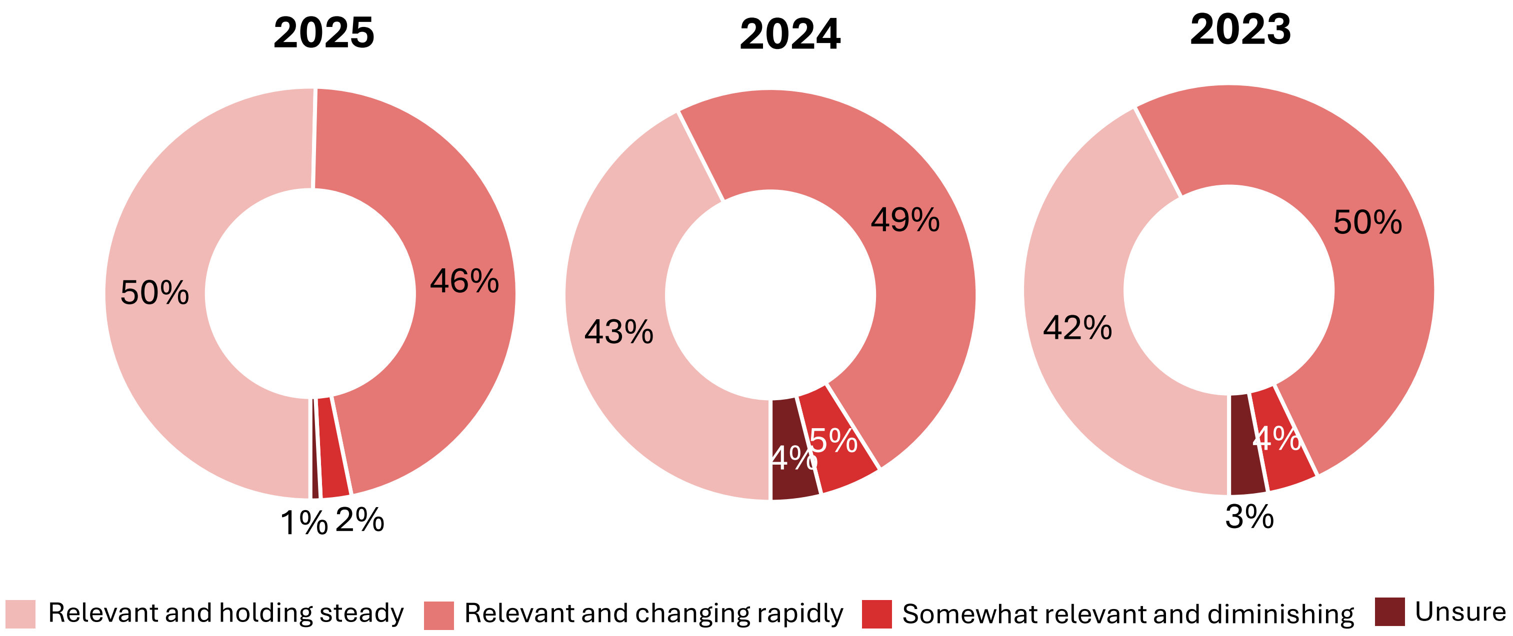
State of the Channel 2025
ASEAN

Global Technology Industry Association

Most Channel Firms Report Optimism About the Year Ahead – But With Caveats

Assessment of State of Channel Health and Relevance



The prevailing outlook for the year ahead tends to be positive but a tad less enthusiastic than last year. For example, 50% characterized the channel as “relevant and holding steady,” indicating stability without explosive growth. That’s a 7% increase from last year. Meantime, 46% described the channel as “healthy and changing rapidly,” compared with 49% that did so last year. Takeaway? ASEAN’s channel is just slightly more cautious about 2025 prospects.

Notably for the channel, the largest bucket of spending for the last two years has been on IT services. Gartner says worldwide spending on IT services will reach $1.73T this year, up from $1.59T in 2024. This represents a 9% spending increase year over year. Robust IT services spend is a harbinger of opportunity for the channel, where customers turn for expertise.

