

The AI Execution Gap: How the Channel Will Power the Next Wave of Enterprise Adoption

“A tidal wave of AI is coming, but most businesses can't surf. You, the channel, are the expert instructors who will lead them to shore.”

The AI Market Is Reaching Unprecedented Scale

**USD 3,497.26
Billion by 2033**

(CAGR of 30.6%)

Source: Grand View Research

**USD 3,680.47
Billion**

Projected Global AI Market Size by 2034

Source: Precedence Research

**USD 632
Billion by 2028**

Global AI spending

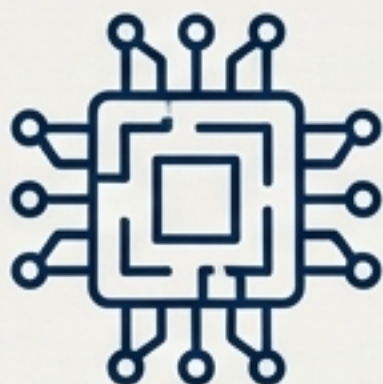
Source: IDC, via Climb Channel Solutions

39% NASDAQ 100 Growth

In the first half of 2023, with 28% of S&P 500 companies being technology-driven with ties to AI.

Source: Sabey Data Centers

What's Fueling the AI Revolution?



Exponential Advances in Technology

Increased computing power, new algorithms, and advanced storage capabilities are enabling programmers to grow AI applications exponentially. These advancements are being used to automate business processes, gain insight into product behavior, and improve decision-making.

Source: Sabey Data Centers



The Proliferation of Cloud Computing

Cloud giants like AWS, Azure, and Google provide the infrastructure, scalability, and tools that allow organizations to develop, deploy, and manage their own AI applications, making it easier and more cost-effective to jump on the AI train.

Source: Sabey Data Centers

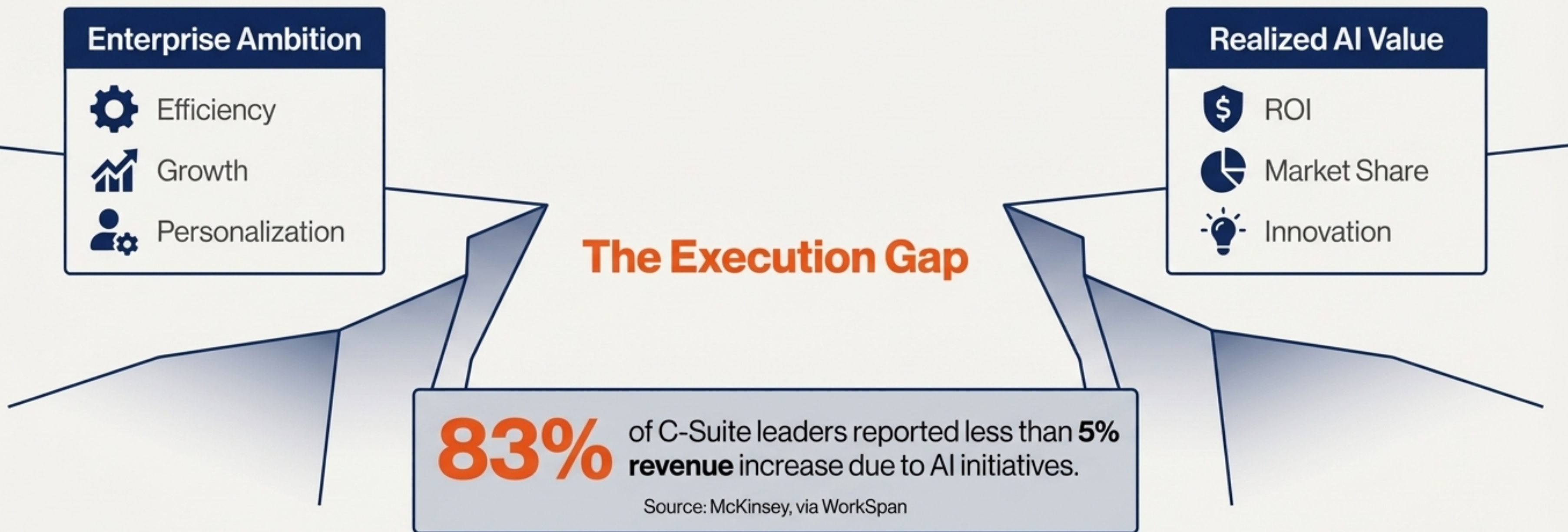


The Explosion of Big Data

Cloud-based storage gives companies easy access to huge amounts of structured and unstructured data. This access provides significant opportunities for AI-powered data analysis to detect patterns, identify trends, and make predictions.

