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STATE OF
Cloud GTM
Report

THE 2026 STATE OF CLOUD GTM REPORT

Written by Michael Blodgett, Dillon Woods, and John Jahnke.

Executive Summary

For seven years we've tracked how software companies drive revenue through the cloud through our State of Cloud GTM Report.

Over the years, the narrative has changed from cloud marketplace validation (2020) to “whoa, it’s actually happening” (2023) to our present day 2026 report. This year, two things stand out.

The first (not shocking to anyone) is AI. Many of the companies we surveyed expect AI to be central to how they sell through the cloud within a year. Very few are there yet, but the numbers are trending in the right direction. Today, 16% of ISVs are using AI to automate significant portions of their co-sell and/or marketplace motion, with 63% actively using or piloting AI. Nearly half expect AI to be a core part of their Cloud GTM strategies within twelve months.

The second standout is the pressure coming from elevated cloud provider requirements. Seventy percent of ISVs say their cloud providers raised the bar on requirements this year. The level of support is holding steady, but it isn't keeping pace with the increase in requirements. Companies are choosing to respond by elevating partnership leaders at the executive level, increasing Cloud GTM headcount, and leaning on AI to handle the busy work of co-sell.

Combining those two trends delivers the headline of 2026:

Cloud GTM is maturing. The surge of cloud provider requirements is pressuring companies to treat Cloud GTM as a serious function with a dedicated owner and a designated budget, while AI is the tool ISVs are betting on to keep up.

In the following pages you'll uncover nine findings, a candid look at how last year's forecast held up, and seven predictions for 2027 and beyond.

Foreword



By Dillon Woods, Co-founder at Tackle

The 2026 State of Cloud Go-To-Market Report is a special one to us at Tackle since it will be released almost exactly 10 years to the day after we formed the company. It's been a wild ride! 10 years ago many (most?) were still skeptical that anyone would ever sell anything meaningful through a cloud marketplace, and I don't think anyone would have predicted the monthly GMV that we now see flowing through the three hyperscaler marketplaces.

In 2026 AI has forever changed every business function, and Cloud GTM is no exception. In our report this year we focused on not only understanding where vendors are at in their AI adoption journey, but also uncovering where they want to go in the future and the roadblocks on their path to get there. There are so many Cloud GTM workflows that could potentially be improved with AI that many people are struggling to figure out where to begin. If that's you, then I'd recommend starting with Co-Sell Automation since it offers the biggest potential payoff. Be careful how and where you implement it though because the ecosystem is changing every day. Start by building a skill that can be ported easily between agent frameworks.

You can automate a lot, but the most important parts of your job can't be automated. Use your reclaimed time to double down on the areas that AI won't be able to automate. Focus on building new relationships and partnerships. Which marketplaces will you expand to in 2027? Which new channel partners can you start co-selling with? The network effects of distribution can really be amplified once AI allows you to stop spending your time copying and pasting into partner portals.

2026 also marked the start of a new chapter for Tackle. This was the year that we joined forces with AppDirect so we could think bigger about cloud distribution. While hyperscalers are important partners in any Cloud GTM strategy, they certainly aren't alone, so we've expanded the scope of this year's State of Cloud Go-To-Market report accordingly. This year our report includes data about the adoption of distributor, channel, and reseller marketplaces as well as the growing trend of sellers creating their own marketplaces and partner storefronts. One thing is clear: the most successful ISVs have broad partner networks that span a wide range of marketplaces. Now is the time to start thinking about how you will automate the process of syndicating your product catalogs everywhere.

We first used the phrase "Cloud Go-To-Market" in 2021 at the SaaStr Annual conference where we displayed it prominently across the top of our booth. Everyone who walked by was simultaneously confused and intrigued by it. No one knew exactly what it meant, but it felt right to describe both the new motion that partnership leaders were trying to create and the new category of software we were trying to build.

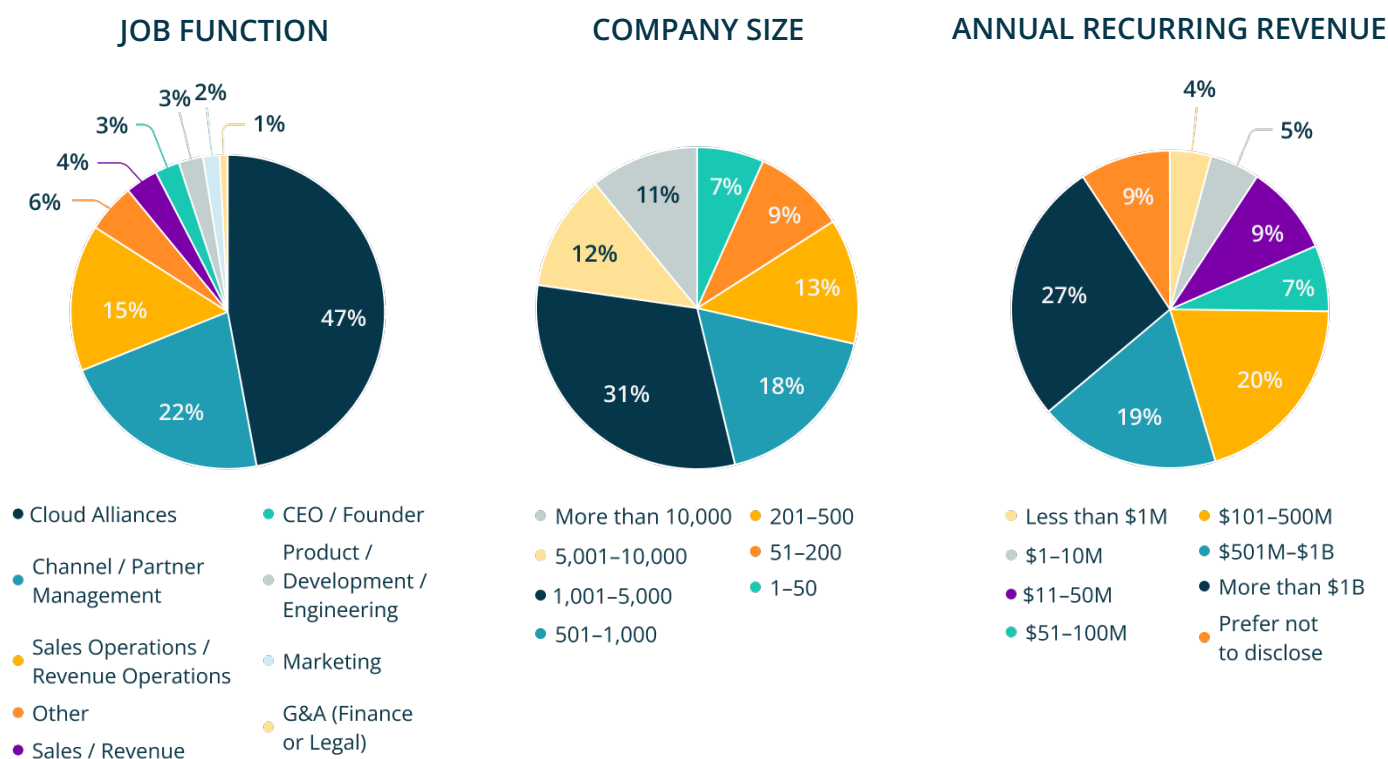
We decided to stick with it, but it never would have really taken off without the hundreds of individuals who fought the good fight with business leaders, sellers, and buyers to get marketplace adoption inside and outside their organizations. We want to dedicate this year's report to all those Cloud Go-To-Market professionals who have spent a decade building this community and ecosystem.