Status of Channel’s Business Goals

26% Ahead of expectations

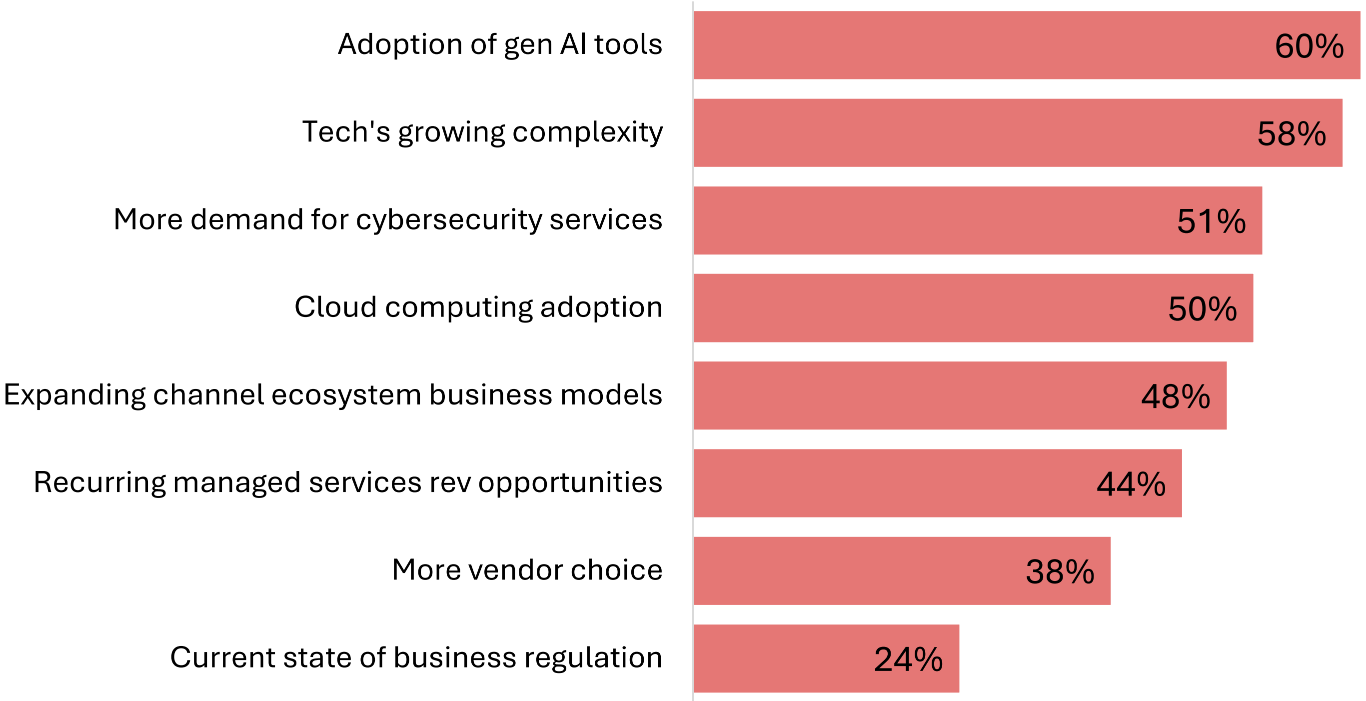
56% On target

16% Lagging slightly

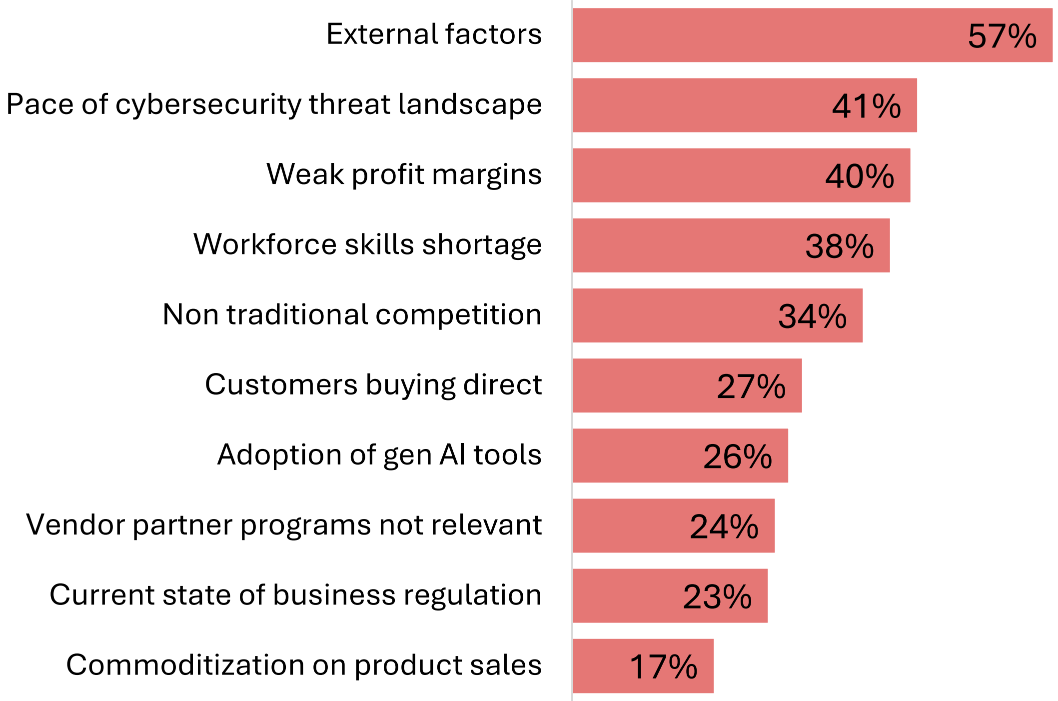
Source: GTIA State of the Channel 2025 ASEAN survey | n=125
GTIA State of the Channel 2024 ASEAN survey | n=129
GTIA State of the Channel 2023 ASEAN survey | n=118

