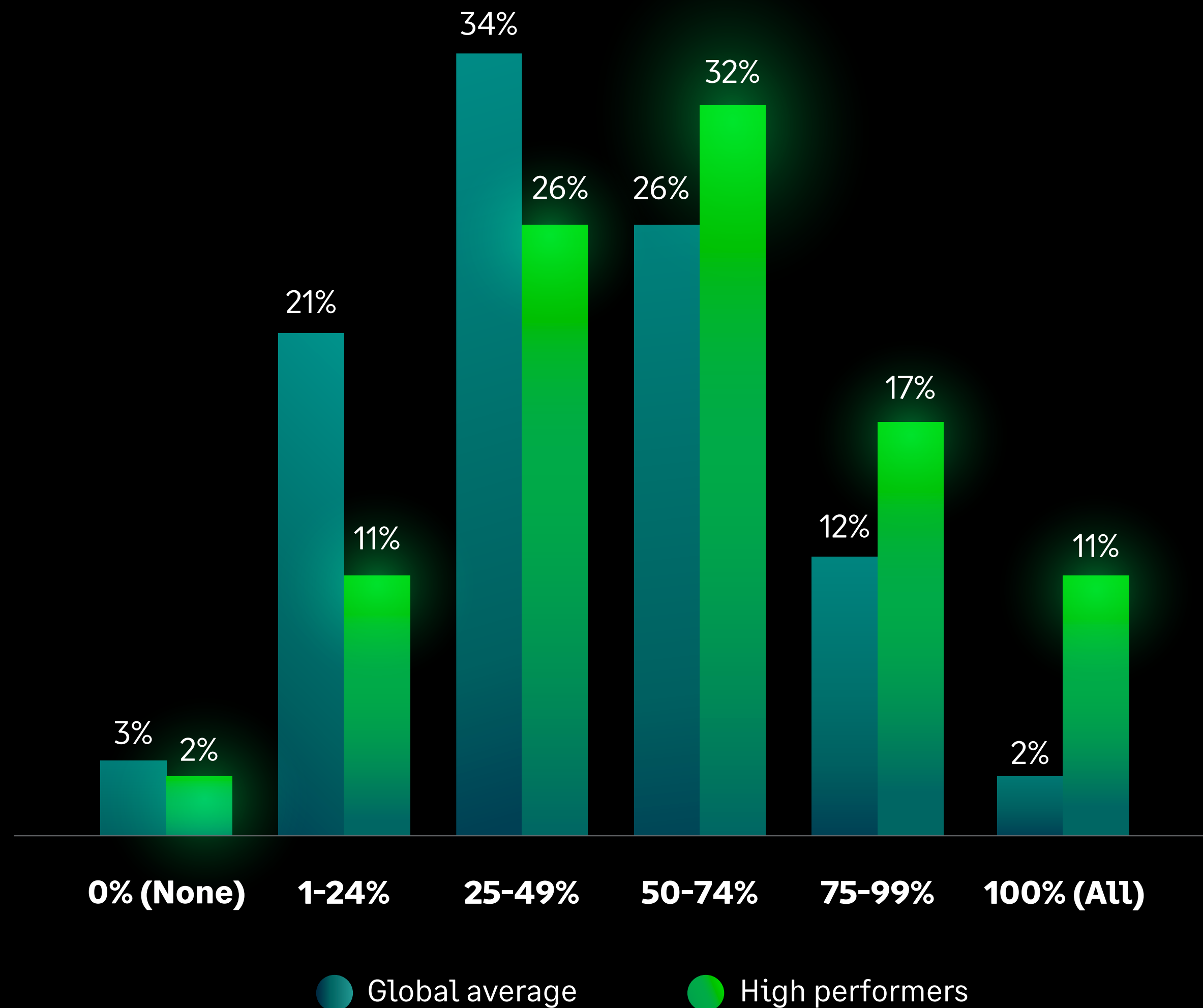
AI is delivering real results: 60% of high performing partners say the majority of their customers have already seen measurable business impacts from AI-powered software.

This is not future potential; it is present value.

High performers are helping customers harness AI to improve efficiency, reduce risk, and accelerate growth.

Their ability to guide customers through adoption is a key differentiator.

What share of your customers has seen a measurable positive business impact from leveraging AI-powered software products?



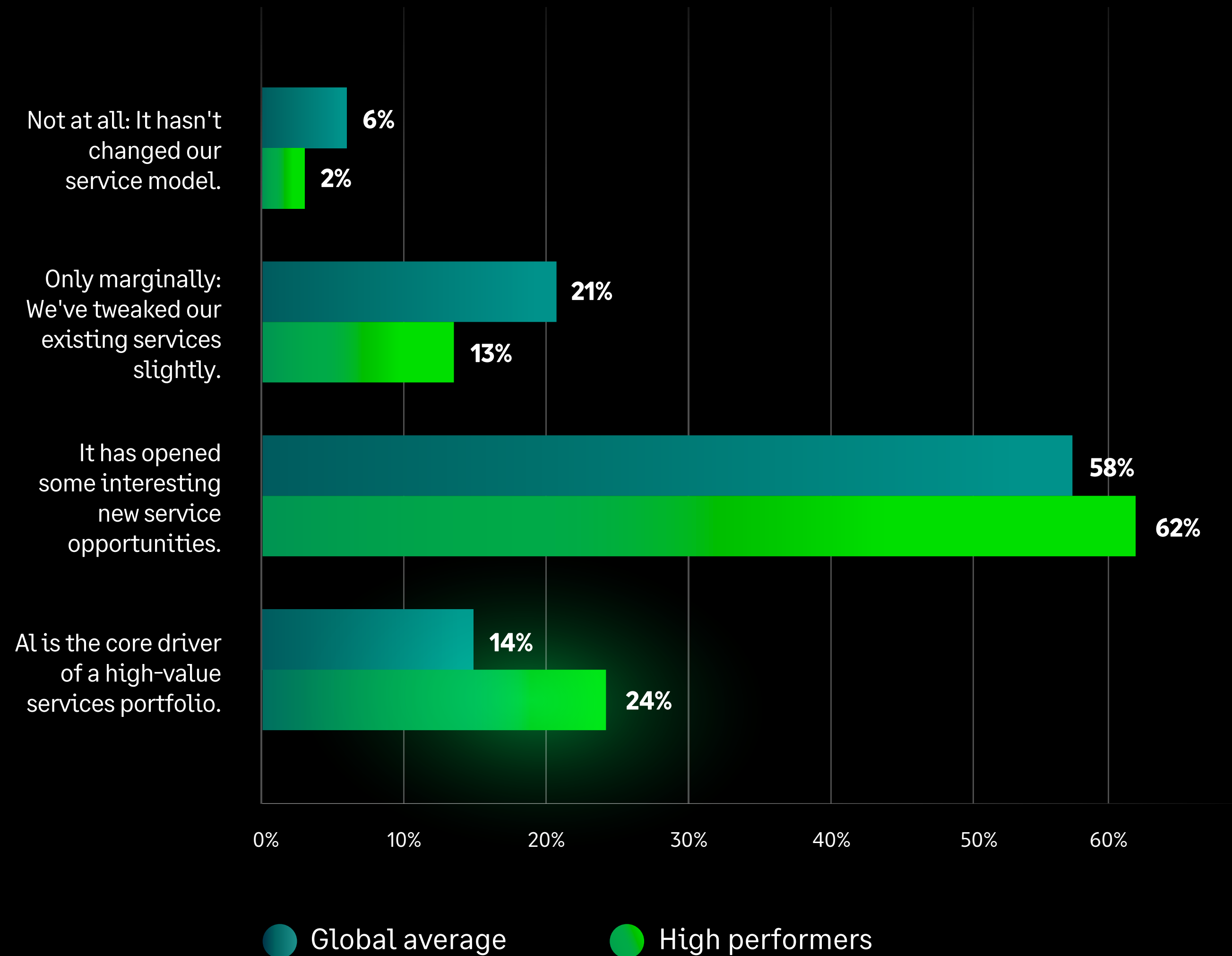
AI Driving New Service Models

AI is reshaping the partner value proposition.

Over 70% of partners say AI is opening new service opportunities, and 24% of high performers now view AI as the core driver of their high-value services portfolios.