Source: Sabey Data Centers

Ambition and Execution Are Vastly Different Things



“Despite its transformative potential, many organizations struggle to implement AI meaningfully. For mid-sized organizations without dedicated AI teams or R&D budgets, it’s challenging to turn promise into something practical.”

Source: Synthesized from Climb Channel Solutions and Agiloft sources.

The Three Critical Barriers Preventing AI's Full Potential

Strategic & Cultural Gaps

Lack of Vision:

"Thinking too small—focusing on efficiency instead of transformation."

– Source: WorkSpan

Cultural Resistance:

Employees may view AI as a threat
Employees may view AI as a threat to their roles or resist process changes required for integration.

– Source: Agiloft

Lack of Leadership:

Failing to foster an AI-first culture for the frontline.

– Source: WorkSpan

Resource & Talent Gaps

Skills Shortage:

"45% of enterprises still struggle with finding the right AI skills." – Source: ChannelE2E

"Securing experienced data scientists and ML engineers is increasingly difficult." – Source: Agiloft

High Costs:

Developing in-house AI infrastructure, tools and teams requires significant investment.

– Source: PwC

Time Constraints:

Developing and deploying AI solutions internally can take significant time, delaying benefits.

– Source: PwC

Technical & Data Gaps

Data Quality & Complexity:

"Fragmented data, infrastructural blind spots, and outdated governance procedures consistently rank as the top impediment to success." – Source: ITPro
"AI systems are only as good as the data you train them on." – Source: Agiloft

Integration with Legacy Systems:

Many enterprises face challenges integrating AI with their existing systems, creating bottlenecks and delays.

– Source: Agiloft

Explainability & Transparency:

41% of survey respondents identified 'explainability' as their top risk in relation to the implementation of AI.

– Source: AFME/PwC

AI Needs Partnerships to Go to Market, and Partnerships Need AI to Scale

Complex AI solution stacks have created an environment where **no single vendor can sell alone**. Partnerships deliver faster market access and the specialized expertise customers demand.

70%
of technology is
partner-delivered

Source: Canalys, via WorkSpan



“The one-legged sales call is gone. It could be a four person sales call across multiple different vendors coming together to solve the customer’s problems.”

— Colleen Kapase, VP Channels and Partner Programs at Google (via WorkSpan)