What Channel Firms Say Will Drive or Hinder Business This Year

Factors Contributing to Healthy IT Channel



Factors Inhibiting a Healthy IT Channel

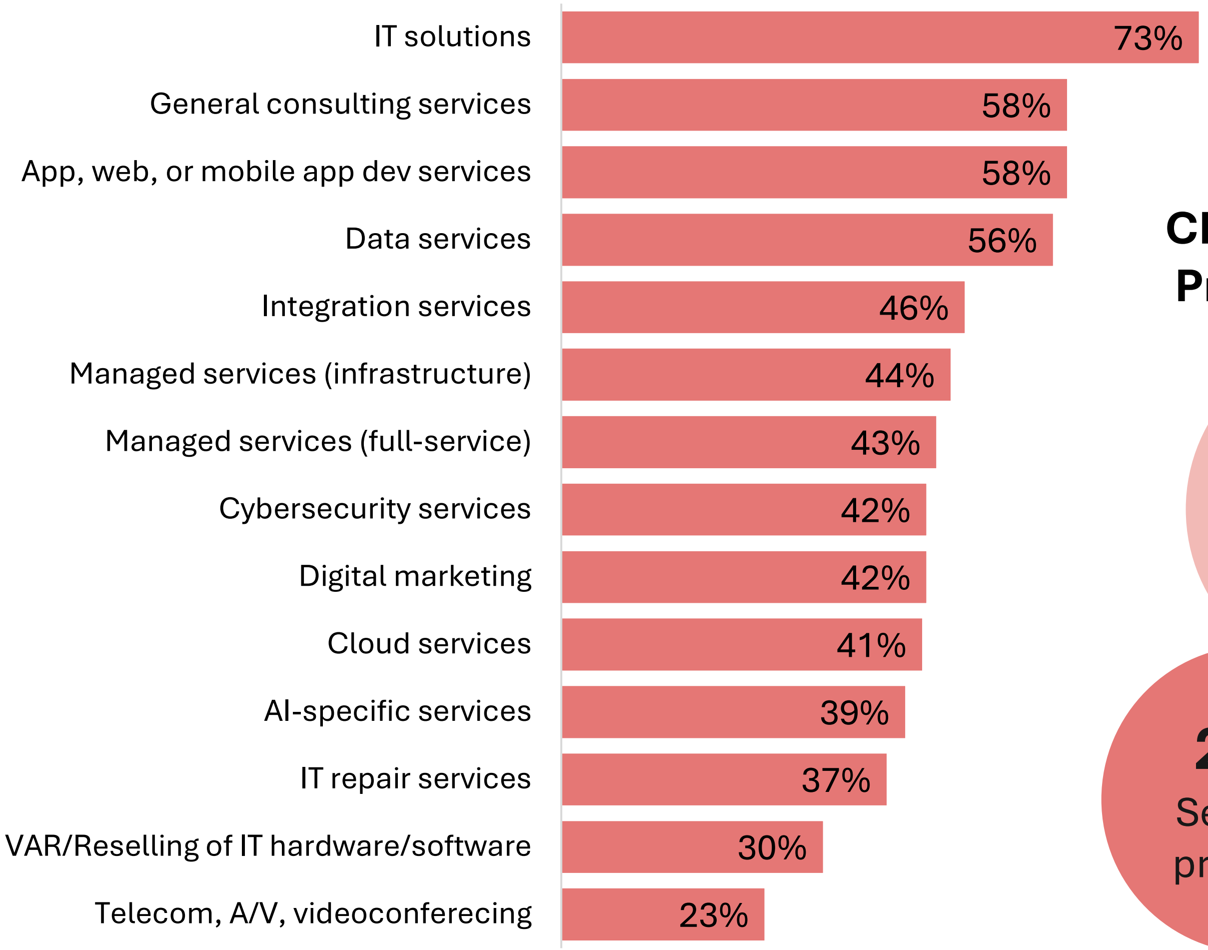


ASEAN's channel firms are banking on the adoption of AI tools to help drive their fortunes in the years ahead. That belief pairs well with their view that technology's increased complexity will also be a boon for business. Indeed, customers today are looking for channel expertise to help with everything from developing an AI strategy to ensuring their data is safe to applying technology to broader business goals.

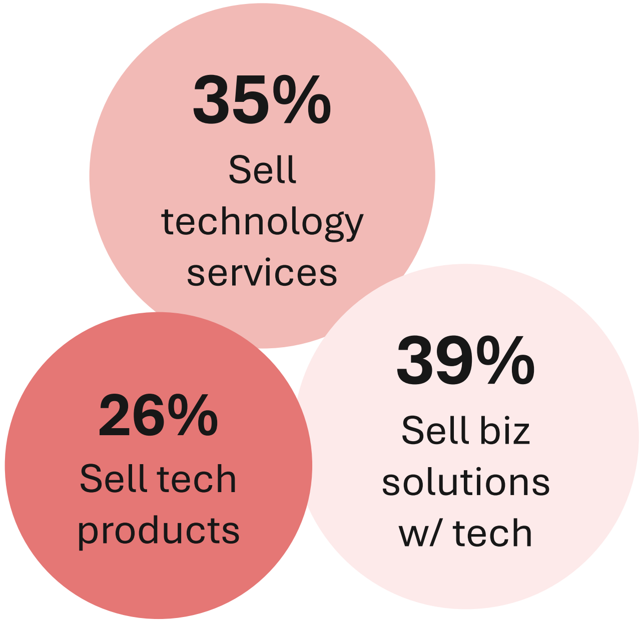
Source: GTIA State of the Channel 2025 ASEAN survey | n=125