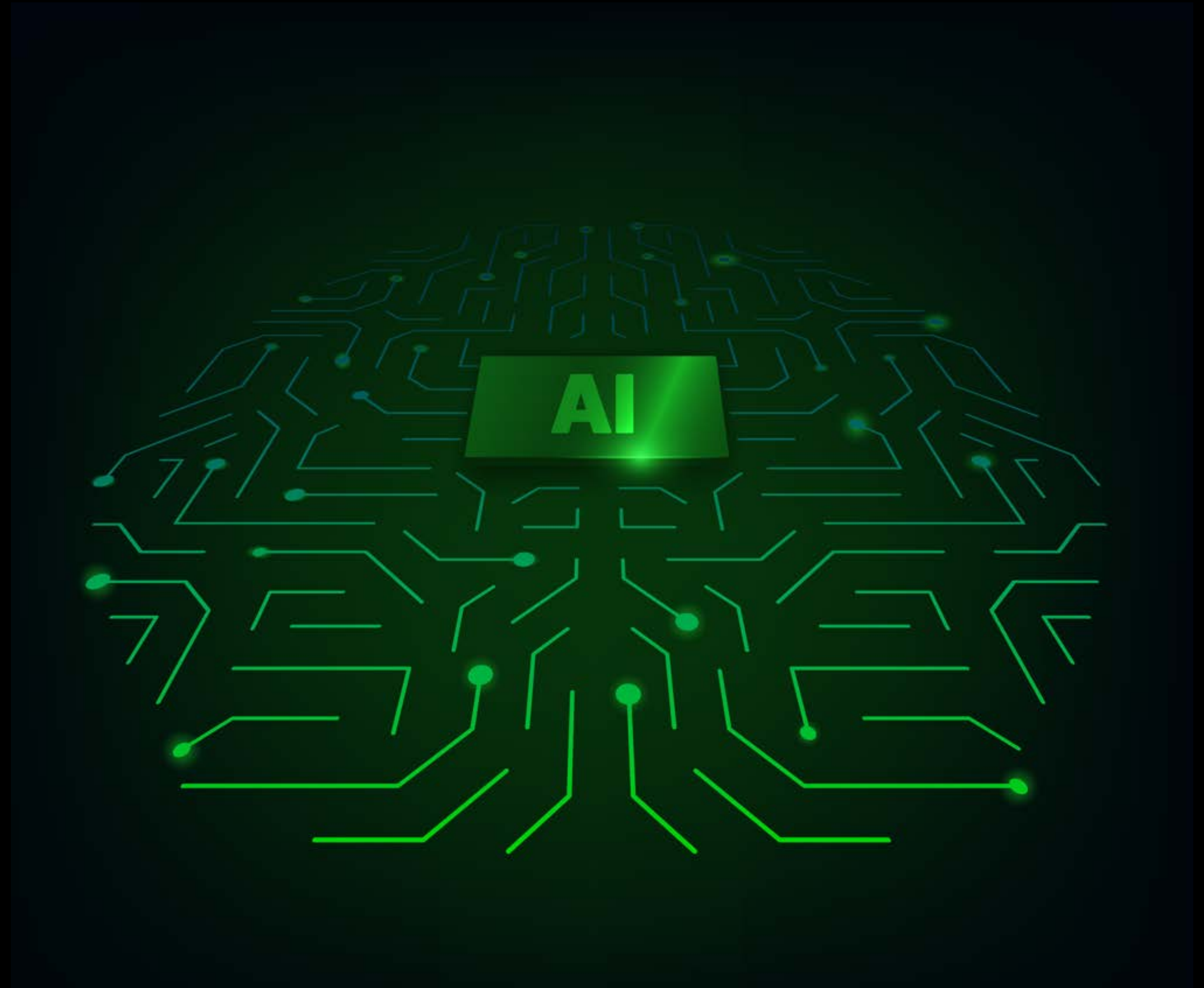
These partners are not just adding AI; they are building around it. They are creating **scalable and differentiated offerings** that deliver speed, insight, and strategic advantage to their customers.

To what extent has AI enabled your company to evolve its service offerings to customers?



“ AI creates value when businesses can trust it and use it with confidence. That’s where the channel comes in. SMBs need partners who speak their language, understand their industry, and guide them through change. At Sage, we’re building AI with trust at its core - explainable, auditable, and built for finance. That foundation means our partners can move faster, scale smarter, and deliver real outcomes for customers like better decisions, simpler processes, and faster time to value. ”

Aaron Harris
CTO, Sage



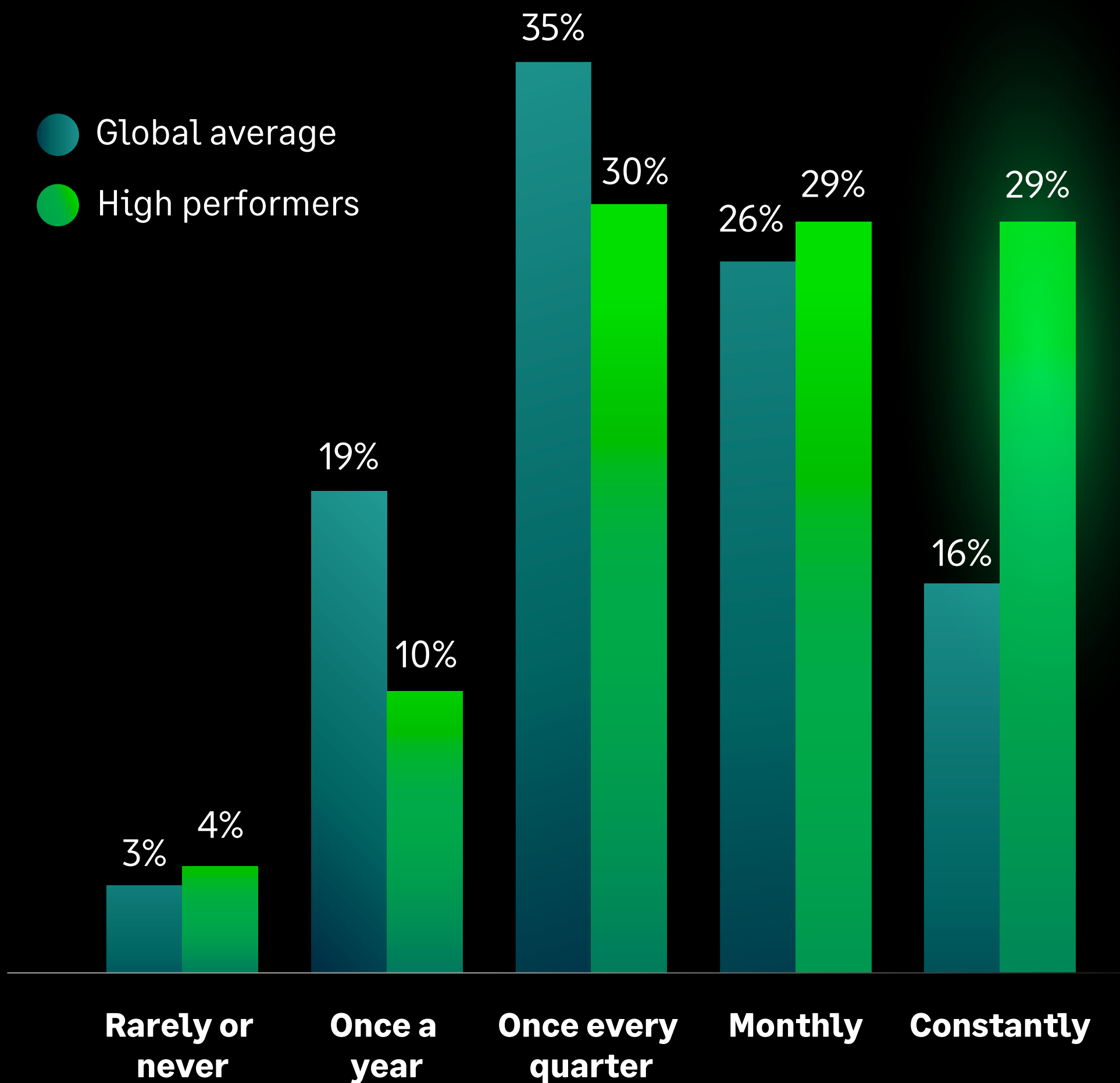
High Performers Proactive in Vendor Strategy

High performing partners do not wait for change; they anticipate it.

Nearly 30% are constantly scanning the vendor landscape, seeking innovation, alignment, and strategic fit.

This proactive mindset reflects their commitment to staying ahead. **They evaluate vendors not just on their products, but also on the partnerships they offer,** looking for shared values, co-innovation potential, and long-term growth alignment.

How frequently does your company assess the vendor landscape to identify high-performing providers and evolve its portfolio?



