



Pax8 SMB Buyers
North America

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In North America, B2B buyers — especially those at small and midsize businesses (SMBs) — have shifted from relying on salespeople to using digital tools to guide their purchasing decisions. While sales reps once controlled access to product details, pricing, and supplier options, the internet now empowers buyers to research independently. Search engines, peer reviews, and social media have become primary sources of information, reducing the need for early engagement with sellers.

This digital-first mindset has led many SMBs to embrace marketplaces and e-commerce platforms for self-service procurement. These channels offer quick comparisons, transparent pricing, and simplified transactions. According to McKinsey and Boston Consulting Group, more than half of SMBs now favor these models and plan to expand usage. However, this shift doesn't sideline traditional partners — it gives managed service providers (MSPs) and resellers new opportunities to meet buyers where they are and offer value-added services.

Even with streamlined buying, SMBs often need help deploying, integrating, and managing solutions. That's where trusted MSPs and resellers remain vital. By understanding how today's buyers move through the digital journey, partners can intercept at key moments to deliver services, support, and long-term value.

This report by Channelnomics and Pax8 explores how to engage SMBs across these evolving sales channels.



Sizing the North America SMB IT Market



In North America, the SMB IT market is valued between \$100 billion and \$125 billion annually, with some analyst firms estimating the opportunity could exceed \$375 billion. This wide range reflects both the complexity and potential of the segment. For vendors, service providers, and channel partners, SMBs represent a substantial and growing opportunity to deliver IT products, services, and support tailored to the needs of smaller businesses.



SMBs in this region are significant consumers of software, including both traditional on-premises solutions and modern cloud-based offerings. Software investments alone represent a sizable share of total IT spending, but they also create downstream demand for services such as implementation, integration, and ongoing management. This has opened new growth avenues for managed service providers (MSPs) and solution providers that specialize in meeting SMB requirements.



Much of the IT value in the SMB segment comes from services layered on top of software and infrastructure. These services — including monitoring, maintenance, cybersecurity, and user support — account for a large portion of the addressable revenue opportunity. For partners focused on delivering high-value outcomes, the North American SMB segment remains one of the most accessible and scalable markets in the IT channel.

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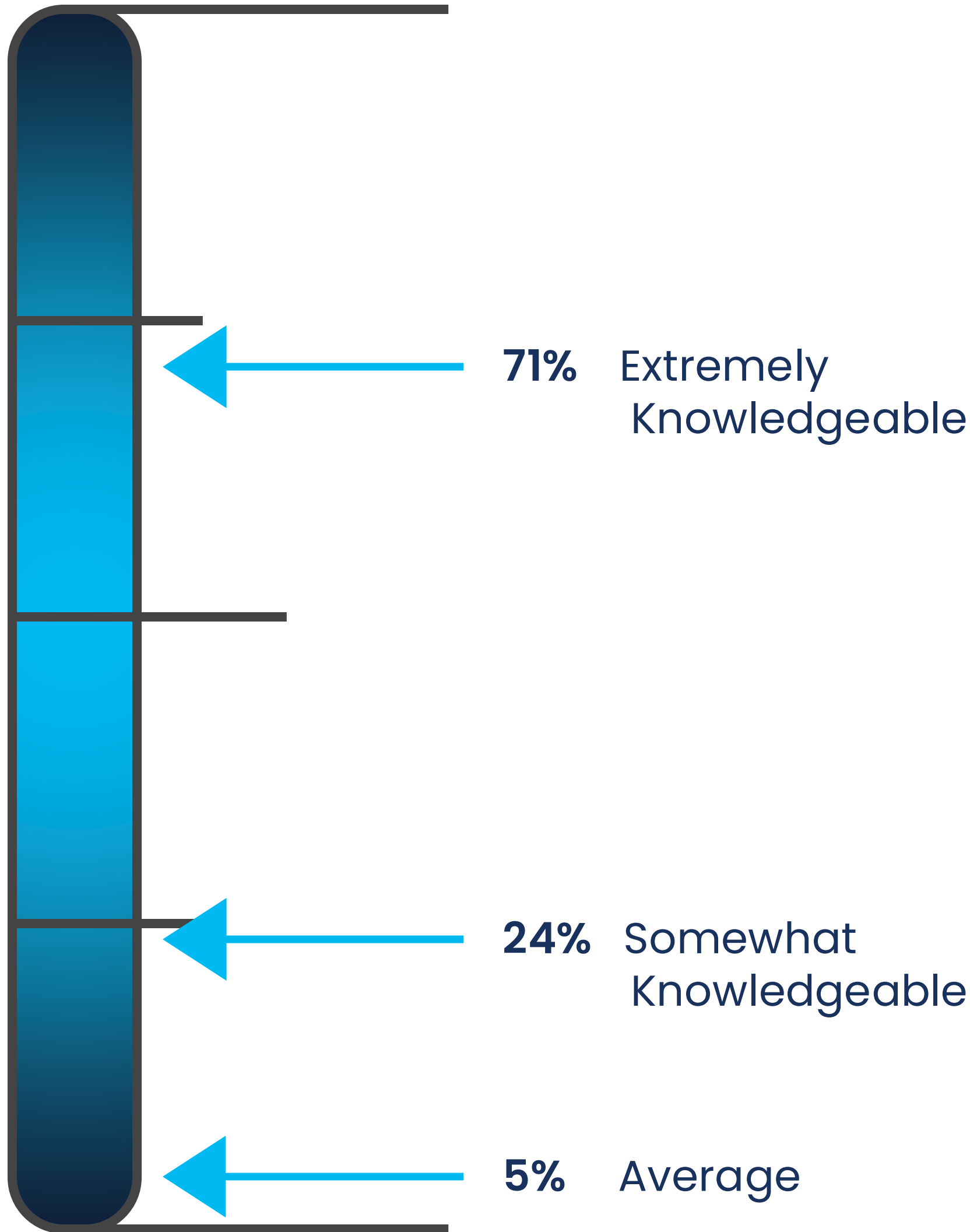
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Most SMB IT decision makers are making purchases on behalf of their entire company or for their IT departments that support their company. It's a lot of responsibility, but the vast majority consider themselves "extremely knowledgeable" about the technology products and services they're charged with evaluating, trialing, and acquiring.