Revenue and Profitability: Where the Channel Sees Growth/Opportunity

Main Portfolio Composition for Today's Channel



Channel Firms Describe Primary Business



Top Revenue Projections

1. AI services
2. Cybersecurity
3. Cloud services
4. General consulting

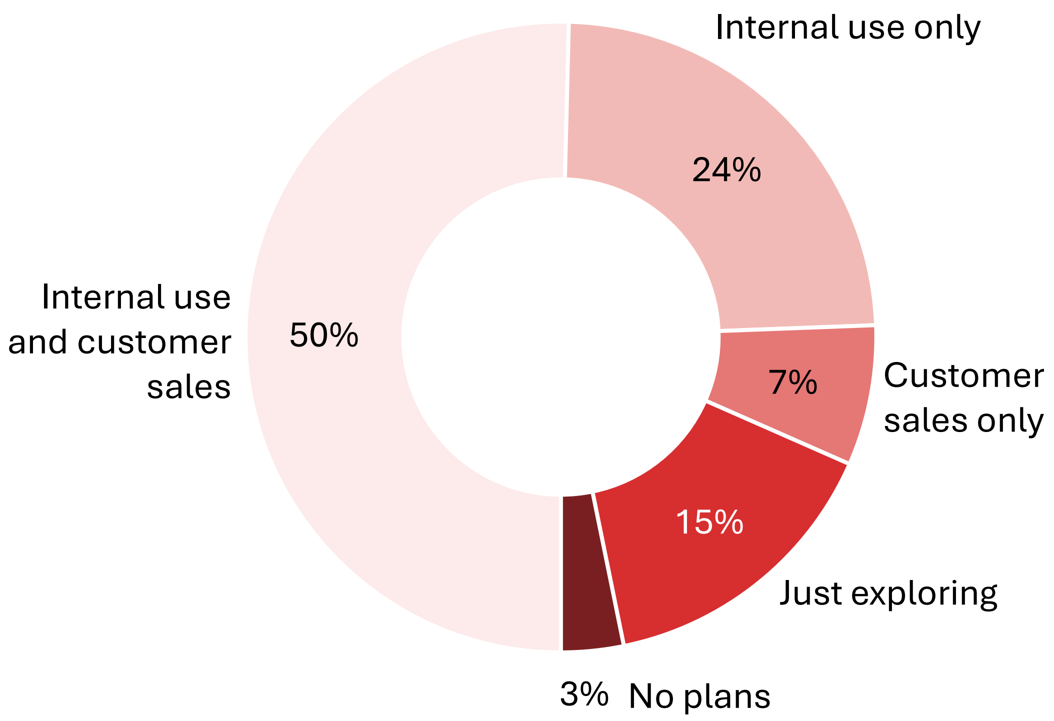
Top Profit Projections

1. Cybersecurity
2. AI services
3. Digital marketing
4. App, web, mobile dev

Source: GTIA State of the Channel 2025 ASEAN survey | n=125

Artificial Intelligence Gains Ground as an Efficiency Driver for Channel

Company Plans Over Next 12 Months



Motivations for AI Adoption Lean Toward Internal Needs

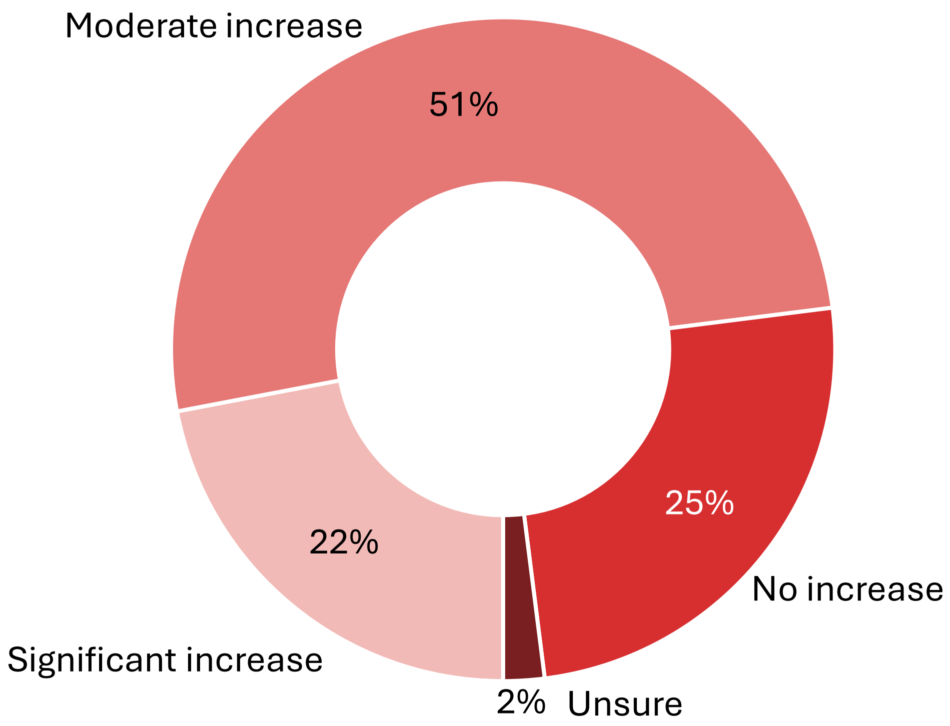
- **55%** Revenue opportunity
- **54%** Enter new market
- **53%** Customers demand has grown
- **52%** Operational efficiency/automation efforts
- **50%** Support workforce
- **42%** Current offerings are AI-enabled