High Performers and Strategic Vendor Relationships

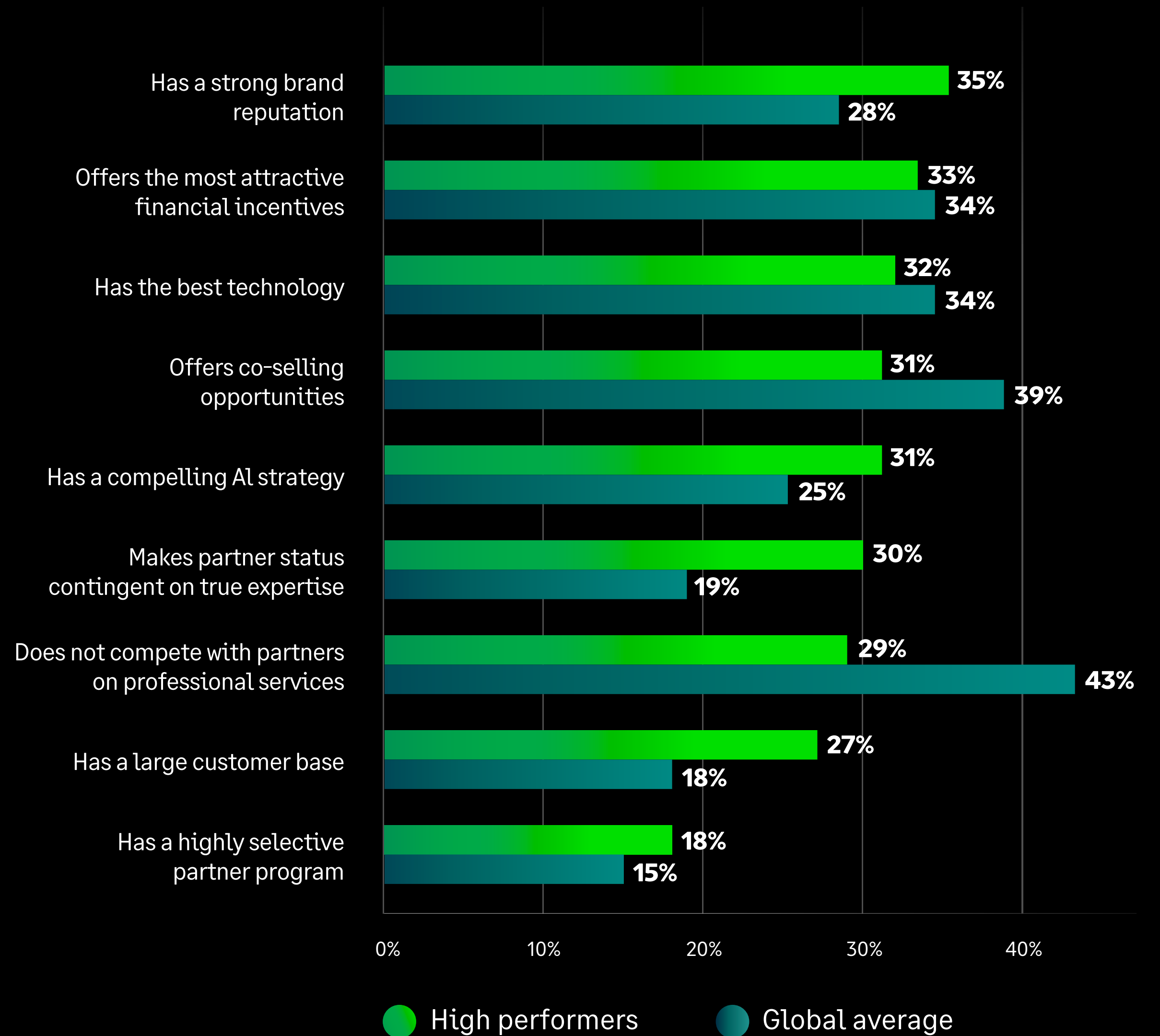
High performing partners are selective about with whom they work.

They prioritise vendors with strong brand reputations, compelling AI strategies, and best-in-class technology. For these partners, vendor relationships are not transactional; they are strategic.

They value expertise-based partner programs, attractive incentives, and vendors that do not compete on services.

These traits signal alignment, trust, and shared ambition. High performers seek vendors who elevate their roles as advisors and co-innovators, not just resellers.

What are the most important attributes of a high-performance strategic vendor partner to your company? [Choose up to 3]

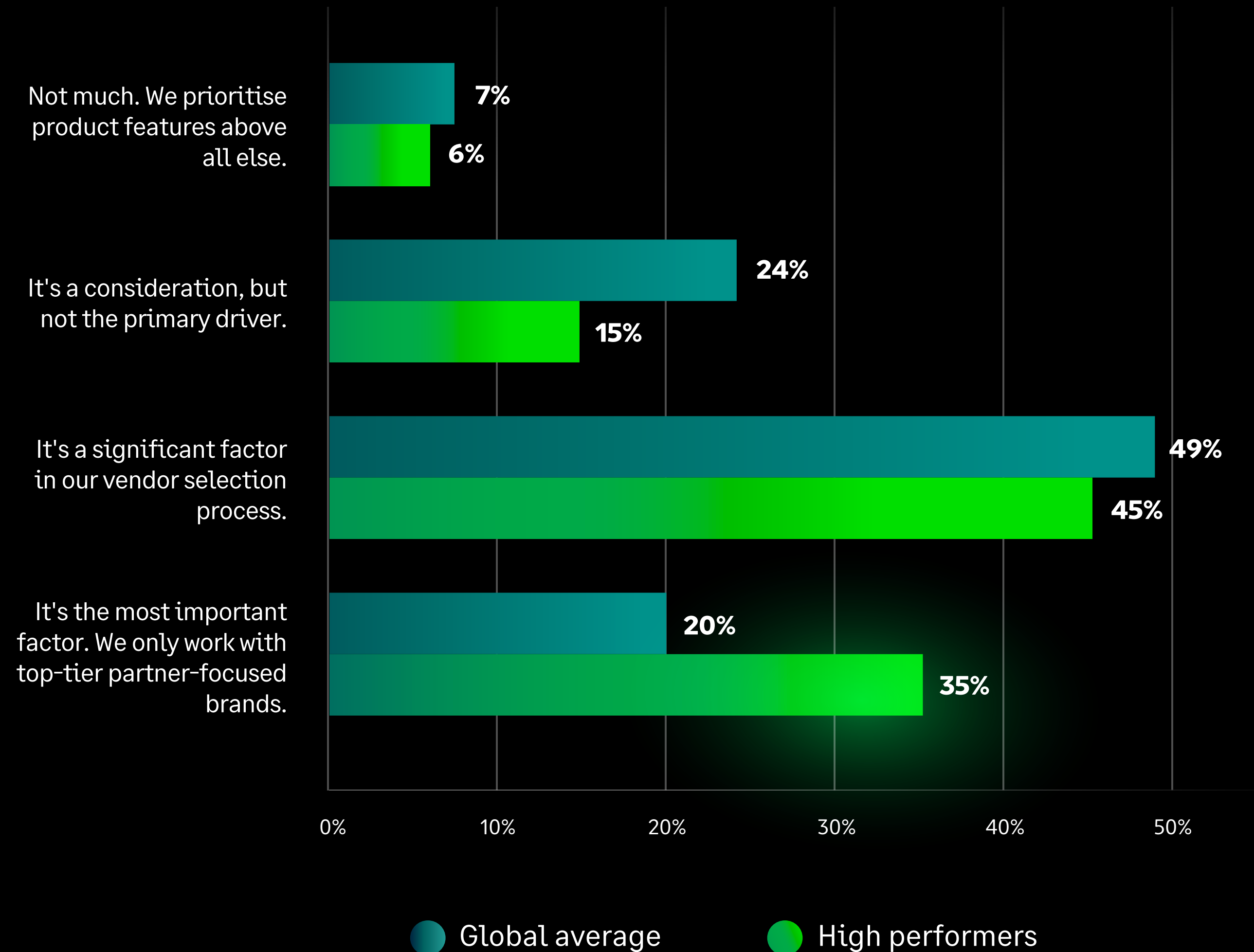


Brand Reputation

For high performing partners, vendor selection starts with trust. 35% say working with top-tier partner-focused brands is the most important factor in their decision-making. These partners are not just looking for features; they are looking for alignment.

A strong brand signals reliability, innovation, and shared values. High performers want to be associated with vendors that elevate their reputation and reinforce their role as strategic advisors.

How much does working with software brands with a stellar reputation and a proven track record of partner success influence your business decisions?



Amy Lawson
Chief Brand and
Corporate Affairs
Officer, Sage

“

Brand and reputation are catalysts for growth. They give partners the credibility to win deals, the authority to lead conversations, and the confidence to guide customers through change. In a crowded market, a strong reputation signals ambition, vision, and momentum. And given how critical trust is to AI adoption, it matters more than ever. At Sage, we've built a brand that opens doors, earns trust, and reinforces our partners' position as strategic advisors.