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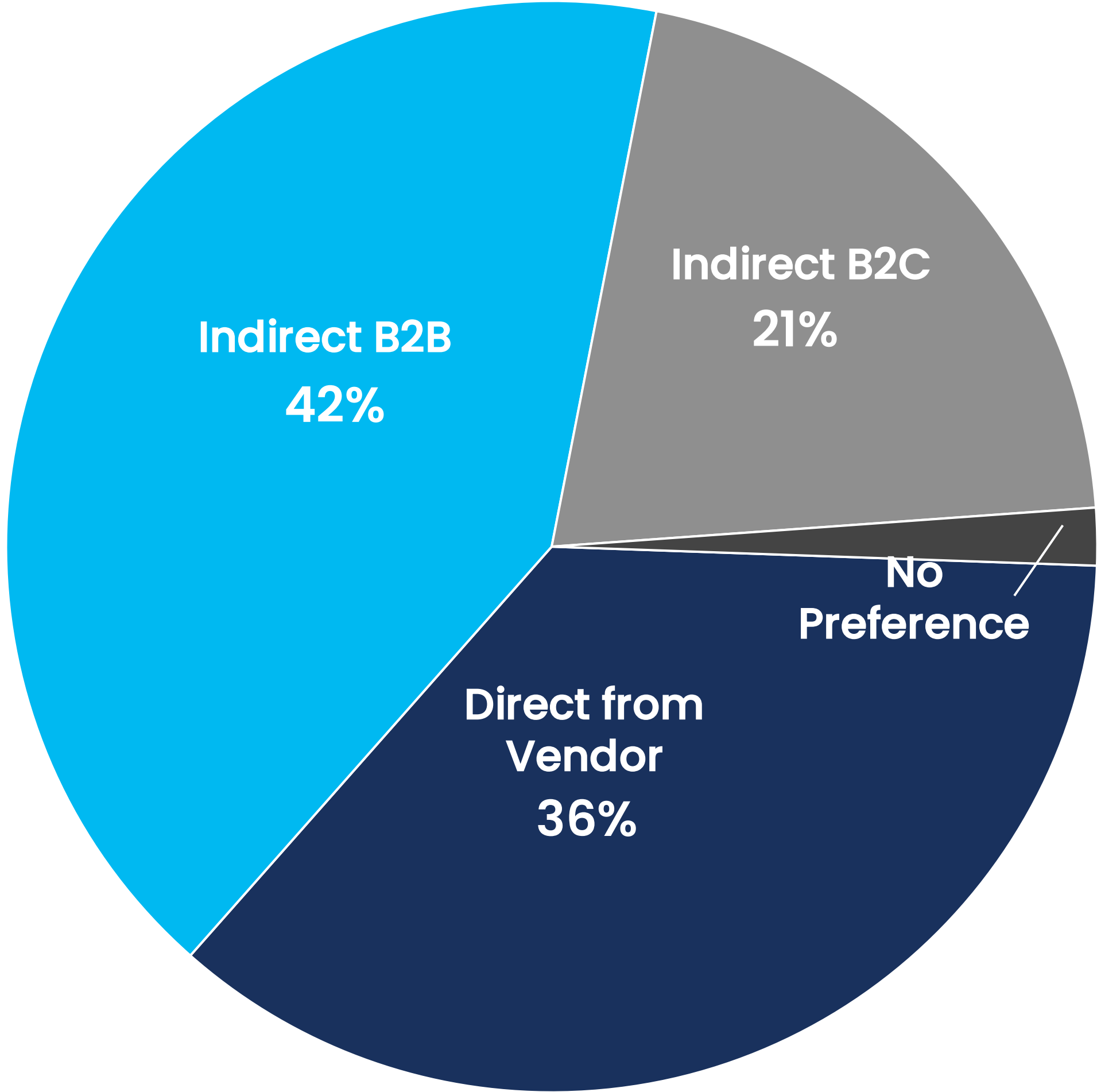
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SMBs Prefer Purchasing Indirect



When it comes to where small to medium-sized businesses (SMBs) purchase their technology products and services, most prefer an indirect supplier, such as a managed service provider or reseller. They appreciate the convenience, pricing, and support they receive from indirect channels as opposed to buying directly from a vendor.

The preference for indirect is largely based on relationships. SMBs and their resellers have long and trusted relationships. Decision makers have confidence that they're receiving fair guidance and treatment when working through a channel partner.

