

# Google Cloud – Partner Ecosystem Multiplier Factsheet

## What?

### Partner Ecosystem Multiplier Study

Google engaged global research firm Canalys to identify the incremental revenue opportunities that are captured by working with Google Cloud, expressed as a Partner Ecosystem Multiplier (PEM).

## How?

### Project methodology

The Canalys PEM methodology maps partner activity across a three-year customer journey. In addition, Canalys classifies captured services revenue across six activity segments, each with their own multiplier contribution and variations.

## Who?

### Interviewing the Google Cloud partner ecosystem

Canalys analysts conducted a series of 35 expert interviews with Google Cloud partners. These interviews featured partners from seven countries across four partner types: Consultants, Service Providers, Systems Integrators and MSPs.

### Key findings



- The most mature partners in the Google Cloud ecosystem can capture a PEM of up to US\$7.05 for every dollar spent on Google Cloud.
- 51.6% of the Google PEM is available in year one, with 48.4% available to partners in years two and three.
- Partners capture this total multiplier by offering a full range of services across the PEM flywheel.
- Fundamental design and AI-related services account for 49% of the total Google Cloud PEM opportunity.

### Google PEM opportunity occurs across three years

Google Cloud partners can capture services revenue across a multi-year project cycle:

**Year 1:** Partner revenue opportunities typically focused on advisory and migration services, particularly with new customers.

**Year 2:** Partners see revenue from managed services and upsell opportunities.

**Year 3:** Larger opportunities emerge as the customer environment grows and as Gen AI POCs shift to production.

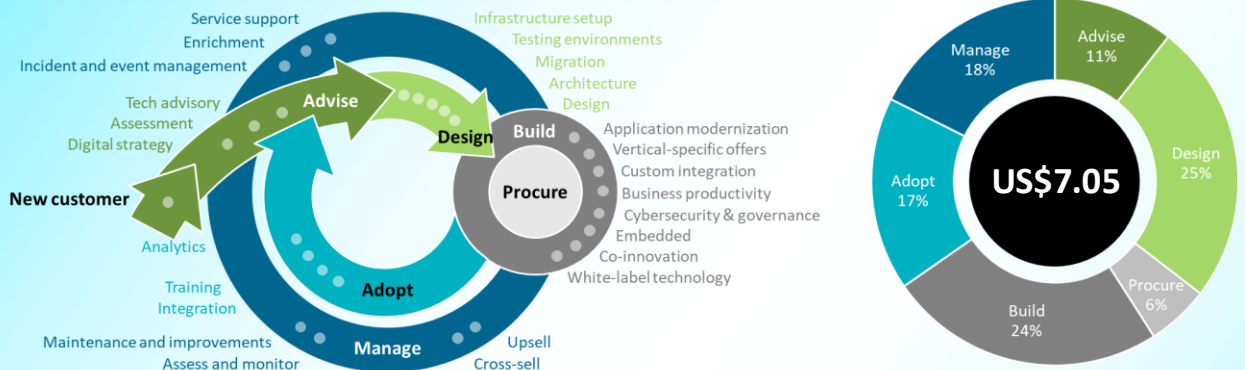


■ Year 1 ■ Year 2 ■ Year 3

# Unpacking the flywheel

## Understanding the flywheel for the Google Cloud ecosystem

The Canalys partner ecosystem flywheel outlines the varied amount of partner activities that contribute to the overall ecosystem multiplier. Partner activities have been **classified into six different activity segments**, each with their own multiplier contribution and variations. Google Cloud partners can use these multiplier segments to guide the expansion of their Google Cloud services offerings.



### Advise

- Represents **US\$0.75** or **10.6%** of the multiplier.
- Includes consulting activities that prepare customers for their Google Cloud use.
- Vital for influencing long-term customer engagement with Google Cloud.

### Design

- Represents **US\$1.75** or **24.8%** of the multiplier.
- Activities include migration, testing, infrastructure set-up, architecture and design.
- Requires partners to have highly technical proficiency at infrastructure layers.

### Procure

- Represents **US\$0.39** or **5.5%** of the multiplier.
- This segment highlights the importance of a full understanding of Google Cloud margin and programmatic support.

### Build

- Represents **US\$1.72** or **24.4%** of the multiplier
- This segment includes customized AI, software and custom integrations.
- The single biggest segment opportunity in the Google Cloud PEM, driven by Gen AI.

### Adopt

- Represents **US\$1.20** or **17.0%** of the multiplier.
- Includes services based on analytics, process management and effective integration.
- Can influence adoption of Google Cloud across many LOBs, vital to expanded workloads.

### Manage

- Represents **US\$1.24** or **17.6%** of the multiplier.
- Includes managed services that create additional value-creation opportunities.
- Typically, an operational segment that yields recurring revenue for Google Cloud partners.