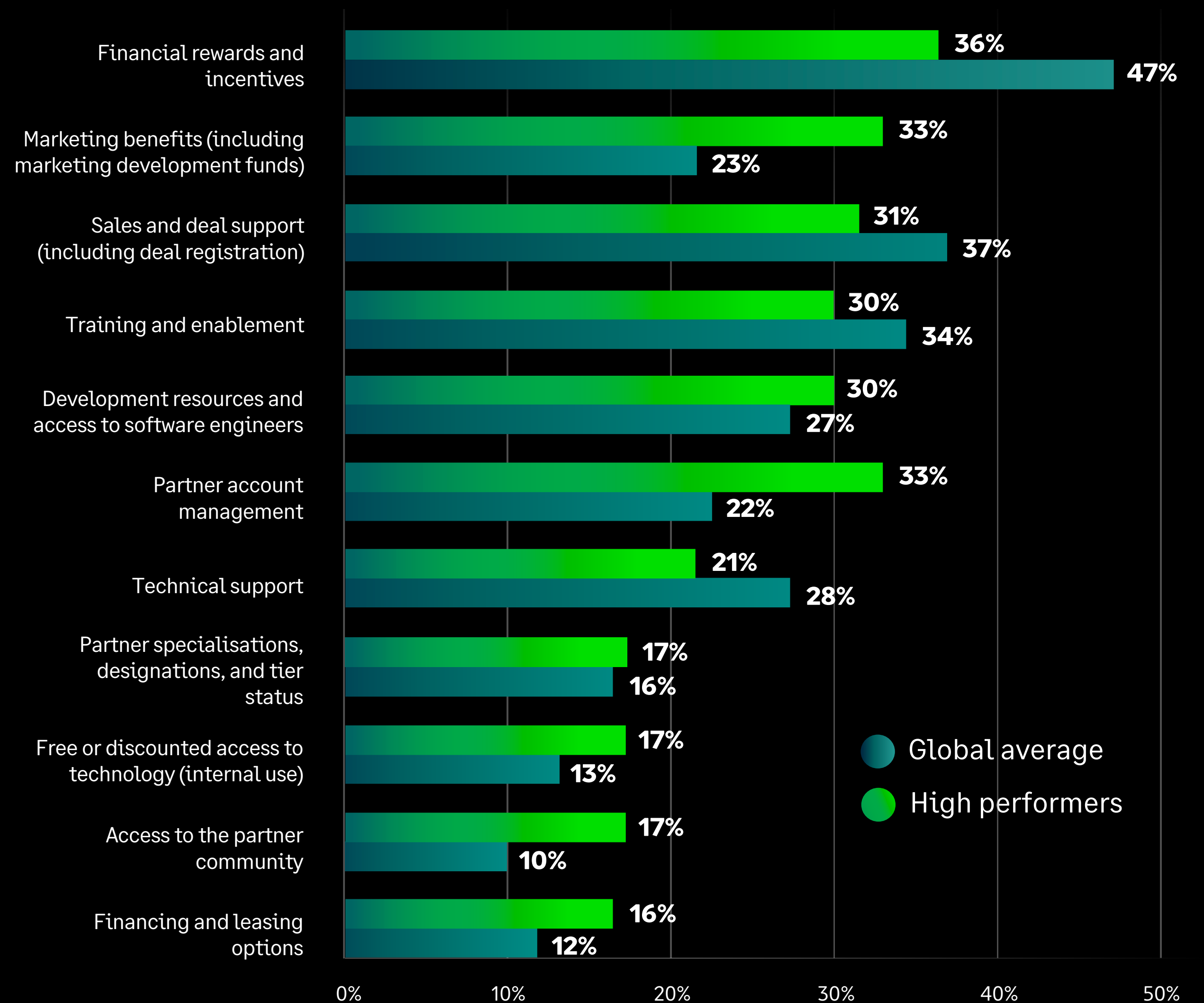
”

Financial and Enablement Support Driving Value

High performing partners place greater value on vendor support that fuels growth. **Marketing development funds (MDF), training, technical resources, and deal support are seen as critical enablers**, not just perks.

These partners invest in their own capabilities and expect vendors to do the same. They seek relationships that go beyond sales, focusing on enablement, co-innovation, and long-term success.

Which of the following common partner program features are most valuable to your company? [Choose up to 3]



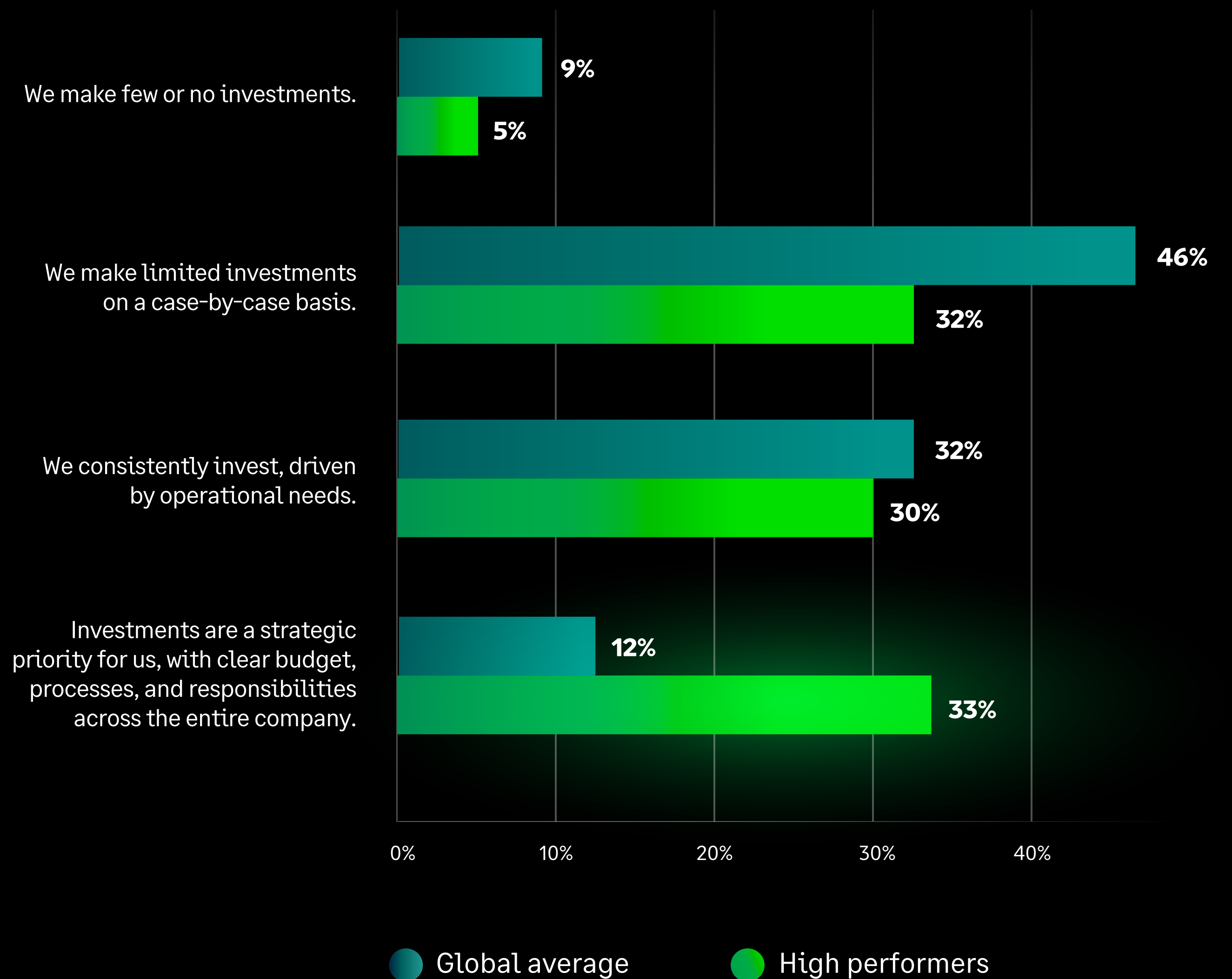
Strategic Investment a Defining Trait

High performers do not invest reactively; they invest strategically. **One in three views investment as a company-wide priority**, backed by clear budgets and processes.

This mindset reflects their commitment to scale, specialisation, and transformation.

Whether building new services, deepening vertical expertise, or developing proprietary IP, these partners are laying the groundwork for sustained growth.

Which of the following best represents your company's approach to investing in your business?