Here's to the next 10 years of Cloud GTM!

Methodology

In the summer of 2026, Tackle surveyed individuals who participated in Cloud GTM in some capacity. We asked them to share their unique perspectives, experiences, successes, and challenges. Respondents are involved in cloud marketplace selling, cloud provider co-selling, or both.

This year's report has more than 100 companies represented. The sample skews toward established software companies - half are above \$500M in Annual Recurring Revenue (ARR), and a meaningful share are above \$1B. It also skews toward cybersecurity, which is one of the most marketplace-mature software categories. As in past years, most respondents sit in Cloud Alliances or Channel and Partnerships roles, with the rest coming from Sales, Revenue Operations, Product, and Operations.



We used consistent 1 to 5 rating scales throughout and included sample sizes so you can see what each finding is based on.

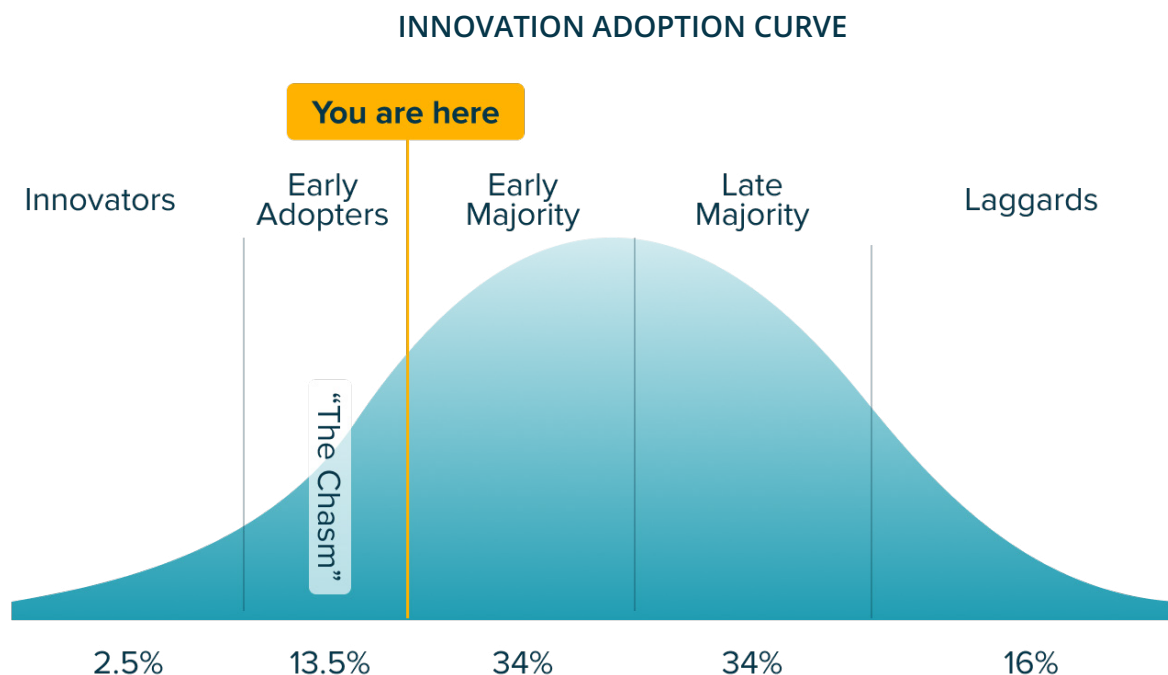
Headcount and revenue figures are projections (what respondents expect over the next 12 months). Since we have a different set of survey respondents each year, we present that growth as intent rather than as a settled result.

Survey Results & Takeaways

LEARNING 01

The AI tipping point for Cloud GTM is here.

The agentic era of Cloud GTM has officially arrived (and it's ramping up fast). 47% anticipate AI being core to their Cloud GTM motion within 12 months, and the number of companies with no intentions of using AI in their partner selling motion dropped by half year over year (25% in 2025 to 11% this year). 63% of companies are already using or piloting AI in their motion, 45% have it live in workflows today, and 16% are automating significant portions of their co-sell or marketplace motion.



At first glance, that 16% might sound small, but it's exactly where you'd expect it to be right before taking off. On the classic adoption curve, innovators and early adopters together make up about 16% of a market, and that's the point where a technology transitions from the early crowd into the mainstream. If AI in Cloud GTM follows the usual pattern, then we are at a clear tipping point. The ISVs automating today are the ones positioned to pull ahead as the rest of the market races to catch up.

