Winning in the Modern Channel

Distribution Edition

The opportunity for distribution to extend its value has never been greater, but it requires a shift toward where the market is moving and what vendors and partners now need

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Introduction

For many years now, distribution has functioned at a distance from buyers, using partners as its interface and helping enablement, transaction and fulfilment for vendors.

While this separation worked well in a transaction-based distribution model, the way buyers gain access to information that support their journey towards purchase has evolved over the past 10+ years and they now do one or more of the following before they ever make contact with a vendor - perform research, peer review, and multi-phased engagements; all of which are far more sophisticated, complicated, and involved than was ever the case in a tradition-based distribution model.

As a result, each purchase path is more complex, shaped by a mix of digital and human interactions before a final decision is made and yet, despite being well placed to best serve the needs of the vendor and partner customers to make this happen, most distributors are still underestimating what's needed to get it right.

The potential reward is tremendous, but the path forward requires a very different approach.

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Executive Summary

Distribution already sits at the centre of the technology channel, connecting vendors, partners and customers. Traditionally this role has focused on operational efficiency, product flow, financing and coordination across complex ecosystems.

Today, the environment around distribution has changed. Buyers are more informed, sales cycles are longer, and vendors expect stronger returns from their partner ecosystems. Partners are also expected to influence demand earlier and guide increasingly complex buying decisions.

To remain valuable, distribution must evolve beyond operational enablement. The opportunity is to connect vendor investment, partner capability and buyer engagement through structured programmes, shared execution infrastructure and ecosystem intelligence.

Distributors that move in this direction will help vendors generate a stronger pipeline, enable partners to perform more consistently and create a more efficient channel ecosystem.

The Channel is Changing

The then and now

Distribution has evolved from a logistics function into a central coordination layer in the technology ecosystem. Vendors rely on distributors to reach partner communities, while partners depend on them for operational support and vendor access.

In return, Partners are expected to drive most of vendor the technology revenue, and buyers complete much of their evaluation before speaking to sales.

For distribution, the question is no longer simply how to move products through the channel. It is how to help the ecosystem influence buyers earlier and support their journey to purchase.

A shift in mindset

Historically, channel performance was measured through operational metrics such as partner coverage, transactions and programme participation.

Today vendors expect more. They want visibility into partner contribution, measurable pipeline and predictable growth.

For distribution, this requires a shift from supporting activity to enabling performance. Success is increasingly defined by how effectively partners can generate demand, engage buyers and convert opportunities.

Distributors that help partners improve these capabilities become significantly more valuable to vendors.

Fewer than 40% of vendors have clear visibility into partner-sourced pipeline and revenue contribution.

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Who cares about the buyers?

Buyers have always shaped the technology purchasing process, but how they do it has changed significantly.

Today, they conduct extensive research and comparisons before engaging vendors or partners, drawing on preferred online sources, peer recommendations and professional networks.

If the channel cannot influence buyers early and maintain engagement through the decision process, opportunities may be defined before partners are even involved.

Distribution traditionally sits outside this influence, yet it is well-positioned to change that. With visibility across multiple technologies and partner ecosystems, distributors can support earlier engagement through structured programmes, targeted campaigns and better market insight.

By doing so, distribution enables partners to engage buyers earlier, provide informed guidance and build stronger relationships throughout the decision process, ultimately delivering greater value to vendors.

Shortfalls

The traditional channel model assumed partners would generate demand while vendors and distributors focused on enablement and fulfilment.

Yet many partners have not responded to the need to invest in skills, resources and technology to operate a solid GTM function for the vendors they onboard.

This means they lack the infrastructure to run consistent marketing programmes, track engagement or nurture opportunities. Without this, they can't attract the funding to help them to do it, with vendors compounding the issue by encouraging bursts of activity for a snapshot in time.

As a result, campaigns generate awareness but often fail to convert into measurable revenue. The issue, therefore, isn't only partner limitation, it's capability.

Only 27% of small-medium sized B2B firms use marketing automation, meaning the majority of partners are ill-equipped to execute across buying cycles

From collateral to capability

Traditional enablement has focused on delivering assets: product briefs, campaign templates and sales materials all residing in portals for partners to access and execute

While valuable, assets alone do not drive the pipeline. What partners often lack is the operational capability to run campaigns, nurture engagement and measure results. Without this capability, vendor assets remain underused.

Distribution can create greater value by shifting from supplying collateral to enabling execution through shared infrastructure and structured programmes.

Whose job is sales anyway?

Partners have traditionally been valuable to vendors because they provide access to customers, markets and relationships that vendors cannot easily reach themselves.

When sales were predominantly relationship-driven, this worked well. Partners introduced vendors to opportunities and guided customers through purchasing decisions.

Today, the environment is different. Buyers research solutions independently, compare vendors online and often form opinions before speaking to a partner directly or being referred. A new relationship comes much later on, before there's an emotional connection.