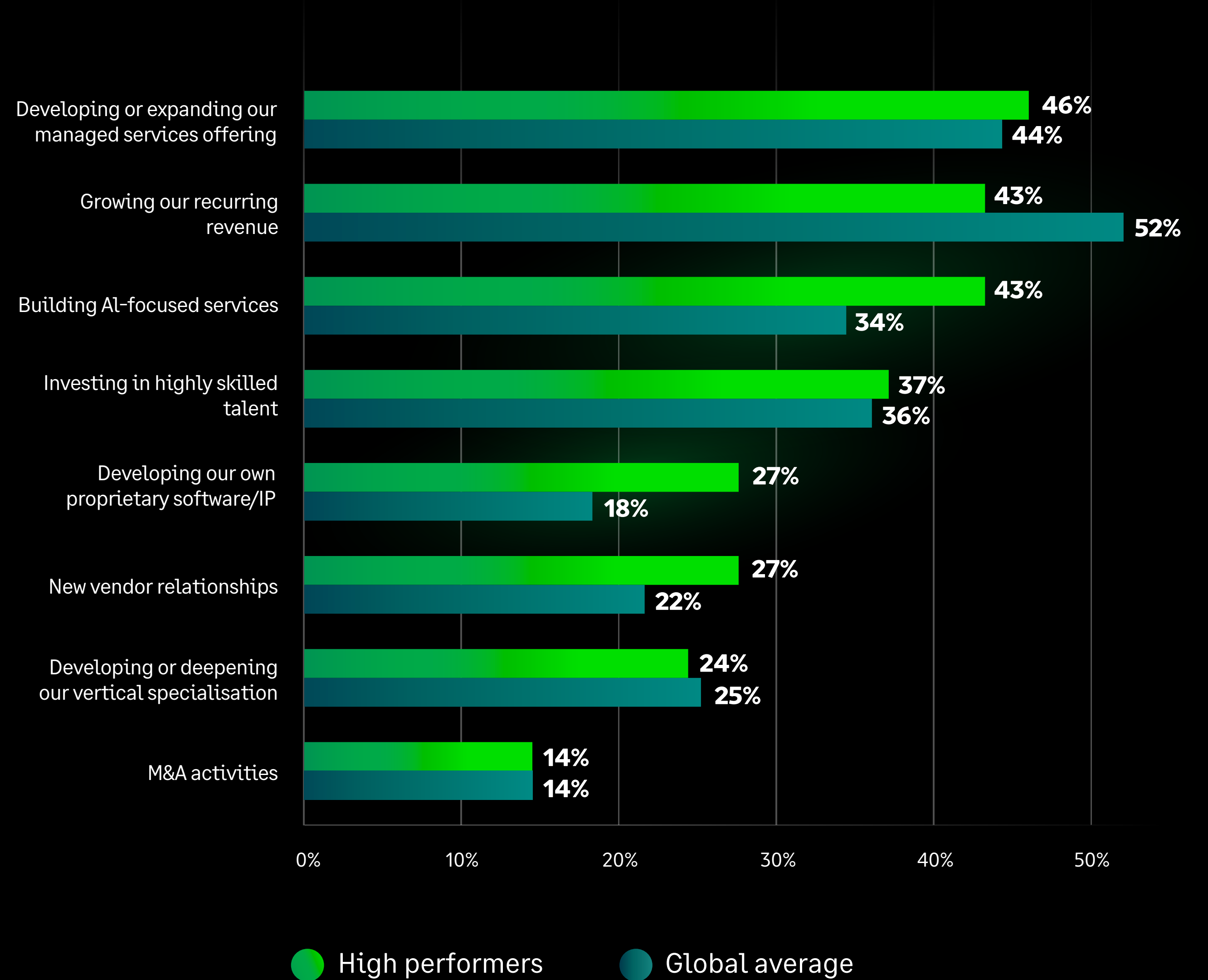
Building for the Future

Recurring revenue, managed services, and AI-focused offerings are central to partner ambitions.

High performers are more likely to prioritise developing their own IP and expanding high-value services.

They are not just responding to market demand; they are shaping it. **These partners are future-proofing their businesses** by investing in scalable models, differentiated capabilities, and specialised talent.

What are your company's most strategic business priorities over the next two years? [Choose up to 3]



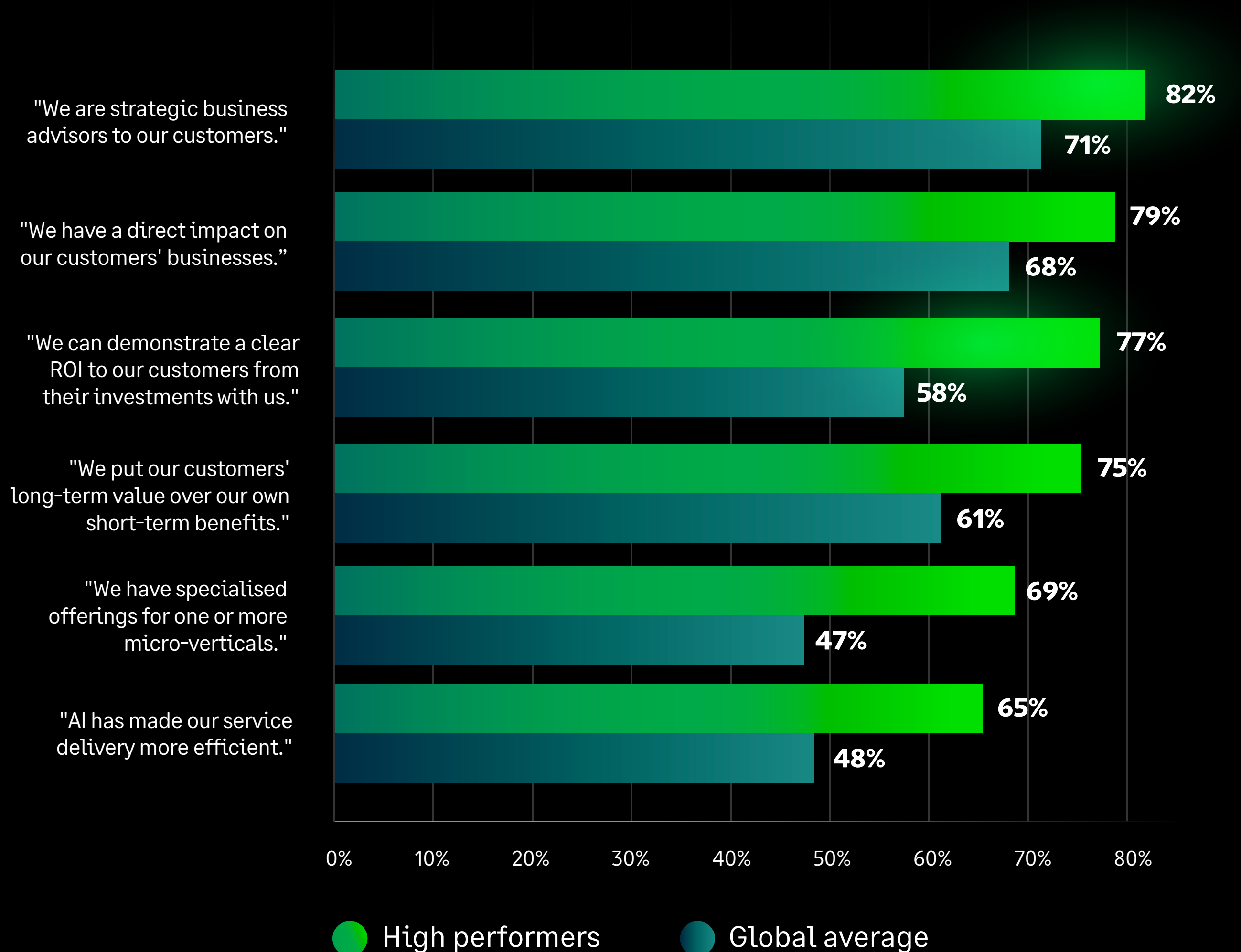
The DNA of High Performance

High performing partners share a distinct behavioural profile. **They act as strategic advisors, prioritise long-term customer value, and consistently demonstrate ROI.**

Nearly 70% offer specialised solutions for micro-verticals, and over 75% say AI has made their service delivery more efficient.

These traits are not accidental; they are intentional. High performers build businesses around customer impact, operational excellence, and continuous innovation.

Share of partners that (strongly) agree with the following statements:



Dan Caringi
Partner, MNP Digital

“ Success comes from focusing on what really matters to your business. By committing to industry specific solutions, we don’t just implement technology, we speak our client’s language, understand their workflows, and solve for compliance and business challenges. Our collective goal is to simplify the complex, and turn technology into an advantage, demystifying emerging technologies, and helping clients take meaningful steps forward at pace that makes sense for their business. There’s no one-size-fits-all approach; real results come from understanding our clients’ domain and partnering for mutual success with the right people, processes and technologies. ”