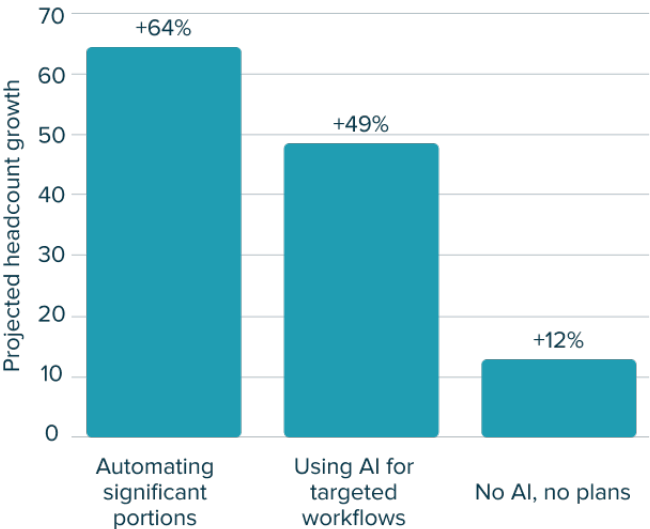
The data shows that taking action with AI can impact how fast you scale. Companies automating significant portions of their Cloud GTM motion project 64% headcount growth in the next year. ISVs using AI to support a few targeted workflows project a 49% headcount increase. And the folks who are not using AI and have no plans to are the group with the lowest projected headcount growth, coming in at 12%. The more a company commits to adopting AI, the faster it expects to hire, and that pattern is consistent no matter the company size. Even in the smallest ISVs, the ones running AI in production expect headcount growth while their peers without it expect Cloud GTM headcount to decline.

This directly challenges the “AI will replace all the jobs” fear, because the companies using AI the most are the ones hiring the fastest. AI is taking on the repetitive co-sell grunt work, which lets teams handle more volume and velocity without adding headcount. The agentic era of Cloud GTM is closer than ever, and the teams moving from ideation to action are the ones pulling ahead.

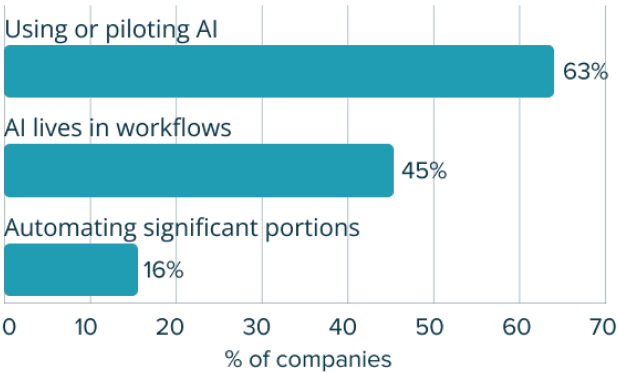
When it comes to the most common platform for agentic Cloud GTM workflows, there’s a definitive leader. Anthropic (including Claude Cowork) is used by 46% of companies, with OpenAI next in line at 19%. The rest of the field is scattered across Agentforce, Copilot, Gemini, and Slack, and another 19% have built their own internal or custom tools.

THE DEEPER THE AI USE, THE FASTER THE HIRING

Projected Cloud GTM headcount growth by AI adoption stage



ADOPTION IS CLIMBING FAST



Action Items: if you’re still in the experimentation and exploration phases with AI, start small. Pick one workflow and move it from pilot into production this quarter (co-sell is where the demand is highest). Track automation and headcount together, since the leading ISVs are projecting growth in both categories. And whatever you build, build it to be portable. No one framework rules them all, and the tool your team is hyping up today may not be the one you’re using next year.

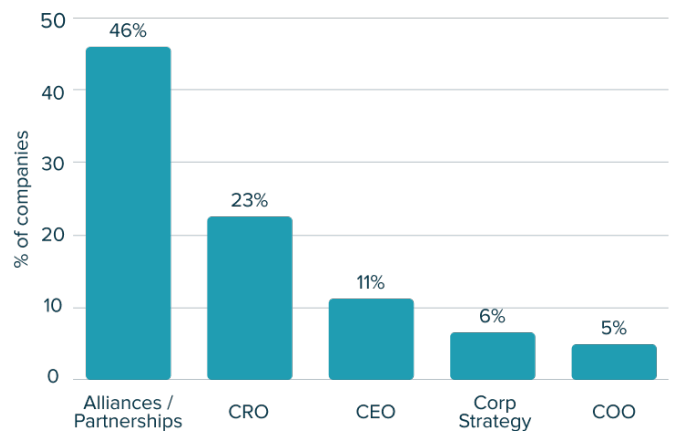
LEARNING 02

Partnership leaders are taking the wheel.

Executive sponsorship can make or break a Cloud GTM program's trajectory. For years we've tracked who owns Cloud GTM inside software companies, and this year the baton was passed. Alliances and Partnerships is now the most common executive sponsor for Cloud GTM at 46% of companies, and the CRO (which led a year ago) has dropped to 23%.

The market tells us a similar story. Partnership Leaders reports that the Chief Partnership Officer is the fastest-growing GTM leadership role, ahead of the CRO and more than 5x faster than the CMO.

PARTNERSHIPS HAS OVERTAKEN THE CRO AS THE TOP EXECUTIVE SPONSOR



“ Since we began tracking Chief Partnership Officers in 2024, the role has grown from 814 to 1,311, a 61% increase. Today, half report directly to the CEO, a clear signal that partnerships have become a core enterprise growth function. CPOs now carry the mandate to build, market, sell, and serve through partners. ”

Asher Mathew
CEO, Partnership Leaders

Partnerships are being built as a dedicated leadership function, and that function is being handed the keys. And that shifting ownership correlates with growth. Programs sponsored by partnership leaders and by CEOs project roughly 3x the headcount growth of CRO-sponsored programs, which happen to be the slowest-growing of the exec sponsor types.

Overall, the partnerships function is shifting from a single “partner person” to a dedicated seat at the executive table.