Partners are expected to represent multiple vendors in highly competitive markets. The partner's core role remains the same: to generate revenue for the vendors they represent. However, many operate with limited marketing resources and lack the infrastructure to consistently influence buyers early in their decision process.

Vendors, meanwhile, expect clearer return on their channel investment and greater visibility into partner performance.

This creates an opportunity for distribution. Positioned between vendor investment and partner capability, distributors can provide shared infrastructure, execution support and market insight that help partners engage buyers earlier and perform their revenue-generation role more effectively.

Partners with mature marketing operations generate up to 5x more pipeline than those relying on ad-hoc activity.

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The Cost of Capability Gaps

Capability gaps across the channel have direct commercial consequences.

Vendor campaigns generate awareness but often fail to produce a measurable pipeline.

MDF remains underused, or funds are isolated activities that produce limited long-term value.

Pipeline creation becomes inconsistent, and vendors struggle to understand which partners are contributing to revenue.

For distribution, addressing these gaps creates a clear opportunity to improve channel productivity and strengthen vendor relationships.

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A Smarter Approach to MDF

MDF remains one of the most effective tools vendors have to stimulate partner engagement, yet across the channel, it is often used inefficiently.

A major reason is that most partners are structured primarily for sales, not marketing. Their strength lies in building customer relationships, advising buyers and closing opportunities.

Running consistent demand-generation programmes requires time, skills and infrastructure that many partners simply do not have.

As a result, MDF is often distributed across large numbers of partners who are expected to execute marketing independently. In practice, this leads to fragmented campaigns, inconsistent execution and limited visibility into pipeline performance.

Centralising Demand Creation

A more effective model centralises demand-generation programmes through distribution. Rather than expecting every partner to run their own marketing, distributors can manage structured campaigns on behalf of vendors and partners using shared infrastructure, coordinated outreach and consistent follow-up. But this needs to go significantly further than the marketing services most distributors offer today.

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Data, Insight and Intelligence

Distribution has the potential to have a unique view across vendors, partners and market activity. This insight strengthens its role as a strategic layer within the ecosystem.

It allows them to identify high-performing partners, uncover demand trends, identify buyer behaviours and highlight growth opportunities across sectors or regions.

When used effectively, this intelligence helps vendors allocate investment more precisely and allows partners to focus their efforts where demand is strongest.

Organisations using data-led partner segmentation see 2-3x higher campaign performance than broad, undifferentiated outreach

Becoming the Activation Layer

Distribution can become far more valuable to vendors by acting as the execution layer between vendor strategy and partner activity.

Rather than passing vendor programmes directly to partners, distributors can translate them into structured campaign frameworks aligned with real buyer journeys.

Shared marketing infrastructure, campaign execution support and centralised analytics allow partners to participate in sophisticated programmes without building the systems themselves.

In doing so, distribution converts vendor investment into consistent partner engagement and measurable pipeline.

Buyers self serve: they've undergone 80% of their research journey before speaking to a salesperson

The Opportunity Ahead

Currently, the majority of Distributors are no better equipped to execute modern demand-generation programmes than the partners themselves. This is because it's never been a requirement before.

To make the move in this direction, it needs a different set of resources, skills and technology infrastructure to engage with modern buyers.

Those that adopt this approach will strengthen partner productivity, improve vendor ROI and create more predictable growth across the ecosystem.

Those that remain focused solely on operational efficiency will continue to face inconsistent partner performance and limited visibility into channel impact, resulting in diminishing revenues.

Top-performing channel ecosystems consistently show 2–4x higher partner productivity when supported by shared infrastructure and execution models.

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Choices

Distribution now faces clear strategic choices.

Build capability internally: Invest in new skills, technology infrastructure and operational frameworks needed to support modern demand generation.

This approach offers full control but requires time, significant investment and organisational change before results are realised.

Accelerated transition: Work with a specialist execution partner who can deliver these capabilities immediately while internal capability is developed, or they choose to stay with this hybrid model.

This allows distribution to start generating measurable demand and supporting partners today, rather than waiting years for the infrastructure to mature.

Stay in lane: Rely on partners to step up.

Whichever path is chosen, the direction is the same: Distribution's future value lies in being closer to the buyer journey, strengthening its role as the layer that converts vendor investment into partner pipeline.

Summary

The technology channel is evolving, and the role of distribution must evolve with it.

The distributors that create the most value for vendors and partners will be those that move beyond operational enablement to support ecosystem performance.

By connecting vendor investment, partner capability and buyer engagement through shared infrastructure, structured programmes and ecosystem intelligence, distribution can become a key driver of growth across the modern channel.

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About Amigos

We're a specialist B2B technology growth enablement business, invested in the belief that marketing should share in the accountability for revenue, not exist alongside it.

As such, channel growth comes from connected ecosystems, not isolated campaigns and siloed activity, which is the traditional, legacy model.

Our subscription-based services help businesses adapt to that shift with an offer that equips the Channel ecosystem with a revenue network, the tools to engage customers, support partners, and tie marketing to commercial results that align with buying cycles.

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