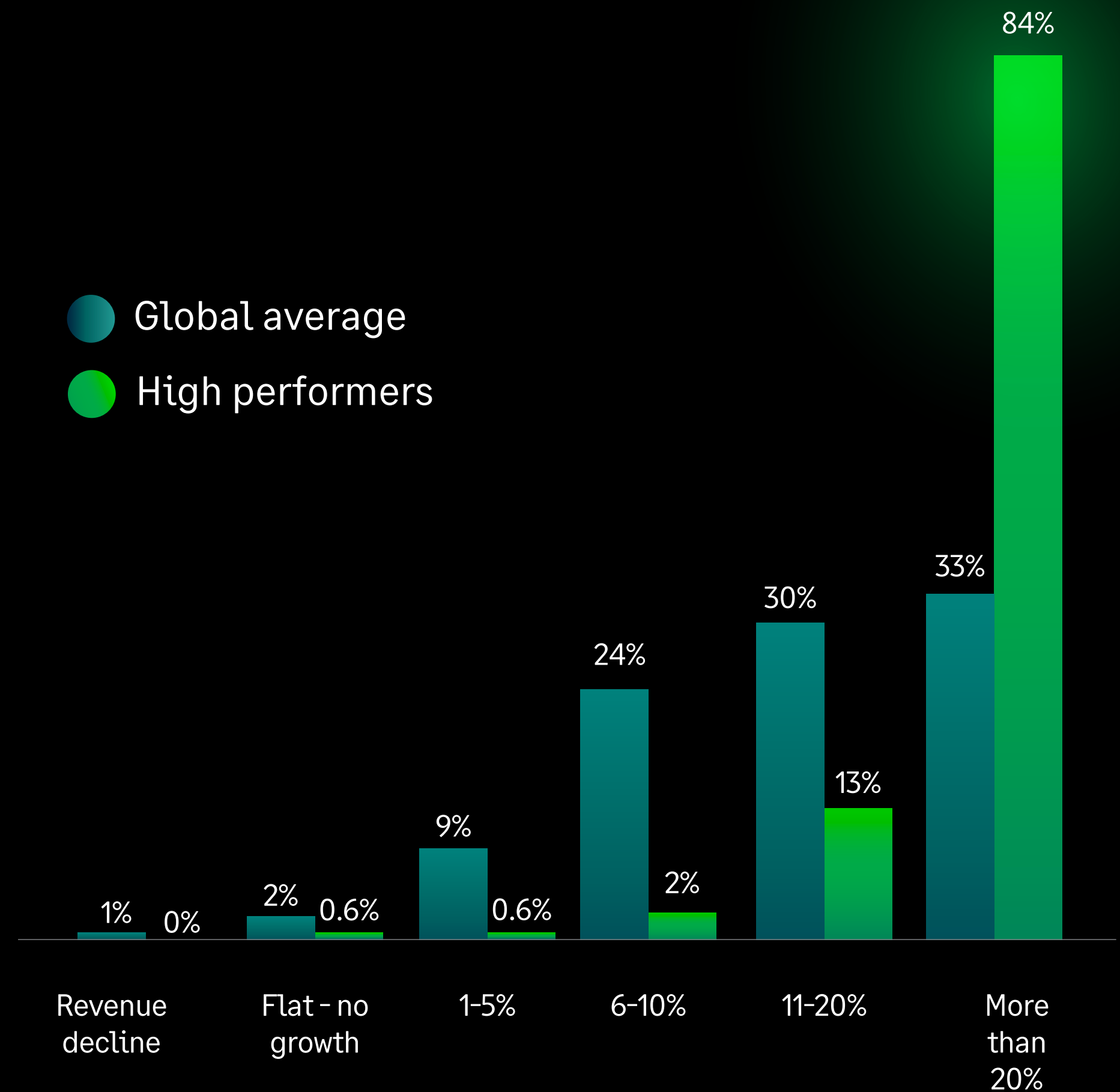
Strong Growth Ambitions

Despite economic uncertainty, **partner optimism is high:** 33% of all partners are targeting 20%+ growth. But, among high performers, 84% are aiming for 20%+ revenue growth this fiscal year.

This ambition is backed by strategy. **High performers invest early, scale smart, and disrupt their own models before the market does.**

Their growth is not just a goal; it reflects how they operate.

What is your company's revenue growth target for the current fiscal year?



Conclusion: The Traits That Define Tomorrow's Channel Leaders

This global study confirms what many in the ecosystem already sense: **The channel is undergoing a profound transformation.** High performing partners are leading the way, not just in revenue growth, but in how they build, deliver, and sustain value.

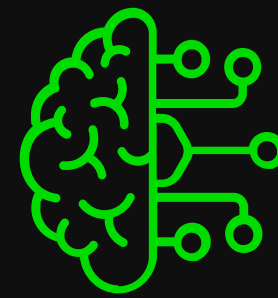
These traits are not just markers of success; they are the blueprint for what comes next. As the channel evolves, partners who embrace these behaviours will be best positioned to lead, grow, and shape the future.



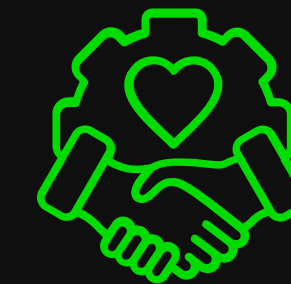
Strategic in mindset, aligning with customer goals and **anticipating market shifts**



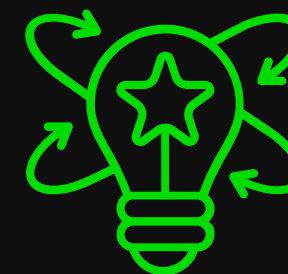
Service-led and scalable, with **recurring revenue models** and vertical specialisation



AI-enabled, embedding intelligence into their offerings to drive efficiency and impact



Customer-first, **focused on outcomes**, simplicity, and long-term relationships



Selective and proactive, choosing vendors that support their ambitions and **scanning the landscape for innovation**

Call to Action: The High Performance Blueprint

In a market defined by acceleration, high performance is no longer a differentiator; it is becoming the standard. **This IDC study reveals that growth leaders share a common blueprint: strategic focus, scalable models, and relentless customer alignment.**

To optimise success and future-proof the business, partners should assess and evolve across five key pillars:

1. Strategic positioning

- Shift from transactional selling to outcome-driven engagement.
- Position your business as a strategic advisor, not just a technology provider.

2. AI-enabled services

- Build or expand your AI practice to unlock new service opportunities.
- Use AI to enhance compliance, decision-making, and customer satisfaction.

3. Recurring revenue & IP development

- Prioritise scalable and recurring revenue models.
- Invest in proprietary IP and vertical specialisation to differentiate your offerings.

4. Vendor alignment

- Partner with vendors that share your values and support your growth.
- Seek strong brands, co-innovation opportunities, and enablement resources.

5. Investment discipline

- Treat investment as a strategic priority, not a reactive decision.
- Build capabilities, talent, and infrastructure that support long-term growth.

Message from the sponsor

“In today’s agentic era, where AI helps deliver business outcomes, the role of high performing value-added reseller (VAR) partners has never been more pivotal. These partners are no longer just channels; they are strategic co-creators of customer value, innovation, and AI adoption.

This study on high performing VARs offers critical insights into how these partners must be geared, organisationally, technically, and culturally, to lead in this new landscape.

For software publishers aiming to be AI winners, understanding and enabling

these partners is mission-critical. Success will hinge not only on the strength of the technology but also on the strength of the ecosystem’s ability to deliver it with intelligence, agility, and trust. Those who invest now in empowering their partners for the agentic future will define it.

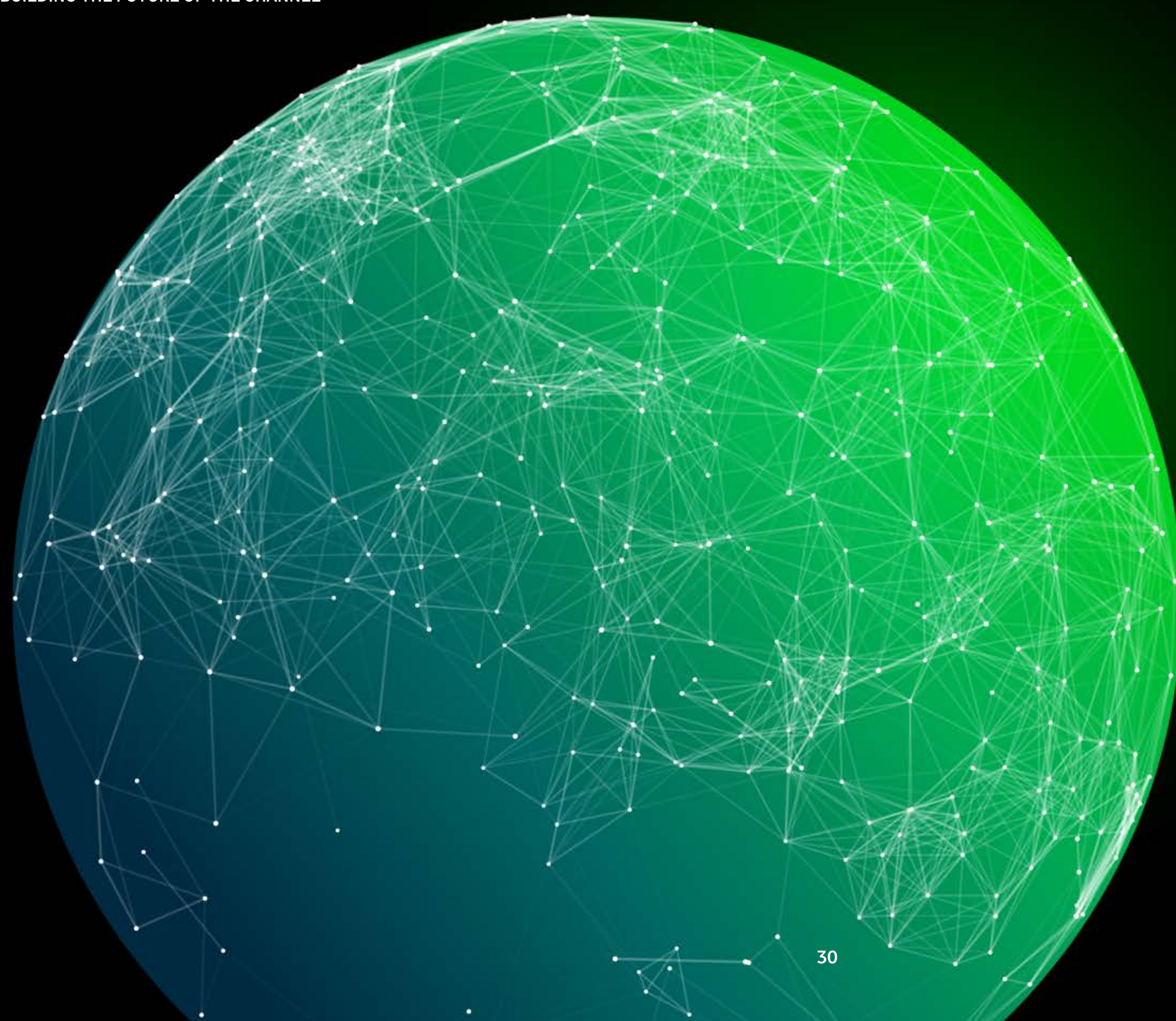
At Sage, we fuel partners’ high performance with powerful industry solutions, AI innovation, and streamlined enablement. From smarter decisions to faster time to value, we help partners grow with confidence, act with impact, and deliver performance where it matters most: for customers.