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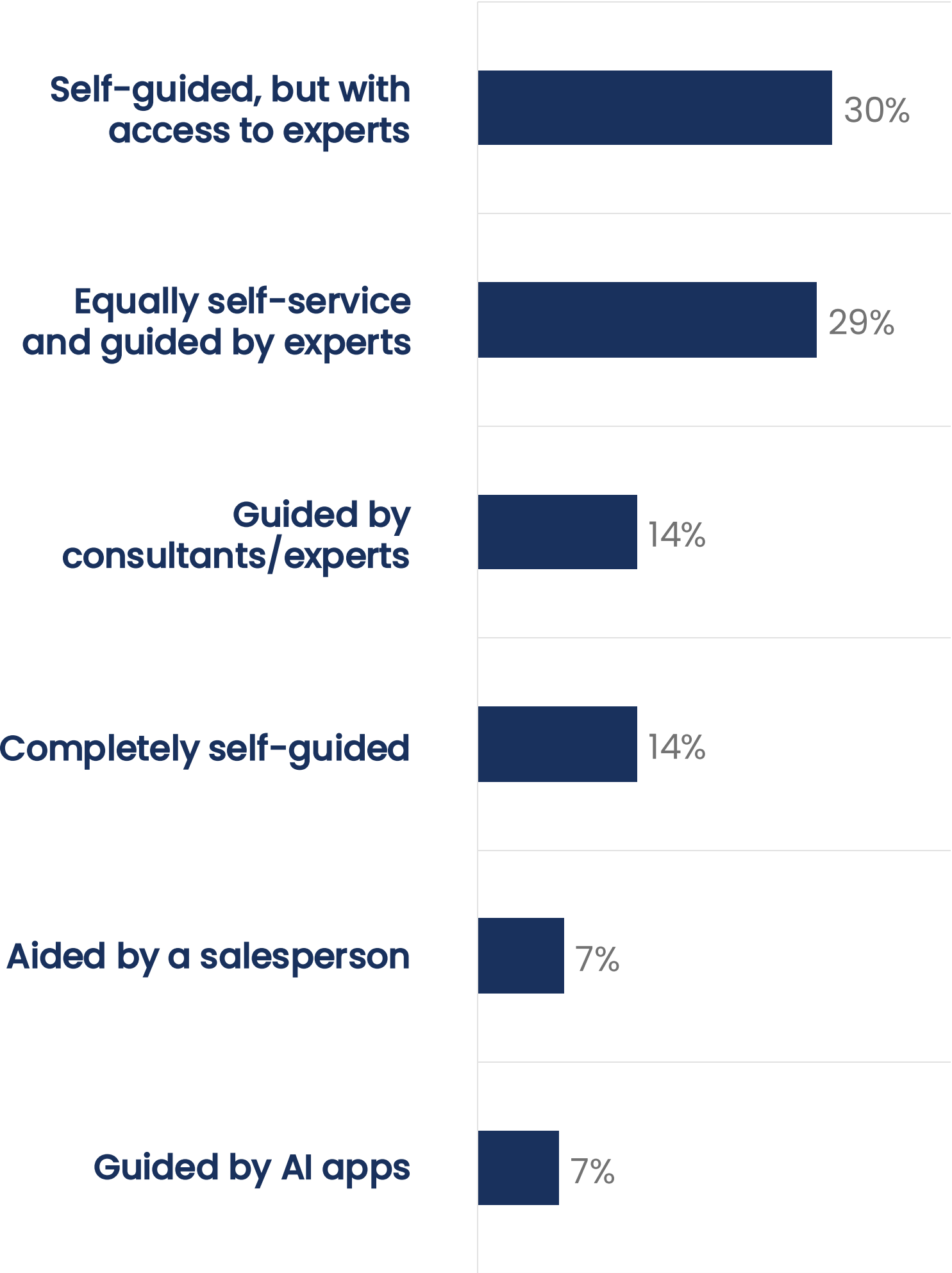
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SMB Buyers Approach Purchasing as a Solo Exercise



SMB IT buyers prefer to manage as much of the research, evaluation, and purchasing process as possible, seeking access to expert insights and supporting resources while maintaining control over their decisions. Consultant-led purchasing continues to represent a smaller share of the market, reflecting the increasing confidence SMBs have in navigating their options independently. While artificial intelligence is becoming more integrated into discovery and evaluation processes, its use among North American SMBs remains limited, as these buyers still rely heavily on traditional sources of information and established purchasing channels.

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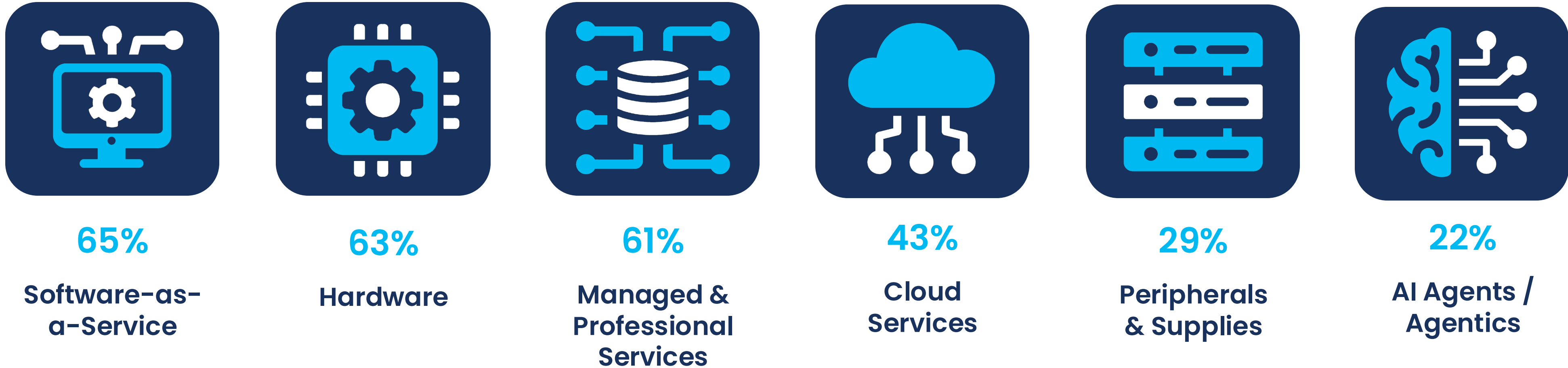
What SMBs Buy Through Marketplaces & e-Commerce

“Self-service” purchasing often means sourcing through a marketplace, whether hosted by a vendor, solution provider, or retailer. As demand grows for self-service options and vendors continue shifting their go-to-market models to platform-based selling, partners are adapting accordingly.

Many now enable customers to transact digitally through their own marketplaces, often with the support of intermediaries like

Pax8. Others are leveraging proprietary e-commerce platforms or private offers facilitated through hyperscale marketplaces.

Marketplaces and digital sales outlets aren’t limited to cloud services. SMBs are increasingly using these platforms to procure a broad range of technology solutions, including software subscriptions, hardware components, infrastructure products, and even professional services.