Action Items: give Cloud GTM a dedicated executive owner. In an ideal world, it's not buried under another department. If it sits as one more responsibility on the CRO's plate, it tends to grow more slowly.

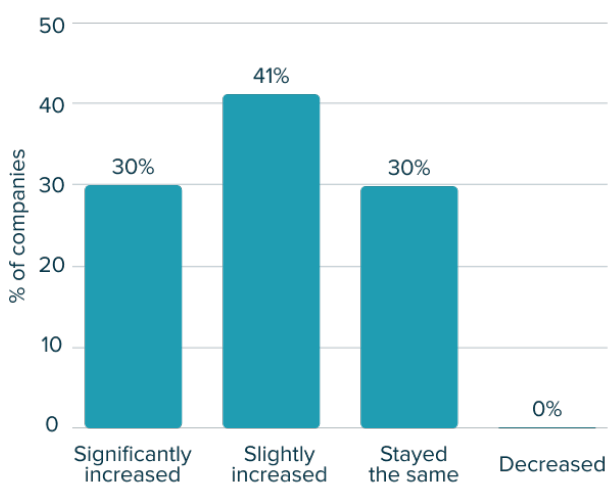
LEARNING 03

Cloud provider requirements are outpacing support.

One of the strongest experiences our respondents agreed upon was that the cloud providers are asking for more. A whole lot more. Hyperscaler requirements increased for 71% of ISVs this year, while support held flat. In fact, zero respondents said that requirements decreased, and 75% said the demands have grown faster than the support they receive in return. Tagging, sharing data, compliance, and agreement obligations are all becoming a standard cost of staying eligible.

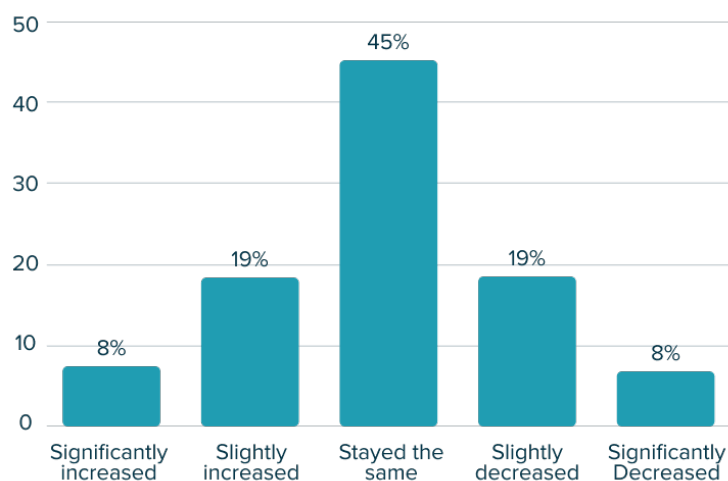
CLOUD PROVIDER REQUIREMENTS

71% saw requirements rise. None saw them fall.



CLOUD PROVIDER SUPPORT

Support held roughly flat: 27% down, 45% same, 27% up



To be clear, cloud provider support hasn't collapsed. Responses showed an evenly balanced scale, with roughly a quarter of companies saying support declined this year, half saying it held about the same, and a quarter saying it improved. The widening between what's being asked and what's given in return. This shows up the most in co-sell. The highest-rated obstacle sales teams selected was "engagement and support from the cloud providers," and the most common specific complaint is that "referral volume is too low to make an impact" (reported by 61% of respondents).

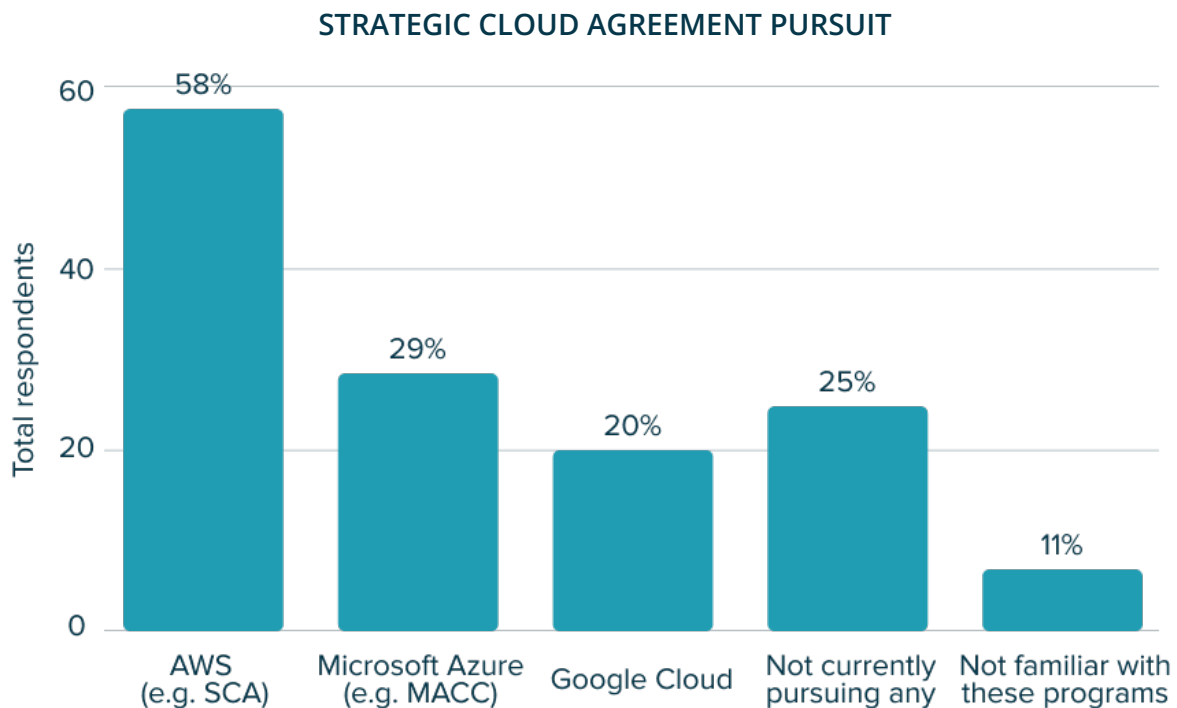
So the narrative is not "the clouds are pulling back" by any means. Instead, they're raising the bar faster than they're raising support. That gap is a reality that every Cloud GTM team is learning to operate under in 2026.