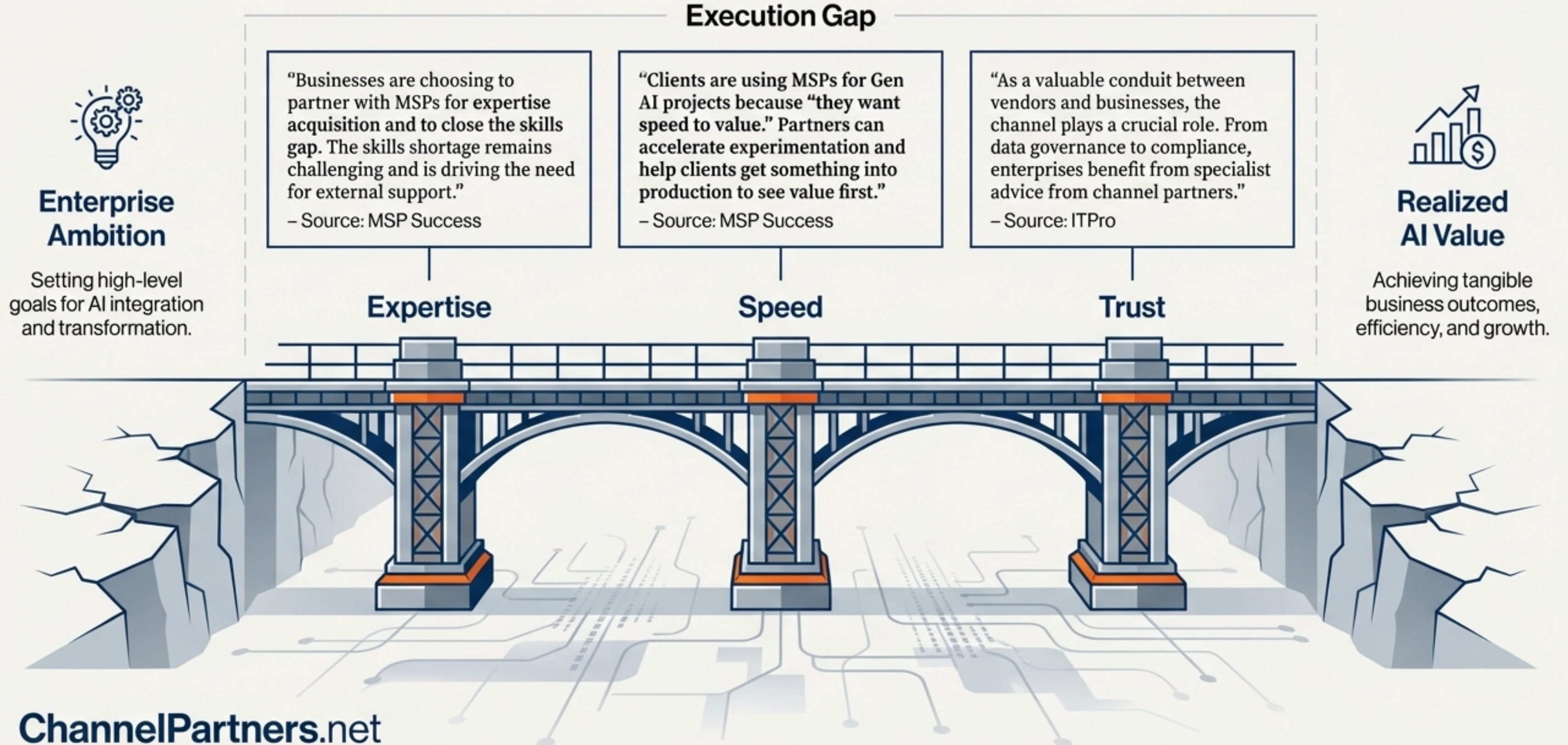


“Partners are key to driving exceptional outcomes across the customer journey... with their value-added services and solutions that make those purchases come to life and create real business impact.”

— Nicole Dezen, Chief Partner Officer, Microsoft (via WorkSpan)

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Your Value Proposition is the Bridge Across the Gap



The Playbook, Part 1: Build the Foundation for AI Readiness

“Any AI initiative can only be as effective as the data it has access to. Good quality data, coupled with a rigorous data management strategy, is the foundation for innovation.”

Source: ITPro



Data Modernization

Modernize your data estate for transformative business value. We integrate reliable, modular, and scalable solutions with your existing data architecture to accelerate your data modernization journey.

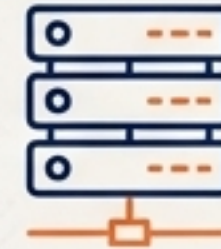
Source: Kyndryl



Data Governance Strategy

Implement a robust data governance strategy, ensuring data is clean, well-organized, relevant, and readily available for AI models. Address disconnected formats, transform rigid data pipelines, and eliminate silos.

Source: Agiloft, ITPro



Infrastructure & Compliance

Assess how accessible and synchronized client data really is. A poorly architected environment can disrupt automated processes and delay decision-making. Guide clients through local compliance requirements as they prepare for AI adoption.

Source: ITPro

The Playbook, Part 2: Deliver AI as a Managed Service

Two-thirds (65%)
of businesses are relying on
MSPs for Gen AI support.

Source: ISG, via MSP Success

Operations

Operate. Monitor. Support.

Proactive monitoring to identify issues before they impact performance. Holistic support from troubleshooting to routine updates. Emphasize operational excellence through process governance and risk management.

Engineering

Extend. Enhance. Scale.

