

Tech Data 2022 Technology Ecosystem Benchmark Report Finds Asia Pacific & Japan Businesses Focussing on Increased Collaborations and Service Expansions

- *94 percent view increased IT ecosystem engagement as an important growth strategy*
- *75 percent expect to sell more professional & managed and services in the next 3 years*
 - *53 percent of APJ end- customers want As a service (AAS) consumption options*
 - *12 percent to offer AR/VR/metaverse solutions by 2024*

Singapore, November xx, 2022: Tech Data, a TD SYNnex company, today announced the release of its inaugural 2022 Asia Pacific and Japan (APJ) Technology Ecosystem Benchmark Report. The report revealed that to unlock their full potential, APJ technology ecosystem business leaders are making an impressive mind-set shift to increased collaboration with 94 percent viewing increased IT ecosystem engagement as an important growth strategy. By 2025, over 75 percent are expected to sell more professional and managed services.

APJ businesses also have plans to enhance their cloud capabilities as 53 percent of APJ end-customers want As a service (AAS) consumption options. Despite aggregate analyst and financial research forecasting a [US\\$800 billion](#) global metaverse market, in the next 24 months, only 12 percent of APJ businesses plan to offer augmented and virtual reality (AR/VR) solutions.

Commenting on the development, Jaideep Malhotra, President, Tech Data Asia Pacific & Japan, said “Today, as a result of businesses increasingly being connected to the global technology ecosystem, what we are witnessing is a state of rapid and steadfast digital transformation. Our goal in conducting this study was to offer insights into key market trends, and highlight significant industry opportunities for the IT channel partner and vendor

community. We are confident that this report will help them better understand where end-users are headed, to better align their investment strategies.”

The Tech Data APJ Technology Ecosystem Benchmark Report identified the following key themes for the technology partner ecosystem in responses with a 24- to 36-month outlook:

- Professional and managed IT services expansion
- High-growth technology investments
- As-a-service consumption model adoption
- Augmented Reality (AR)/Virtual Reality (VR) opportunity gap

Conducted in collaboration with technology market analyst firm Canalys, the report highlighted that organisations in the region are betting on continued transformation through increased collaborations and service expansions. The report was developed based on an industry survey of technology ecosystem partners with 1,000 seats and below.

Key findings from the Tech Data APJ Technology Ecosystem Benchmark Report include:

Security, Servers and Storage continue to be profit drivers

Servers and Storage, Endpoint Devices, and Security is expected to drive the most revenue for APJ IT businesses:

- 44% of partners said these offerings are among their top three revenue drivers
- Security is the most profitable technology for APJ partners (24%, and servers and storage come in at number two at 18%)
- APJ partners are investing in talent, technologies, and partnerships to capture opportunities in the demand for services

Growth forecast is increasingly Hybrid Cloud

- Expansion of cloud offerings portfolio in the next two years focusses on artificial intelligence (AI) and machine learning (ML); mobility and edge; device as a service and digital transformation

Services are the new black

While hardware resell continues to be core to business, APJ IT businesses are placing their bets on professional services and managed IT services:

- Partners continue to be optimistic about hardware resell, with only 28% believing the category will decrease in the next 3 years

As-a-Service (aaS) enters the mainstream

In line with the expansion of professional and managed IT services, and the shift to consumption-based OpEx models, partners have plans to enhance or develop cloud capabilities:

- 53% of APJ partners want aaS consumption options
- 47% of APJ partners currently offer aaS consumption options
- 45% of APJ partners will offer as consumption options within 24 months

Metaverse: Ignore at your own risk?

There is still a long way for APJ IT businesses to leverage early metaverse opportunities:

- 12% of APJ partners plan to offer AR/VR/metaverse solutions within the next 24 months
- 3% of APJ partners currently offer AR/VR/metaverse solutions

ESG can be a high-impact solution to turn challenges into business advantages

The importance of ESG (environmental, social and governance) expertise or certification to business is expected to grow from 11% to 30% within the next 3 years due to competition and margin pressure, talent recruitment and retention, external actors, and rapid technological and regulatory changes.



Sheena Wee, Analyst, Canalys, said “The technology ecosystem is evolving at a rapid pace. The channel partner community is looking to collaborate, invest and build its services and solutions business by quickly identifying strategic ecosystem partners.”

The Tech Data APJ Ecosystem Benchmark Report is now available for download [here](#).

Survey Methodology

Conducted in collaboration with technology market analyst firm Canalys, the Tech Data 2022 Technology Ecosystem Benchmark Report was developed based on an industry survey of Asia Pacific and Japan (APJ) technology ecosystem partners with 1,000 seats and below.

Fieldwork was conducted between July and October 2022.

About Tech Data

Tech Data, a TD SYNEX (NYSE: SNX) company, is a leading global distributor and solutions aggregator for the IT ecosystem. We’re an innovative partner helping more than 150,000 customers in 100+ countries to maximize the value of technology investments, demonstrate business outcomes and unlock growth opportunities. Headquartered in Clearwater, Florida, and Fremont, California, TD SYNEX’ 22,000 co-workers are dedicated to uniting compelling IT products, services and solutions from 1,500+ best-in-class technology vendors. Our edge-to-cloud portfolio is anchored in some of the highest-growth technology segments including cloud, cybersecurity, big data/analytics, IoT, mobility and everything as a service. TD SYNEX is committed to serving customers and communities, and we believe we can have a positive impact on our people and our planet, intentionally acting as a respected corporate citizen. We aspire to be a diverse and inclusive employer of choice for talent across the IT ecosystem. For more information, visit www.TDSYNEX.com or follow us on Twitter, LinkedIn, Facebook and Instagram.

Safe Harbor Statement

Statements in this news release that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 involve known and unknown risks and uncertainties which may cause the Company's actual results in future periods to be materially different from any future performance that may be suggested in this release. The Company assumes no obligation to update any forward-looking statements contained in this release.



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