Action Items: treat provider requirements as a planned cost of GTM. Budget for the headcount and tooling it takes to stay eligible, build requirement changes into your roadmap so they don't catch you by surprise, and get ahead of tagging and data-sharing tasks before they become a last-minute blocker to a deal.

LEARNING 04

A strategic cloud agreement is a game-changer, especially early on.

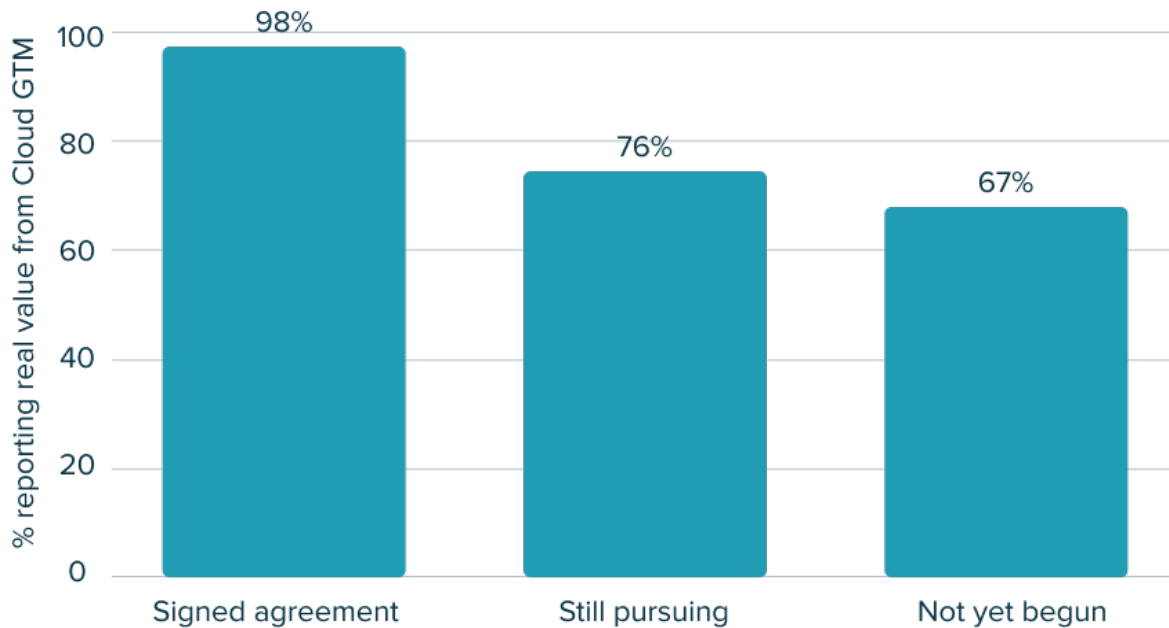
A strategic cloud agreement, which AWS calls an SCA and Microsoft and Google structure through their own commitment programs, has become a key part of Cloud GTM strategy. Two thirds of companies (65%) are pursuing or have signed a strategic cloud agreement with at least one provider, with AWS leading at 58%, Microsoft at 29%, and Google at 20%.



What matters most with a strategic cloud agreement is where an ISV is on its journey. For companies early on in their Cloud GTM motion, a signed agreement separates the confident from the skeptical, cutting the share of executives who see little to no impact from Cloud GTM from 20% to 6%. For already established programs, the executive team tends to be bought in with or without one. At that point, the agreement can seem more like table stakes rather than a differentiator.

The value's also there outside of reported exec sentiment: 98% of ISVs with a signed agreement say they get real benefit from Cloud GTM. Companies still in pursuit of an agreement tell a different story, with 76% reporting a benefit. ISVs with a signed agreement are also more likely to see higher annual contract value through marketplace (51% versus 32%) and to report shorter deal cycles (41% versus 26%).

SHARE OF ISVS SEEING VALUE IN CLOUD GTM



One thing to note - it can be genuinely hard to secure a strategic cloud agreement, since many companies want one and can't get the provider to engage. In addition, many ISVs treat a signed agreement like a finish line, when in reality it's foundational. It's what makes the rest of the motion possible: the co-building, co-marketing, and co-selling that solidify the partnership and ultimately generate revenue.

Action Items: Pursuing a strategic cloud agreement is a high-leverage move, with the caveat that it's tough to secure and also depends on the hyperscaler's reciprocal interest. And even then, the agreement will only pay off if you put in the work behind it with co-building, co-marketing, and co-selling.

LEARNING 05

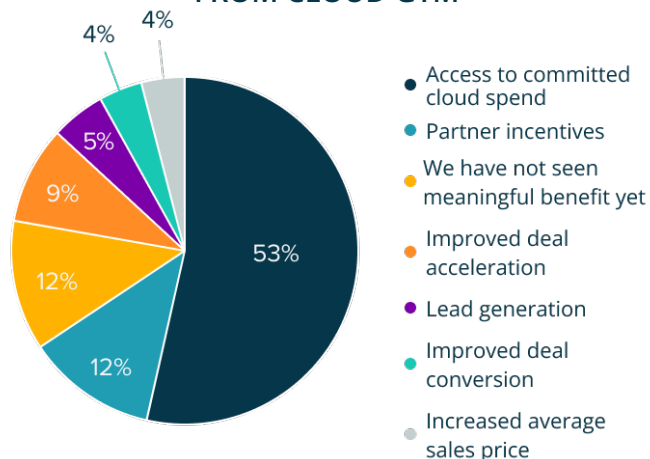
Marketplace is now about more than committed spend.