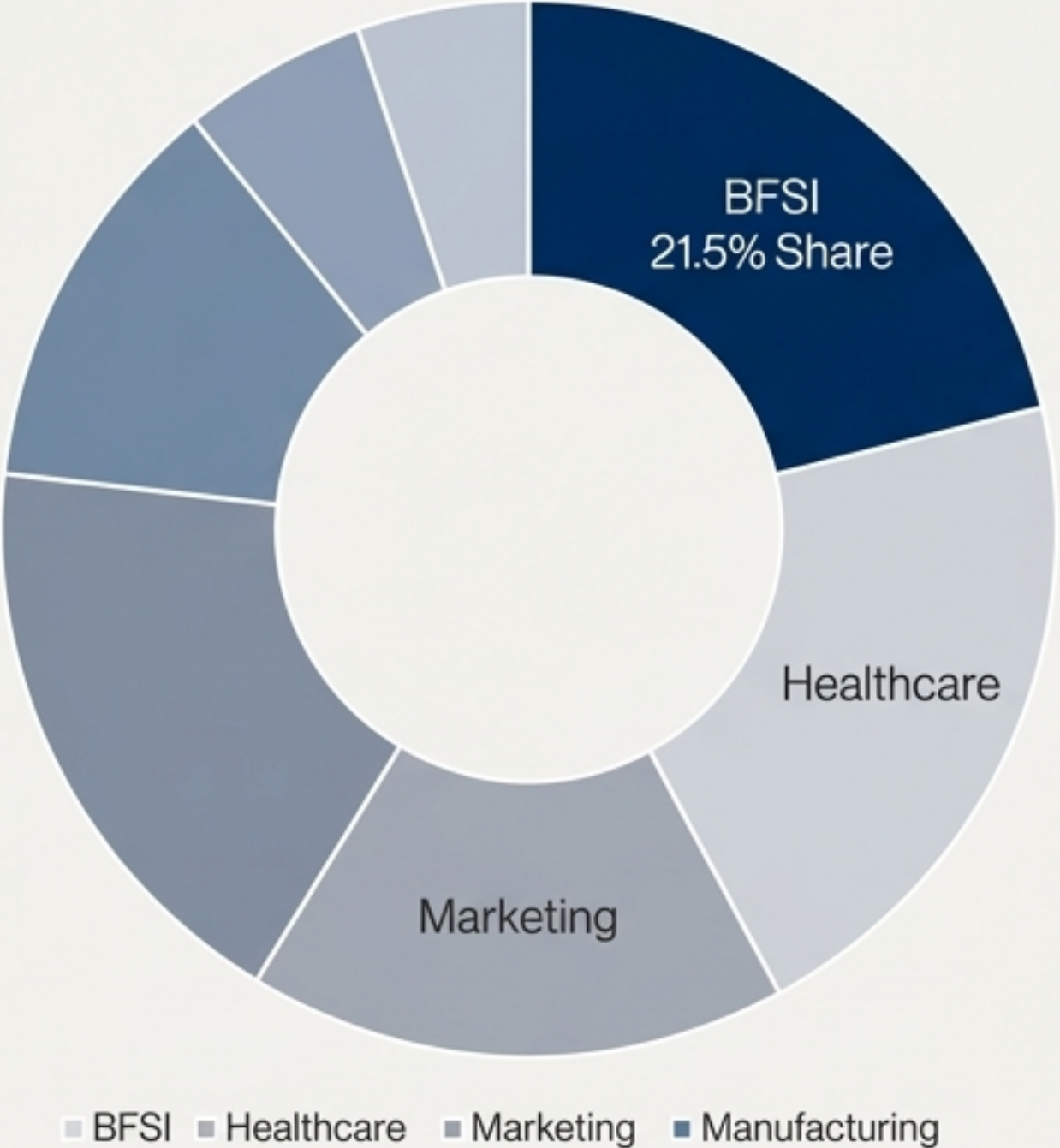
Lifecycle maintenance of AI models (version control, deployment, retirement).
Design and manage data pipelines for seamless data flow.
Validate models to meet performance standards and mitigate risks.

Governance

Govern. Align. Comply.

Provide a structured framework to oversee the development, deployment and use of AI systems. Guide organizations through the adoption and implementation of AI technologies. Identify, assess, and mitigate potential risks.

Where to Focus: High-Growth Verticals for AI Services



BFSI (Banking, Financial Services, Insurance)

Captured a **21.5% share** of the Vertical AI market.
(Source: Vertical AI Market report)

Use Cases: Automated portfolio management, personalized financial advice, fraud detection, risk assessment.