High performing partners do not wait for growth. They plan and act. We provide the roadmap, enablement, and support so they move faster and go further, driving growth and strengthening their competitive edge through innovation.”

– Juha Harkonen, VP Partner Ecosystem, Sage

[Learn more](#)

HIGH PERFORMANCE UNLOCKED: HOW LEADING PARTNERS ARE BUILDING THE FUTURE OF THE CHANNEL



Regional Insights

Sage

United Kingdom

AI-Led Services and Customer Impact Driving Growth

UK channel partners are embracing AI as a strategic growth lever.

Building AI-focused services is a top priority, with many partners already seeing tangible efficiency gains in their delivery models. This reflects a broader shift to intelligent outcome-driven engagement.

Partners in the UK also demonstrate a **strong customer-first mindset**. Over 70% say they have a direct impact on their

customers' businesses, highlighting their role as transformation enablers, not just technology providers. Growth ambitions remain high, with more than 70% targeting double-digit revenue increases this fiscal year, despite economic headwinds.



37%

of UK partners rank AI-focused services as a top 3 strategic priority.



52%

say AI has made their service delivery more efficient.



71%

agree they have a direct impact on customer outcomes.



70%+

are targeting double-digit growth this fiscal year.

United States

Innovation, Scale, and Strategic Differentiation

In the U.S. channel landscape, partners are leaning into scale and specialisation.

More than three in five identify as managed service providers (MSPs) or cloud solution providers (CSPs), reflecting a strong shift to recurring revenue and service-led engagement.

Innovation is a key marker of high performance in the US market. Nearly half of partners (48%) cite the ability to innovate and adapt quickly as a top characteristic

of success. This agility is matched by a strategic approach to vendor relationships, with marketing benefits (e.g. MDF) and selective partner programs being highly valued.

US partners are looking for differentiation. They want vendor programs that reward expertise, support co-selling, and help them stand out in a competitive market.



61%

of US partners identify as MSPs or CSPs.



48%

view innovation and adaptability as a top 3 trait of high performance.



27%

rank marketing benefits (including MDF) as a top 3 partner program benefit.



19%

say a highly selective partner program is a top-three vendor attribute.



Strategic Advisory Takes Centre Stage

Canadian software resellers are embracing a more strategic role in the channel, positioning themselves as trusted advisors rather than transactional sellers.

This shift reflects a broader trend towards outcome-driven engagement, with partners helping small and medium-sized businesses navigate complexity and unlock long-term value.

However, Canadian partners face a unique challenge: **Customer budget constraints**

are a top concern, cited as a major barrier to technology investment. Despite this, partners remain focused on building resilience and recurring value. Recurring revenue growth is a top strategic priority, with many partners investing in scalable service models to support long-term success.



76%

of Canadian partners agree they are strategic business advisors to their customers.



49%

cite customer budget constraints as a top-three challenge.



59%

identify recurring revenue growth as a top 3 strategic business priority.



44%

cite a lack of skilled resources as a top-three internal barrier to achieving high performance.

France

Tradition Meets Transformation

French channel partners are navigating a unique blend of legacy and innovation.

The market retains a strong presence of traditional Value-Added Resellers (VARs), yet nearly 9 in 10 partners report having some form of AI-related offering or capability.

Enterprise resource planning (ERP) and accounting solutions remain core offerings, reflecting the continued demand for foundational business systems. French partners are highly attuned to vendor dynamics, placing strong emphasis on **working with vendors**

that do not compete on professional services. This preference highlights the importance of trust, autonomy, and strategic alignment in the French channel ecosystem.

Highest share of partners identifying as traditional VARs.

French partners strongly value vendors that avoid competing on services.



88%

of French partners are selling AI-infused software or solutions with embedded AI features.



40%

offer ERP solutions



38%

offer accounting solutions



Specialisation and Scale Under Pressure

German channel partners are doubling down on vertical specialisation as a strategic priority, with nearly one in three citing it as a top business focus for the next two years.

This reflects a strong intent to differentiate through industry expertise and tailored solutions.

However, **scaling remains a challenge:** 41% of German partners cite an inability to effectively scale operations as a top internal barrier to achieving high performance. This tension between ambition and operational

complexity is shaping how partners approach investment and vendor alignment.

Financial incentives and brand reputation are key factors in vendor selection, with German partners placing **high value on programs that reward performance** and reinforce credibility in the market.



27%

cite vertical specialisation as a top 3 strategic priority



41%

say scaling operations is a top-three internal barrier to high performance.



40%

rank financial incentives as a top 3 vendor attribute.



31%

cite strong brand reputation as a top-three vendor attribute.



Lean Models, Strong Margins, and SaaS Momentum

Spanish partners are embracing lean, scalable business models, with referral affiliate partnerships emerging as the dominant approach.

Just 7% identify as traditional VARs, highlighting a clear shift away from legacy structures towards **cloud-native commission-based engagement**.

Recurring revenue and SaaS are central to growth strategies in the Spanish channel. Partners report one of the highest levels

of recurring revenue (61%) and expect 66% of their software resale to come from SaaS within two years. This forward-looking approach is already paying off. **Spanish partners report the highest average gross profit margins** across all surveyed countries.



33%

say referral affiliate is a business model that applies.



61%

of revenue is recurring.



66%

of software resale expected to come from SaaS in two years.



51%

average gross profit margin, the highest among all countries surveyed.

Portugal

Outcome-Driven Growth and Strategic Alignment

Portuguese partners are increasingly focused on delivering measurable business outcomes and faster time to value, reflecting a shift in customer expectations across the region.

This demand is driving strategic investment in managed services and merger & acquisition (M&A) activity, as partners seek to **scale their capabilities and deepen their value proposition.**

Strategic vendor relationships are seen as a hallmark of high performance, with

partners placing strong emphasis on **alignment, enablement, and long-term collaboration.** Training and support are especially valued, reinforcing the importance of vendor programs that empower partners to evolve and lead.



31%

cite strategic vendor relationships as a top 3 trait of high performance.



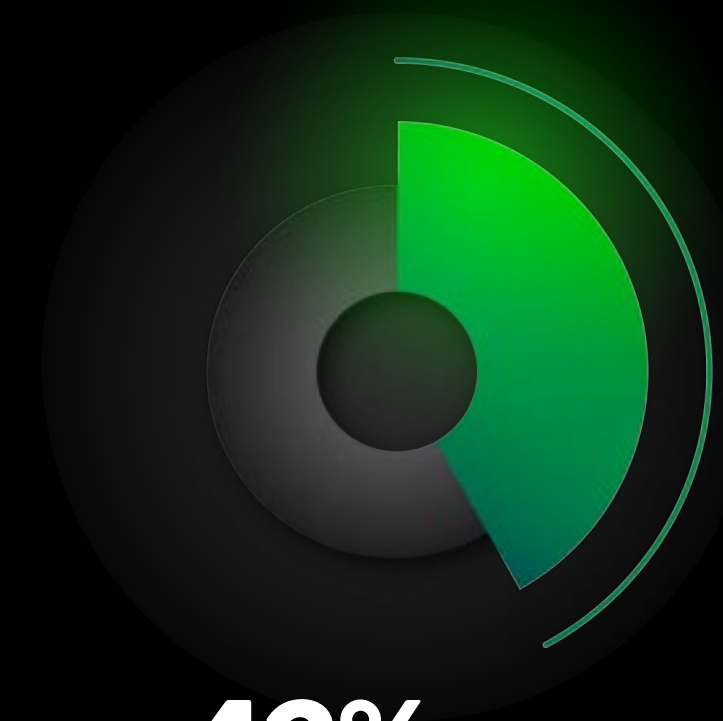
46%

cite faster time to value as a top-three customer expectation.



25%

cite M&A activity as a top 3 strategic priority.



42%

view training and enablement as a top-three partner program benefit.

South Africa

High Growth, High Impact

South African partners are leading the pack when it comes to growth and customer satisfaction.

With **the highest share of partners achieving 20%+ revenue growth** over the past two years and 40% targeting the same this fiscal year, the country stands out as a hub of high performance.

Efficiency and specialisation are key drivers. Three in five partners report that AI has made their service delivery more efficient, and two-thirds offer specialised

solutions for micro-verticals. Brand reputation also plays a critical role in vendor selection, with many partners choosing to work exclusively with top-tier partner-focused software providers.

South African partners are not just growing; they are building resilient customer-centric businesses that deliver measurable impact.



40%

are targeting 20%+ growth this fiscal year.



is the average NPS score, the highest across all the surveyed countries.



66%

offer specialized micro-vertical solutions.



38%

only work with top-tier software brands with proven partner success.