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What Draws SMBs to Marketplaces & e-Commerce Sites



SMB buyers have been conditioned to expect marketplaces and digital sales platforms to offer better economics (pricing), speed, and convenience. In other words, the “Amazon Experience,” in which they can get what they need with just a few easy clicks.

Marketplaces are increasingly important not just as a point of sale, but also as a point of information. SMB buyers turn to marketplace platforms to find products that meet their needs, details about their features and functionality, and reviews based on the experiences of other buyers.

Marketplaces aren’t static sales platforms—they’re dynamic engagement platforms that provide SMB customers with options, including engaging with trusted advisors and salespeople throughout the sales journey.

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Top Factors Influencing Choice of Purchasing Source



51%

Budget & Price



45%

Product Availability



33%

Tech Compatibility



32%

Delivery Speed



25%

Brand Reputation



25%

Access To Expert Advice

SMBs want the same experience with their IT purchases. Four of the top five reasons SMBs say they purchase through marketplaces are convenience (they can research and flexible buying), better pricing (they're getting the best price without haggling), access to reviews (they can see other buyers' experiences), and speed (they can buy now and get it fast).

Budget, availability, and speed of delivery are three of the top six factors influencing SMB purchasing decisions. The remaining considerations — compatibility with existing systems, access to expert advice, and brand reputation — further shape how SMBs evaluate their sourcing options.

Collectively, these factors often lead SMBs to marketplaces for many of their purchases, where they can compare prices, check product availability, assess technical compatibility, and access expertise from vendors or partners. Marketplaces offer SMBs a balance of convenience, choice, and confidence that aligns with their operational needs and resource constraints.

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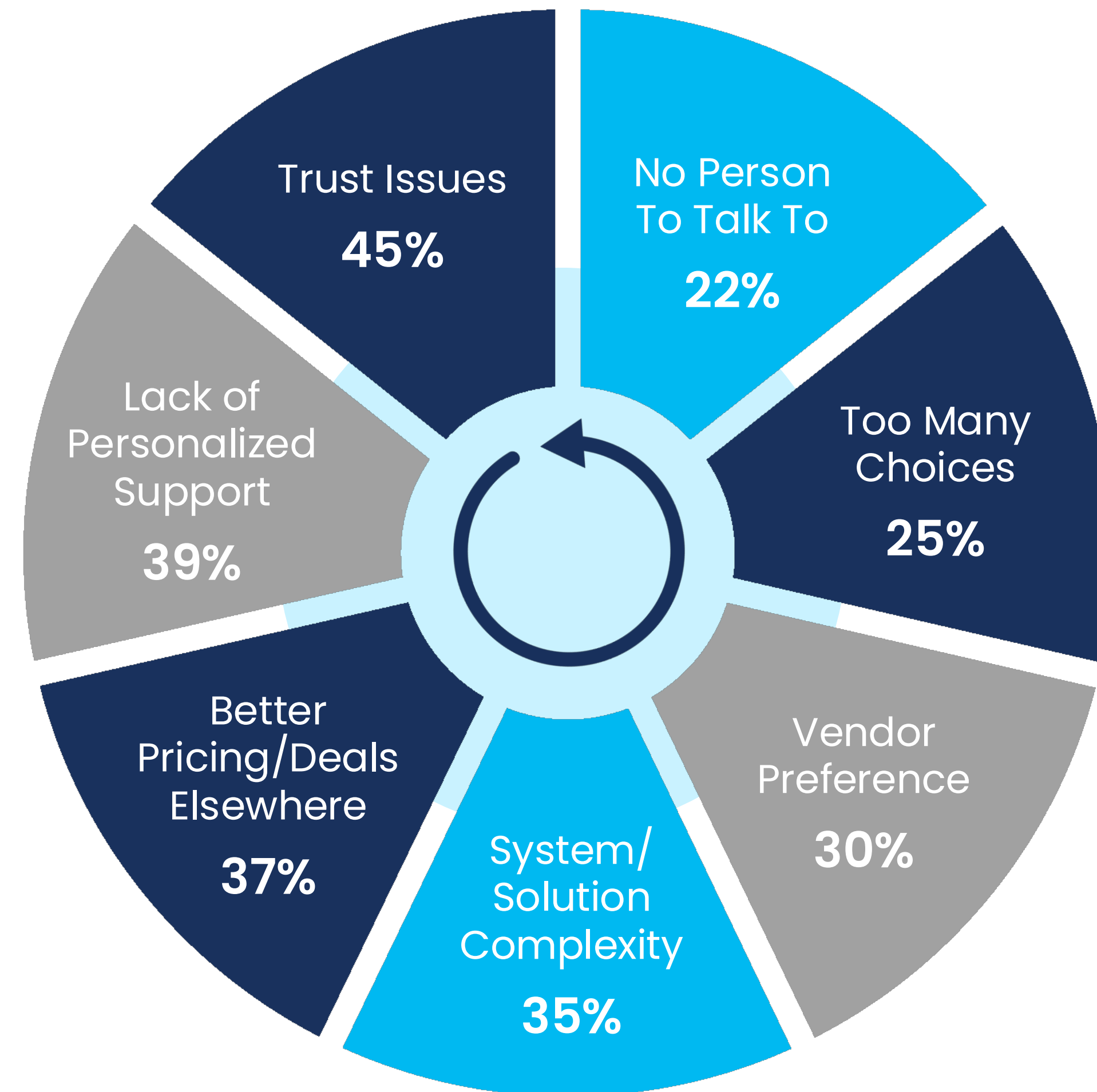
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Reasons SMBs Avoid Buying Through Marketplaces



SMB buyers have been conditioned to expect marketplaces and digital sales platforms to offer better pricing, faster transactions, and greater convenience. The appeal is rooted in what’s commonly referred to as the “Amazon Experience” —a seamless, self-service environment where users can quickly find what they need and complete purchases with just a few clicks.