The top use of AI today (49% of respondents) is to automate functions internally, but the next uses on the list reflect a mix of internal/external plays for AI: product sales, consulting services, content generation, and sales & marketing tools

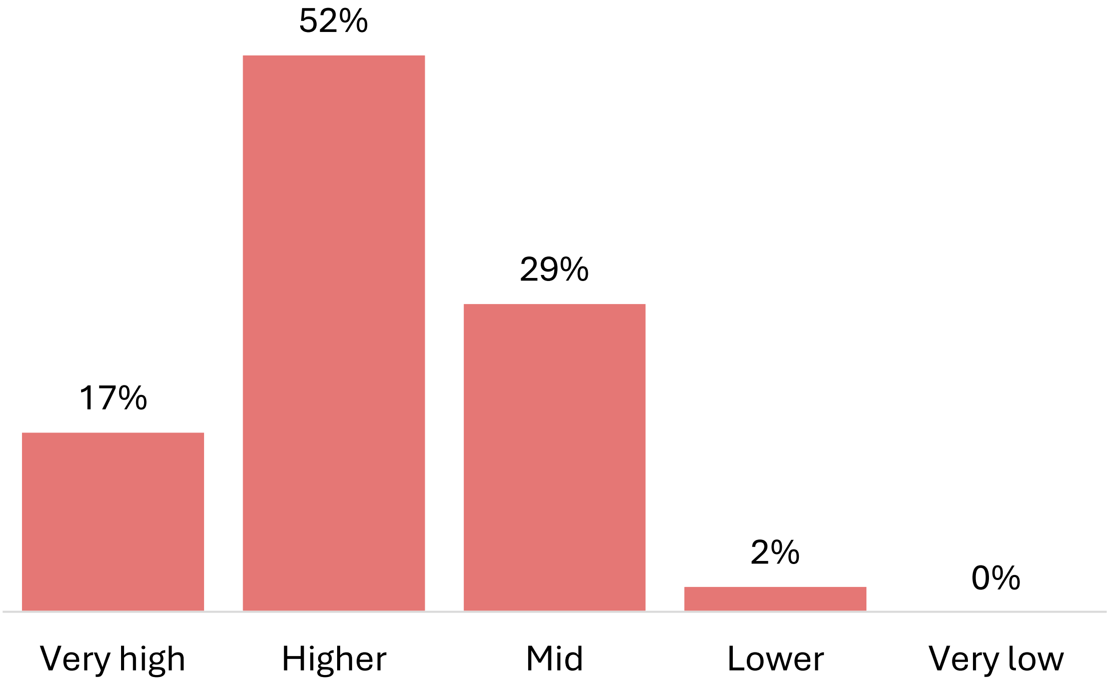
Source: GTIA State of the Channel 2025 ASEAN survey | n=125
GTIA State of the Channel 2025 ASEAN survey | n=121