Appendix

Methodology

IDC collected survey responses from 2,009 respondents via phone interviews (CATI) between June and August 2025.

Requirements for participation in the survey

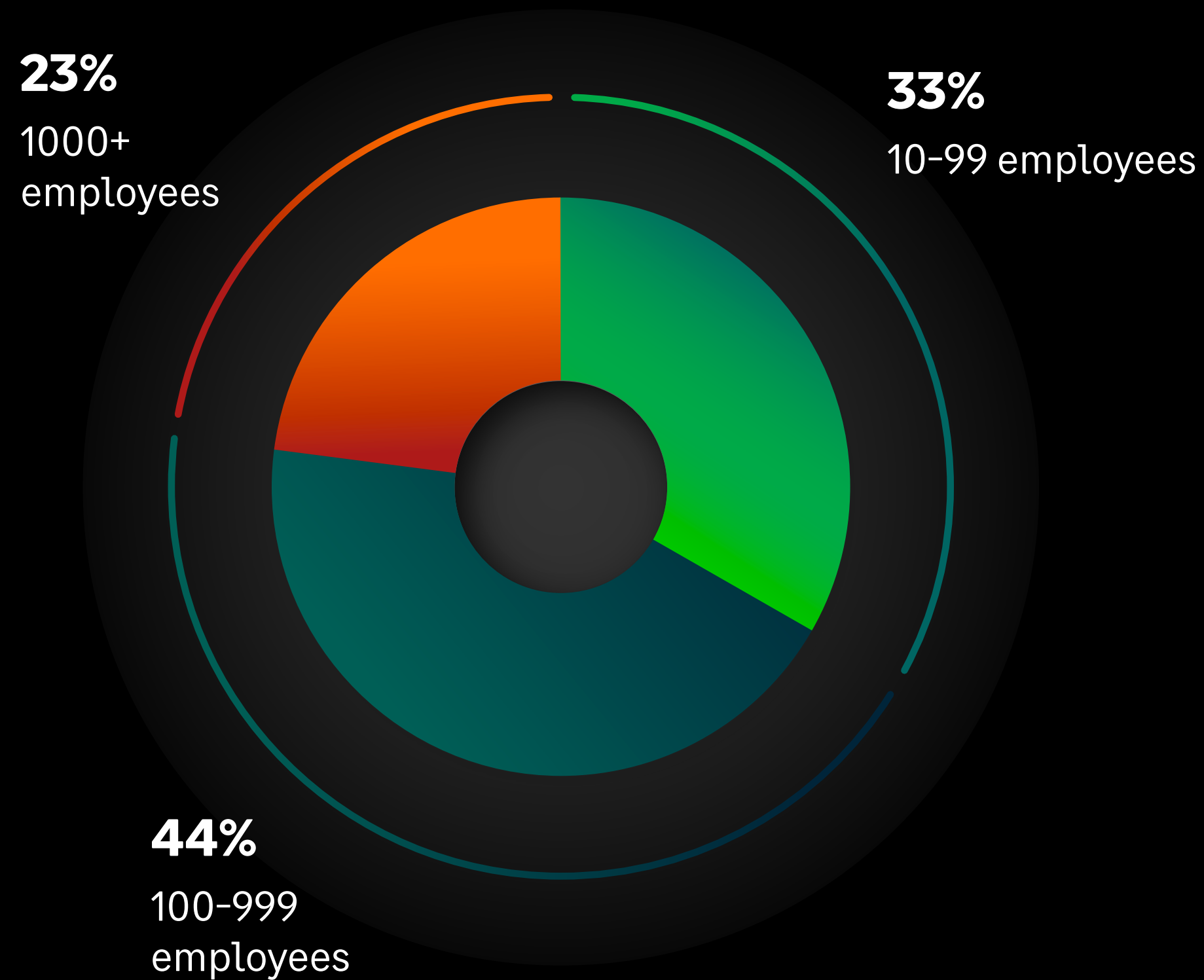
- The company **resells** software applications to business customers.
- The company has a **minimum of 10 employees globally**.
- Qualified **respondent**: manager-level or higher

Geographical coverage

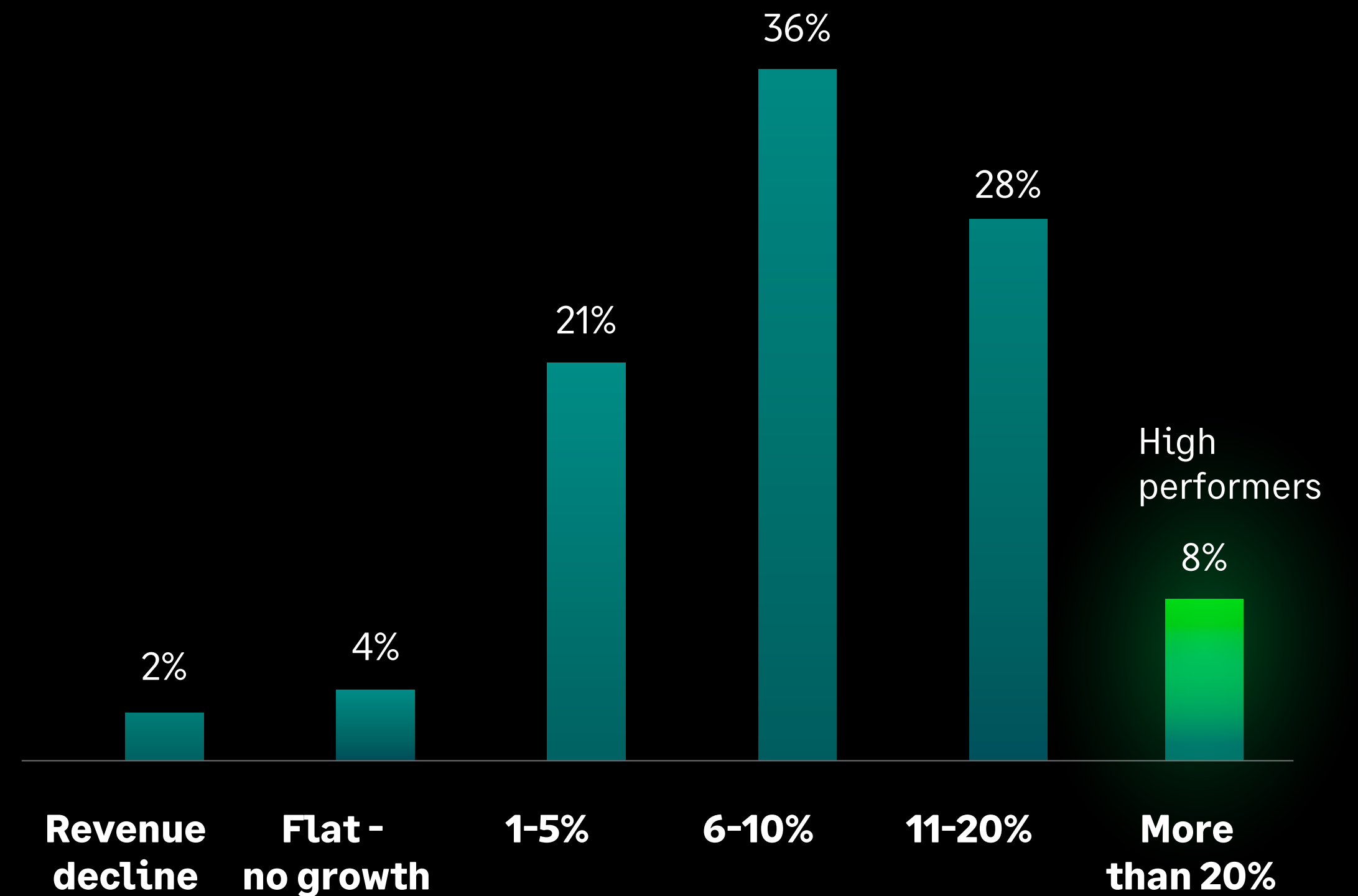
Countries	N=
Canada	200
US	650
France	200
Germany	202
Portugal	100
South Africa	100
Spain	207
UK	350
Total	2,009

Company Firmographics

Global headcount



Average Level of Revenue Growth (Last Two Fiscal Years)



High Performing Partners: Composite Summary

High performing partners (those that have achieved 20%+ revenue growth in each of the last two fiscal years) share a distinct set of characteristics that reflect scale, agility, and strategic focus.

Typically, these partners have 500+ employees, **operate via CSP, MSP, or agency models**, and serve customers of 500+ employees. Their business model is SaaS-heavy, with high recurring revenue, strong gross margins, and a wide software portfolio spanning multiple categories.

Rather than investing heavily in bespoke services, they focus on scalable productised offerings, often outsourcing implementation or support. Their internal resources are directed towards developing proprietary IP,

building AI-focused services, and targeting specific verticals with tailored solutions.

These partners are **AI-focused and customer-first, and they prioritise strategic investment** in their own businesses. They value MDF, work with vendors that have stellar reputations, and consistently deliver high NPS scores. Their agility, innovation, and commercial discipline make them ideal candidates for strategic vendor relationships and ecosystem leadership.