Despite this appeal, many SMBs remain hesitant to make technology purchases through marketplaces. Concerns about trust, limited post-sale support, and the inability to get tailored guidance often cause buyers to pause. They may question the legitimacy of third-party sellers, worry about unclear return policies, or struggle to evaluate the nuances of complex solutions without consulting a knowledgeable representative.

For products that require configuration, integration, or ongoing support, SMBs often fall back on traditional sales channels that offer personalized engagement. These channels provide a greater sense of accountability and reassurance—particularly when purchases involve mission-critical systems. While marketplaces excel at speed and simplicity, SMBs still value expert input and hands-on support when making higher-risk buying decisions.

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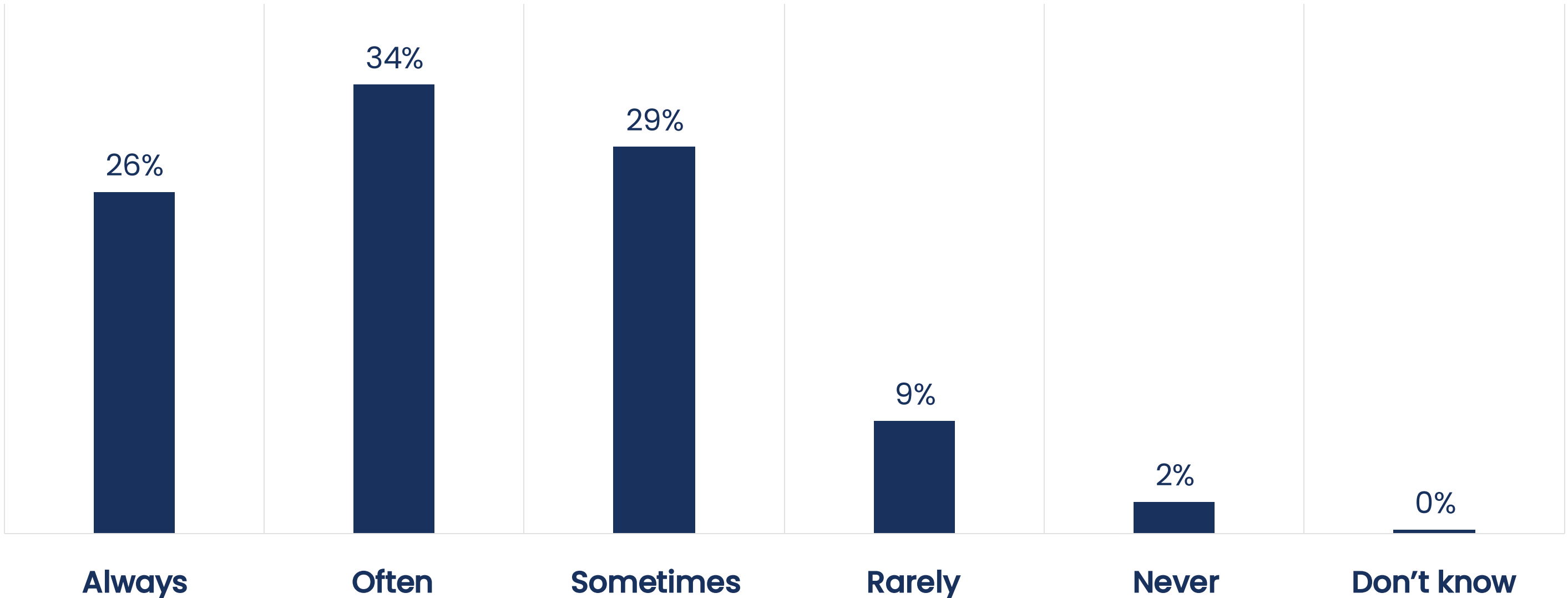
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Buying Through Marketplaces Doesn't Detract From Expert's Value

Frequency SMB Buyers Seek Professional Assistance During or After Purchasing Through Marketplaces