Every year we ask why folks sell through marketplace and every year one answer comes out on top. Access to committed cloud spend is the #1 benefit (selected by 53% of respondents) ahead of leads, conversion, and incentives combined. Committed spend used to be so dominant that it was close to the only reason anyone sold through cloud marketplaces. The fact that it now accounts for barely half the field is actually a good sign. It means that marketplaces are expanding their value proposition.

For years, the pitch was “sell through marketplace to tap into committed cloud spend.” While that’s still relevant, the hyperscalers have been building powerful programs around co-sell, incentives, and procurement. Every path to Cloud GTM is unique. For plenty of ISVs, the top benefit is partner incentives, faster deal cycles, or a lift in conversion and deal size. Yes, committed spend is the perennial leader, but it isn’t the entire motivation behind a Cloud GTM strategy.

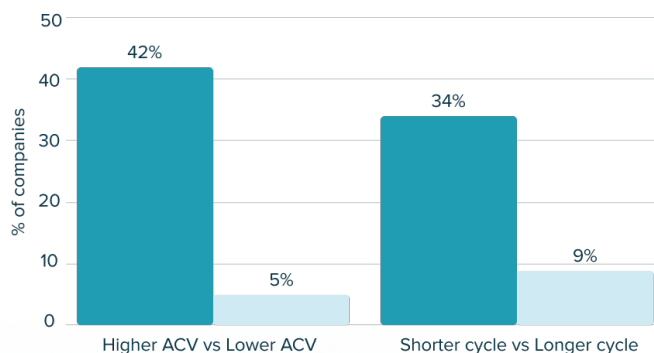
The benefits also show up in the deal economics. Marketplace deals tend to be larger and the sales cycles tend to be faster. Forty-two percent of companies report a higher ACV through marketplace, versus only 5% who report a lower ACV. For deal velocity, 34% see shorter sales cycles versus 9% who see longer ones, with the rest about the same.

THE TOP BENEFIT COMPANIES SEE FROM CLOUD GTM



MARKETPLACE DEALS RUN BIGGER AND CLOSE FASTER

Deal size and speed vs direct sales

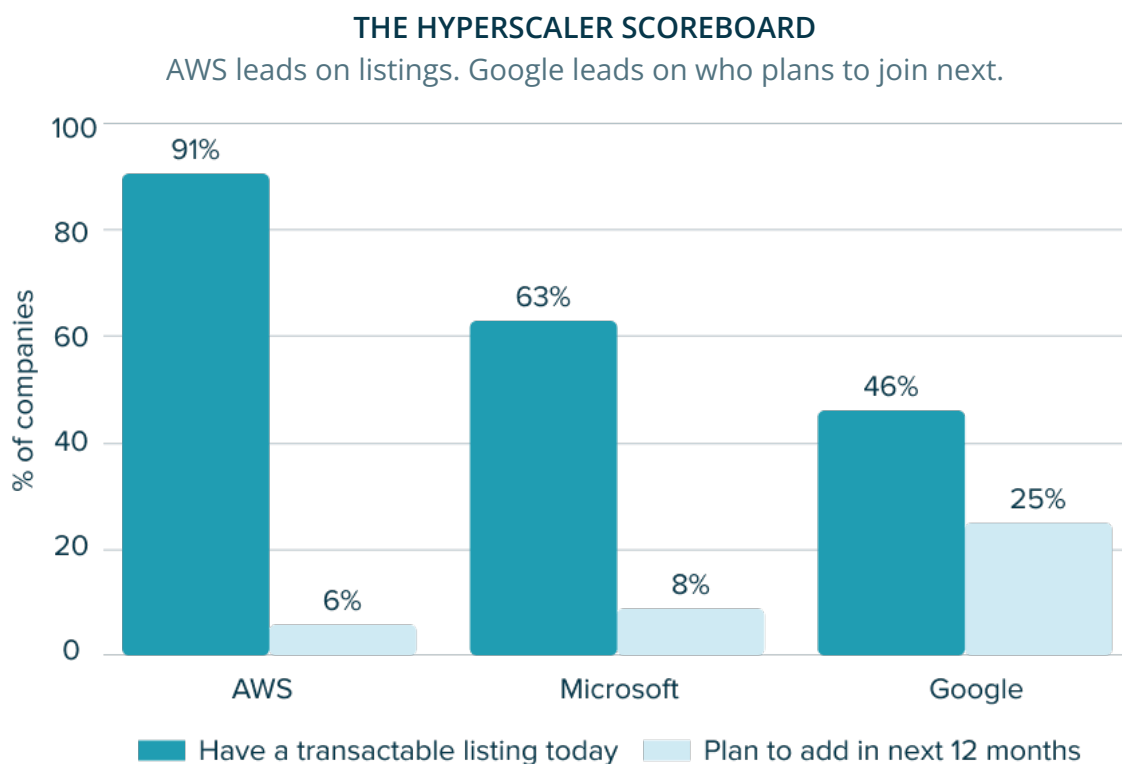


Action Items: use these economics to build and defend the business case for Cloud GTM with your executive team. Bigger deals, faster sales cycles, and committed-spend drawdown are the numbers that get leadership to fund the motion.

Multi-cloud is the default, and ISVs are opening their own marketplaces.