Healthcare

Secured the **highest revenue share** among all industries in 2025.
(Source: Grand View Research)

Use Cases: Analyzing medical images for diagnosis, streamlining clinical workflows, drug discovery, predictive analytics.



Marketing

Over half (**54%**) of **marketers** have utilized an AI tool.
(Source: techUK)

Use Cases: Hyper-personalization, advanced data analytics on unstructured data, AI-driven content creation, predictive lead scoring.



Manufacturing

Use Cases: Optimize processes, anticipate maintenance schedules, AI-powered robotics, supply chain optimization.

The Strategic Imperative: Guiding Clients Toward Responsible AI

AI systems often deal with sensitive data and make decisions that directly affect people, raising concerns about compliance, fairness, security, transparency, and privacy. Source: Agiloft



Data Privacy & Compliance

Ensure sensitive client information is handled securely and complies with data protection regulations like GDPR and CCPA. Be transparent about data practices.



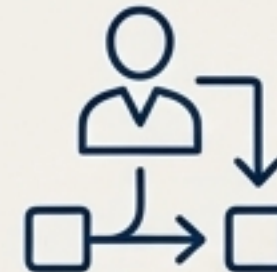
Bias, Fairness & Equity

AI systems can perpetuate existing biases present in the training data. Audit systems and ensure representative data sets are used when training algorithmic models to mitigate data bias.



Explainability & Transparency

Ensure AI models are transparent and explainable, allowing users to understand the reasoning behind outputs. This is critical for building trust and enabling informed decision-making.



Accountability & Human Oversight

Embed a "human-led" element into processes where individuals are still responsible for actions taken based on AI. Maintain human oversight to ensure AI models make accurate and ethical decisions.

Supercharge Your Own Engine: Using AI for Partner Enablement

Partners underperform. Messaging becomes inconsistent. ROI can be difficult to measure.
The ultimate goal is to have your partners become clones of your sales team.

Source: 1up

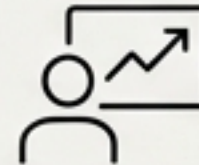
How AI Solves These Pains for YOU



Fix Inconsistent Messaging

Use AI to generate brand-aligned sales content. This ensures partners receive up-to-date materials that reflect the company's messaging, tailored for channel teams.

- Source: 1up



Deliver Personalized Training

AI can provide personalized learning paths and AI-driven content recommendations. Integrate digital tools like a Learning Management System (LMS) to track progress and identify areas for improvement.

- Source: GTM Buddy



Provide On-Demand Knowledge

AI-powered systems allow partners to retrieve the exact materials they need in real time—sales collateral, battle cards, product datasheets. This improves their ability to rapidly respond to customer questions.

- Source: 1up



Automate Routine Engagements

Use AI co-pilots to handle routine tasks like onboarding workflows, deal registration, and answering partner FAQs 24/7.

- Source: Mindmatrix

Charting the Course: The 5 Stages of AI Maturity for Partnerships



Source: WorkSpan AI Maturity Model

The Future Role of the Channel: The Trusted Service Manager

Trusted Service Managers are neutral third parties that both partners trust to manage data, workflows, and interactions between the companies. They provide the security, trust, and intelligence infrastructure required for sophisticated, AI-powered partnerships to function at scale across organizational boundaries (stages 4 and 5).

Source: WorkSpan



“There has to be a **trusted service manager** in the **middle** between any two partners because neither company will allow the other’s AI agents direct access to their systems. **TSMs** can protect you from each other, and even **protect your data** from within the organization.”

— Greg Sarafin, Former Global Vice Chair - Alliances & Ecosystems, EY (via WorkSpan)

Your Mandate: Close the Gap and Lead the Next Wave of AI Adoption

The gap between AI ambition and execution is the channel's single greatest opportunity. Businesses need more than tools; they need trusted partners to guide implementation, ensure value, and manage risk.



“It’s time to stop thinking of AI as an emerging technology. It’s already here... Channel partners can lead the next chapter of AI. They must connect emerging vendors to real-world customer problems, and guide clients through the delivery of usable, business-critical solutions. **Ultimately, they’ll do what the channel has always done best: Get great technology out of the demo and into the business.**”

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