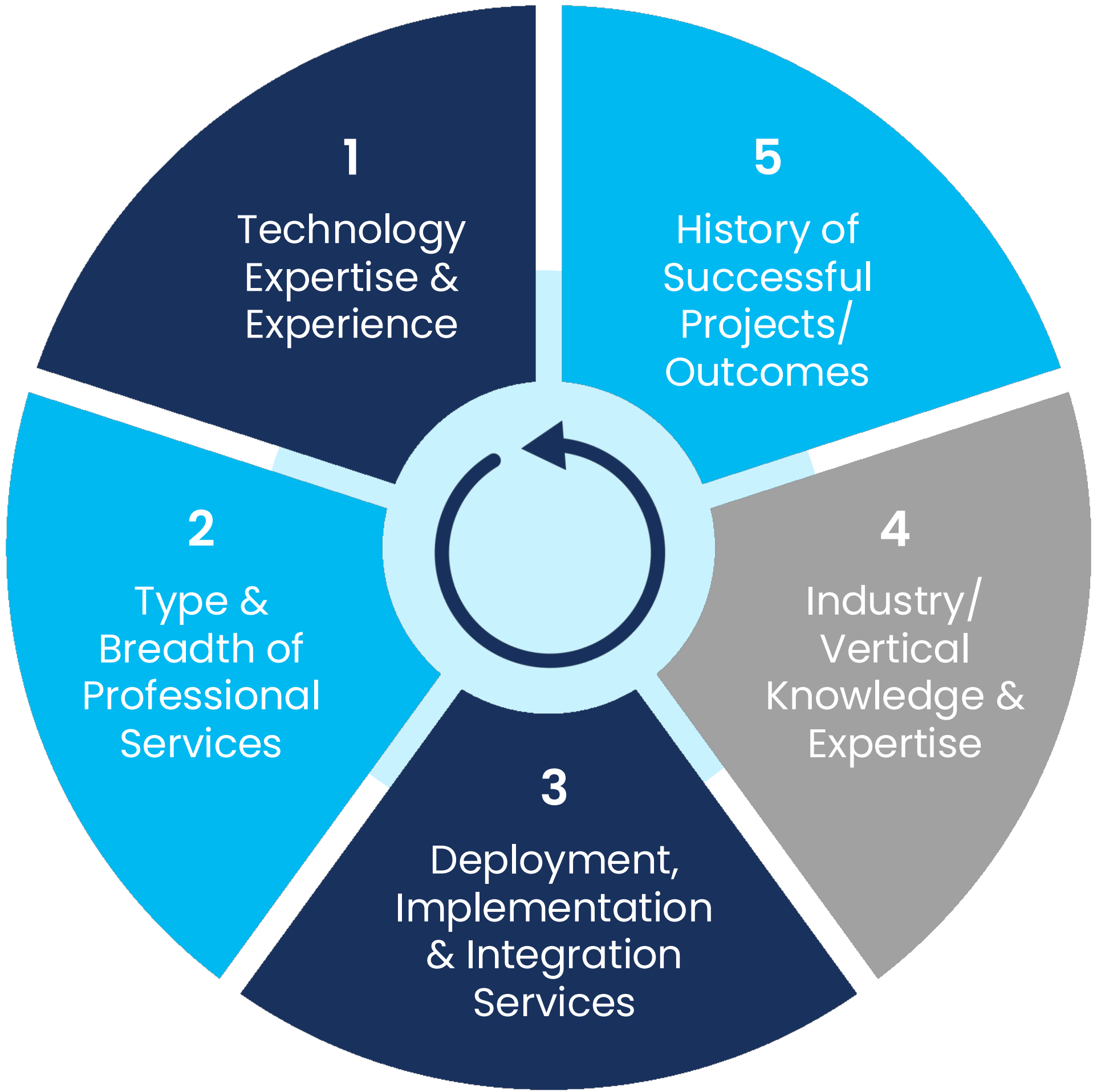


SMB buyers report that they frequently seek the support and guidance of IT professionals during or after the research and buying process. They recognize that, despite confidence in their knowledge and abilities, they frequently don't know what they don't know. The IT market — even at the SMB level — is replete with complex technologies that overlap in addressing similar requirements. SMBs say they have difficulty understanding what products meet their needs, discerning which integrate with their existing and other systems, and calculating the total cost of ownership.

Of the SMB buyers surveyed, 73% say that the expertise and support available through partners when sourcing through marketplaces helps them pick the right products, save time and avoids wasting time and money.

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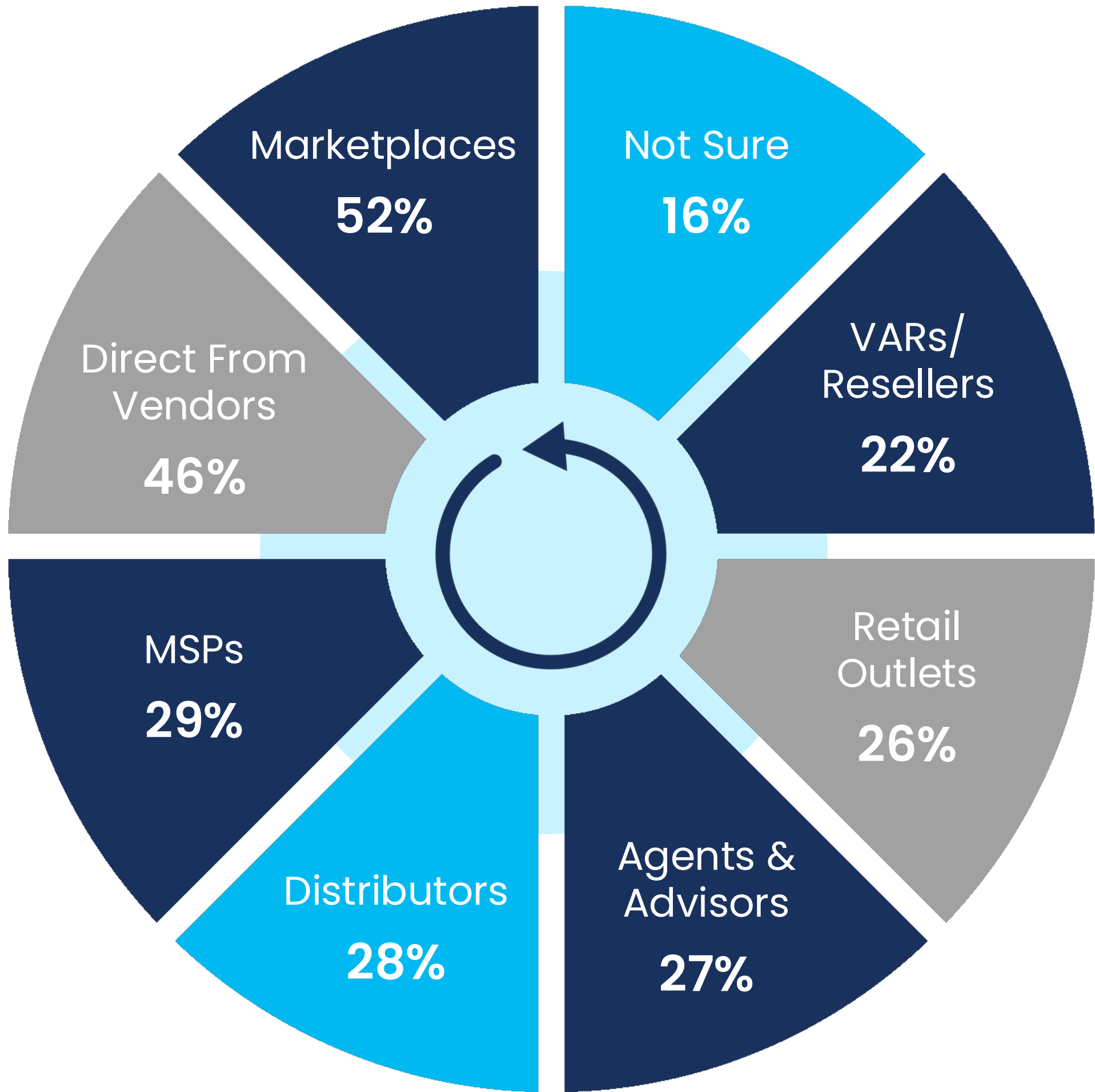


More than two-thirds of SMBs regularly source products through an MSP, reseller, or other IT solution provider. While they have a strong desire to act independently, they tend to trust and value the services, support, and expert guidance they receive from their solution providers.