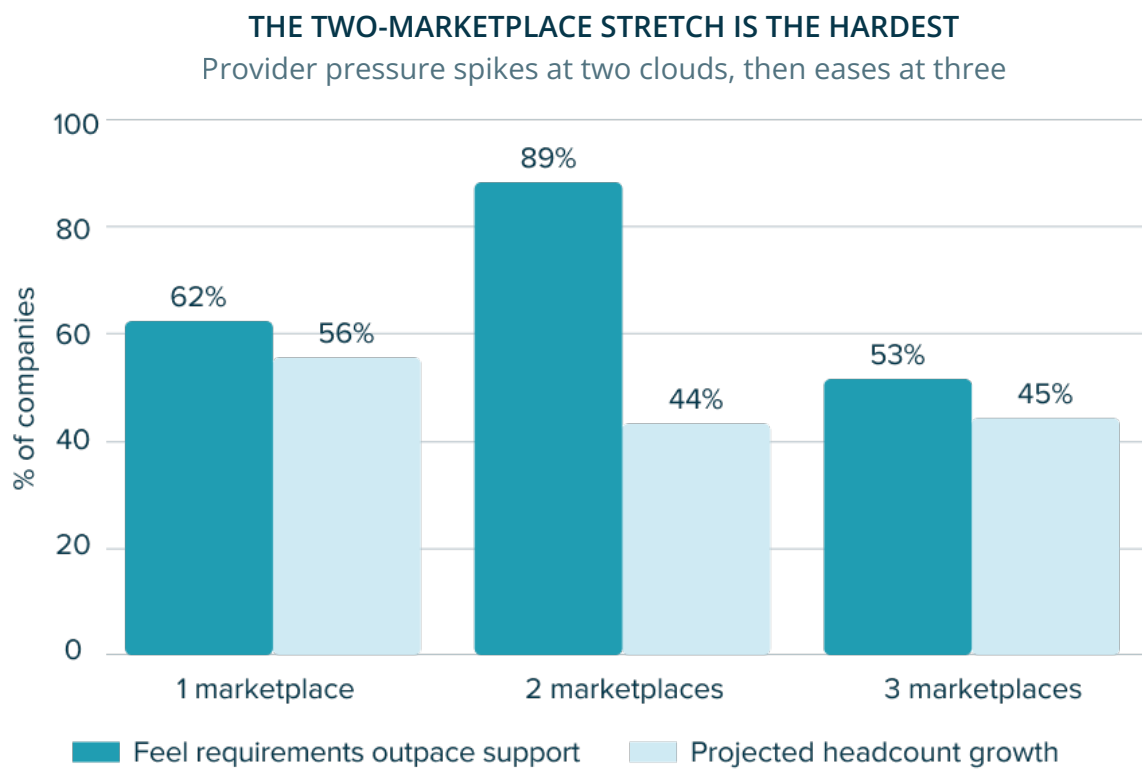
Selling through a single cloud is becoming a rare thing. Sixty-eight percent of companies now transact on two or more hyperscaler marketplaces, and 36% are on all three. Only 24% sell through AWS alone.

Across the hyperscalers, AWS leads by a wide margin, with a transactable listing at 91% of companies, the largest share of co-sell pipeline, and the highest SCA engagement. Microsoft is the established second, present at 63% of survey respondents. Google is the one to watch, with the lowest adoption (46%) but with by far the largest pool of future adopters, since 25% of ISVs plan to add a Google listing in the next year as compared to single digits for AWS and Microsoft.



It's easy to assume that leaning heavily on one cloud would be risky, but the data disproves that. Single-cloud AWS companies actually project the highest headcount growth of any group, at 56%. The struggle appears in the transition to a second cloud provider. ISVs running exactly two marketplaces are in the toughest spot. They feel the provider pressure more strongly than anyone else, with 89% saying requirements are outpacing support vs. 62% of single-cloud companies.

Companies on all three hyperscalers report less pressure (at 53%) and the lowest rate of exec Cloud GTM doubt of any group at 5%. But that's not because three marketplaces is somehow easier. It's because those companies have already fought through the hardest stretch - the jump from one cloud to two - where the operational load spikes. But the TL;DR isn't "you need to race to all three!" Expanding can get harder at every step, and for many ISVs getting on all three isn't even an option since a hyperscaler may turn you away if you're not running enough infrastructure on it.



The more forward-looking (and exciting!) signal is that a solid share of ISVs are opening marketplaces of their own. One in five already runs its own transactable marketplace, and another 18% run a non-transactable storefront. Of those 18%, nearly half let partners list products alongside their own, and about 40% build partner bundles. The ISV-owned marketplace is also early on in its maturity, with more than 40% of operators reporting no single internal owner of the strategy.

Action Items: If you're planning to add a second or third cloud, budget for headcount and tooling ahead of time since the workload burden will increase before the payoff. When it comes to opening your own marketplace, be sure to assign ownership from day one. That way it won't become a shared task that ends up being neglected.

LEARNING 07

The companies that keep investing in Cloud GTM don't regret it.

To understand what separates the strongest Cloud GTM programs from the weakest, we scored every ISV on five maturity signals: a signed cloud agreement, AI in production, a PLG motion, presence on more than one marketplace, and an owned marketplace or storefront.