Changing Skills Requirements Keep Workforce Issues Front & Center

Tech Hiring Expectations



Level of Change in Skills Requirements is High Across Cybersecurity, Data, AI

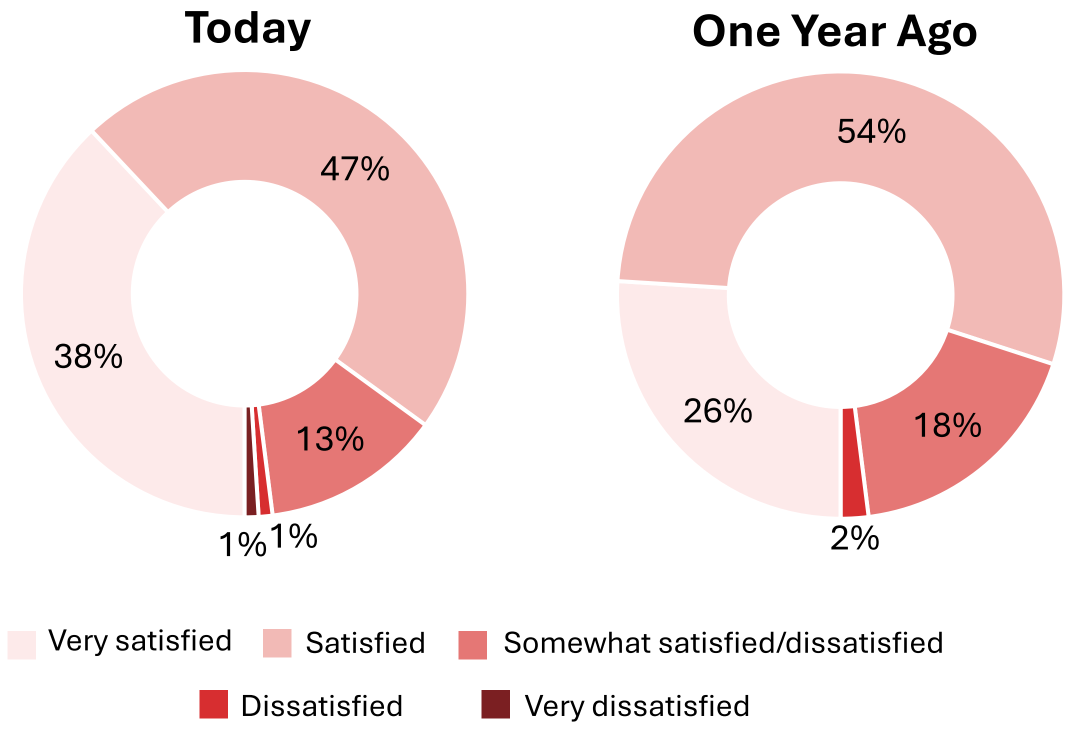


38% of ANZ channel firms said workforce skills gap issues as a potential inhibitor to a successful year ahead. Companies are addressing the gap through new hiring goals as well as the upskilling of existing workers.

Source: GTIA State of the Channel 2025 ASEAN survey | n=125

Vendor Sat Remains Steady Despite Continued Issues with Sales Conflict

Channel Assessment of Vendor Relationships



Main Competitors Cited Today

Top Reasons for Changing Vendors

54% Seeking better profitability

42% Seeking to enter new markets

35% Prefer fewer vendors

Source: GTIA State of the Channel 2025 ASEAN survey | n=125

Methodology

GTIA's *State of the Channel 2025* study provides insights around key channel trends in business environments.

The quantitative study within the ASEAN region consisted of an online survey fielded to channel professionals during December 2024. A total of 128 respondents participated in the survey, yielding an overall margin of sampling error at 95% confidence of +/- 8.4 percentage points. Sampling error is larger for subgroups of the data.

As with any survey, sampling error is only one source of possible error. While non-sampling error cannot be accurately calculated, precautionary steps were taken in all phases of the survey design, collection and processing of the data to minimize its influence.

GTIA is responsible for all content and analysis. Any questions regarding the study should be directed to GTIA Research and Market Intelligence staff at research@gtia.org.

GTIA adheres to internationally respected and accepted code of standards and ethics for market research.