But that trust isn't always easy to come by. SMBs have stringent requirements for how they select their expert support. When they seek help, they want providers that really understand the technology and can provide high-quality professional support services.

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Most Significant SMB Buying Sources Over The Next 5 Years



While marketplaces and digital sales channels aren't suitable for every transaction, they're playing an increasingly important role in the SMB buying journey. SMBs report that marketplaces and MSPs will become their primary sources for acquiring IT products and services over the next five years.

This represents a significant evolution from a time when solution providers functioned almost exclusively as gatekeepers, controlling access to technology and managing most aspects of procurement on behalf of their clients.

The notion that SMBs must choose between one purchasing channel or another is misguided. SMBs rarely rely on a single procurement source. Instead, they utilize a combination of channels tailored to their immediate needs, budget considerations, and comfort level with a given technology. Purchasing decisions are often situational, influenced by factors such as product complexity, deployment timelines, and the availability of internal expertise.

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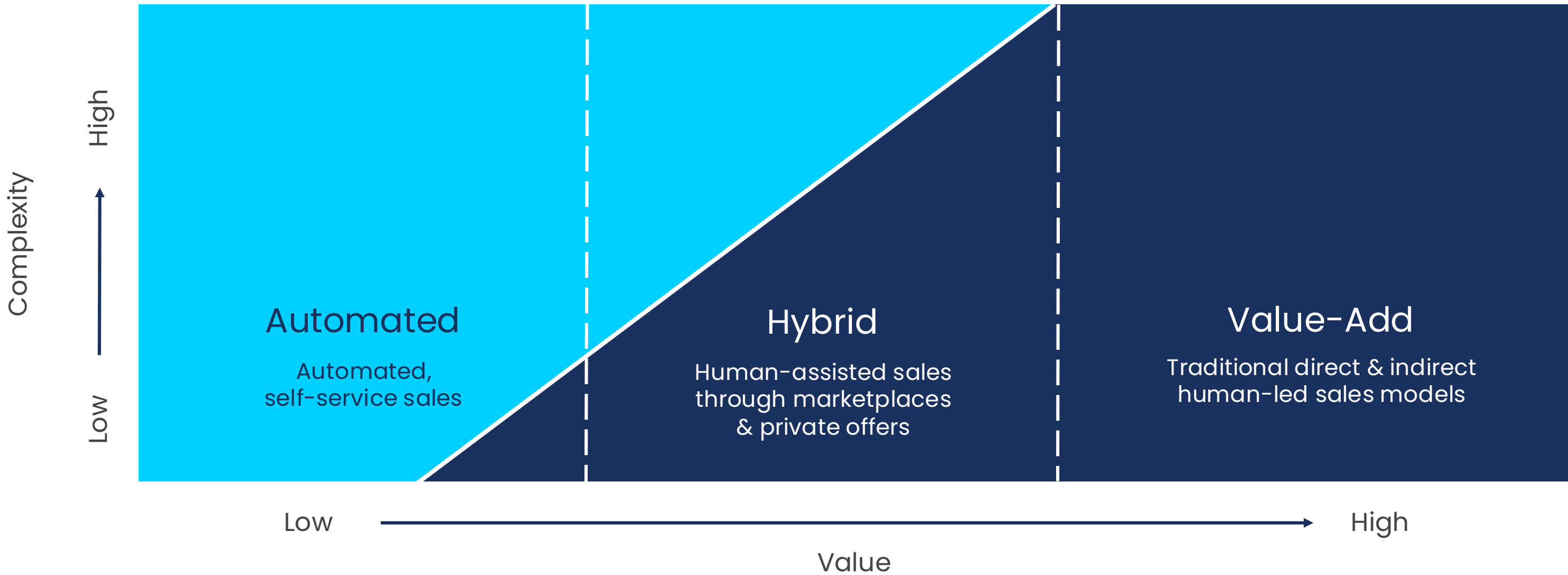
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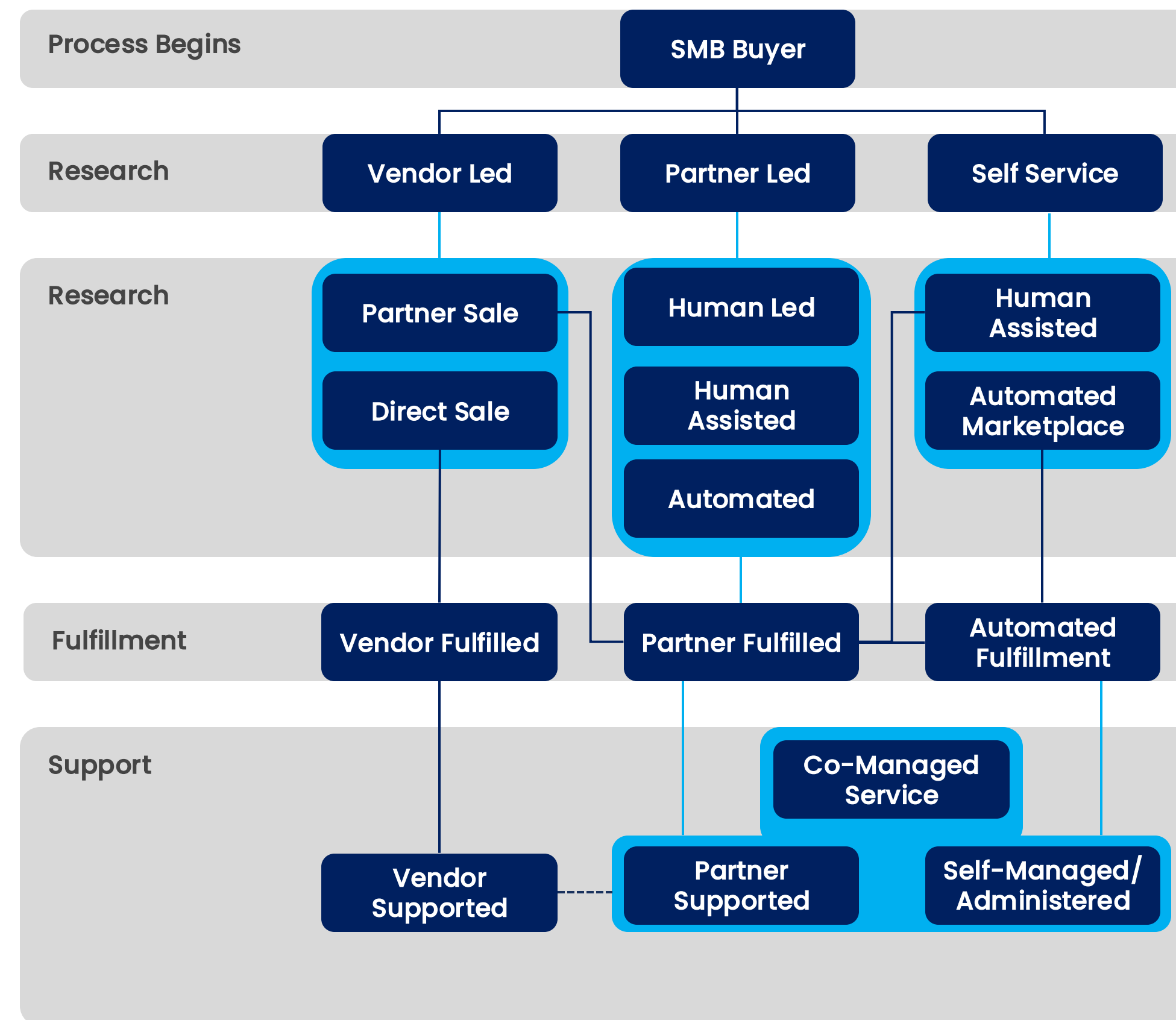
SMBs want purchasing options that combine self-service with expert support. Many prefer MSPs that offer both e-commerce portals and managed services, allowing them to complete simple transactions independently while relying on experts for more complex needs. This hybrid model is a growing competitive advantage for providers.

Marketplaces work well for low-complexity purchases like hardware, standard software, and routine services. Automation delivers the speed and convenience SMBs expect, especially for repeatable, clearly defined transactions that don't require assistance.

As complexity and value increase, human involvement becomes essential. Advanced solutions and integrated deployments need consultative sales, technical expertise, and project oversight. Providers should align engagement models to these needs—automating where possible and guiding buyers through more intricate decisions to maximize support and value.

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SMB Pathways for Purchasing Products & Services



Not every sale follows the same channel or purchasing process. When acquiring products and services, SMBs typically engage through three distinct pathways, which closely align with the Automated, Hybrid, and Value-Add segments of the broader sales model. Each pathway reflects varying degrees of complexity, buyer involvement, and need for external expertise.

To support these models, MSPs should:

- Provide self-service resources covering use cases, product capabilities, and services.
- Offer multiple purchasing options, from self-service to expert-led engagement.
- Ensure support is available across the entire buyer journey, including post-sale.
- Enable add-on purchases of services and support, regardless of the original sales channel.
- Focus on delivering high-quality, value-added services that improve outcomes.

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Pax8 commissioned Channelnomics to conduct this survey as part of a series of sponsored research projects aimed at tracking the evolving needs and trends of SMB technology buyers. While Pax8 commissioned this research, the company did not influence the analysis, findings, or reporting contained in this document.

The survey includes responses from 615 small and midsize businesses across North America, Europe, and the Asia-Pacific region. All respondents represented companies with 10 to 500 employees, with the majority concentrated in the 100- to 500-employee range. Each participant held IT purchasing responsibilities within their organization and had made technology purchases within the past six months.

The survey was conducted between April 15 and May 15, 2025, using an online, self-administered questionnaire with aided response options. The results carry a margin of error of +/-5.5% with a 95% confidence level. Channelnomics believes that the data and insights presented in this report accurately reflect the prevailing experiences and sentiments of the SMB community at the time of the survey. Channelnomics reserves the right to revise or amend the analysis and reporting without notice.

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Channelnomics is a global analyst and research firm that helps technology vendors and service providers fine-tune their channels, win customers, and sharpen their competitive edge. The company offers a portfolio of best-in-class products and services, including research, market analysis, thought-leadership content, and expert guidance. Our innovative analysts leverage data to develop customized route-to-market strategies for any client that wants to translate vision into value.

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About Pax8

Pax8 connects partners, vendors, and SMBs through AI-powered insights and comprehensive product support. With a global ecosystem of 40,000+ managed service providers, Pax8 empowers businesses to grow securely by provisioning, deploying, and optimizing agent-ready solutions. Its modern cloud marketplace simplifies procurement and consumption-based billing, while expanding into the Managed Intelligence Provider (MIP) space to enable partners to deliver intelligence-driven services that unlock the full potential of the agentic future.

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This report is presented by Pax8 and Microsoft. Together, we are empowering small and medium-sized businesses with AI-driven technology.

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