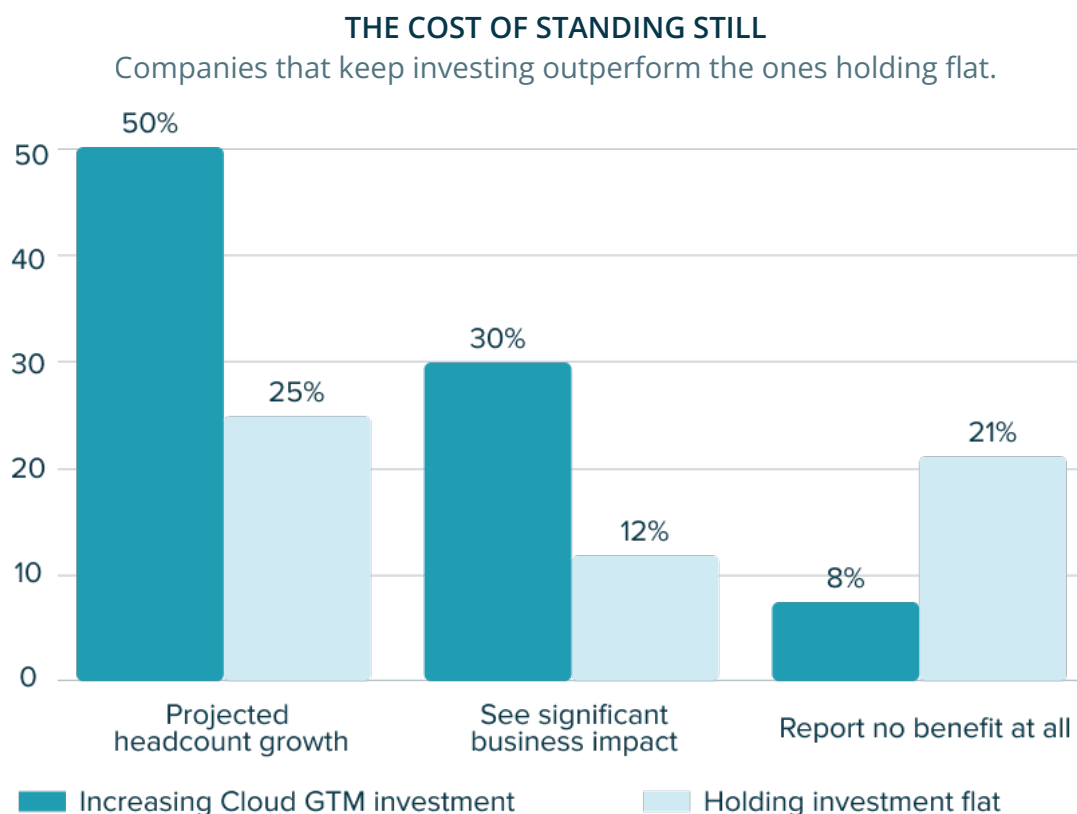
LEADERS VS LAGGARDS

How Cloud GTM maturity translates into outcomes

MATURITY SIGNALS	Laggards 0-1 signals	Middle 2-3 signals	Leaders 4-5 signals
Has a signed cloud agreement	 4%	 54%	 100%
AI in production	 14%	 43%	 84%
Runs a PLG motion	 11%	 34%	 76%
On more than one marketplace	 32%	 75%	 88%
Owns a marketplace or storefront	 4%	 35%	 72%
OUTCOMES			
No meaningful benefit from Cloud GTM	32%	8%	0%
Execs see little / no impact	14%	11%	4%
Higher ACV vs direct	29%	42%	56%
Shorter deal cycle vs direct	21%	37%	40%
Increasing Cloud GTM investment	36%	60%	60%
Company is \$500M+ ARR	14%	46%	80%
Projected headcount growth	+12%	+55%	+34%

The data shows that the most obvious payoff of Cloud GTM maturity is protection from walking away empty-handed. High-maturity companies rarely report zero benefit from Cloud GTM (at any company size). The share of companies reporting no meaningful benefit from Cloud GTM falls from 32% among the least mature to zero among the most mature. That's an incredibly encouraging thing to see. ISVs that keep building are reaping the benefits, and no company that reached maturity told us Cloud GTM wasn't worth the investment.

The biggest danger is standing still. The largest cohort in our survey is the companies holding Cloud GTM investment flat, and they happen to be the weakest performers in the data. Only 12% report significant impact from Cloud GTM, and 21% report no benefit at all. They have the lowest maturity scores of any group and a median Cloud GTM team of two people. Only 37% have a signed agreement and half are piloting AI without yet putting it into production. The pattern snowballs, as a thin foundation produces weak results, weak results make leaders skeptical, and skeptical leadership keeps the budget stagnant.



The only way out is to keep building. The companies that broke through did it by continuing to invest, and they are more than 2x as likely to have leadership that sees significant impact in Cloud GTM. In some cases, being stuck means the foundation isn't done yet. It shouldn't necessarily be a reason to pull back.

Action Items: if your program feels stuck, the data suggests that the answer is to keep building. The value arrives after a firm foundation is established. Review the five maturity markers for what you're missing (a signed cloud agreement, AI in production, a product-led motion, multiple marketplaces, or your own storefront) and pick the next one to pursue. It's better to keep making forward progress than waiting for the proof first.

LEARNING 08

The top-performing ISVs run more than one sales motion.

The most successful ISVs rarely bet on a singular path to revenue. They run a multithreaded Cloud GTM strategy, combining enterprise co-sell with private offers, and increasingly a product-led motion feeding the top of the funnel.

Product-led growth (PLG) is the newest of those threads, and it is making its mark. In our 2026 data, 37% of companies now run some PLG motion, up from 25% in 2024. That is substantial progress in two years. And when companies pair a self-serve motion with their other cloud motions, Cloud GTM tends to work. Just 2% of companies running a PLG motion report “no benefit” from Cloud GTM. Among those without a PLG motion, 18% say they’re getting no benefit (that’s 9x more!). PLG companies also see a slightly higher ACV through marketplace (45% versus 39%).

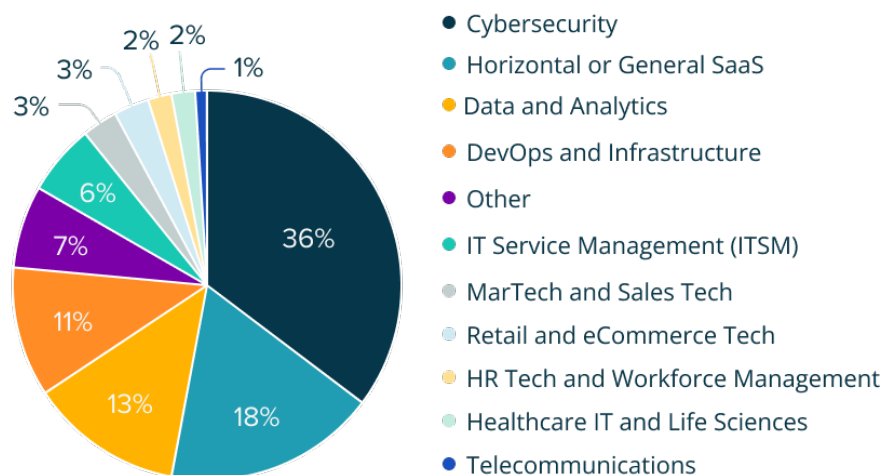
To be clear, a PLG motion is by no means a requirement for Cloud GTM. Not every business model can support one. The takeaway is that the ISVs running more than one motion get more out of Cloud GTM. The more paths you give your buyers to transact, the more versatile your Cloud GTM strategy will be. It’s an advantage for the companies able to build toward that rather than a mandate for the ones whose model only supports one.

Action Items: If you already run a PLG motion, thread it into your co-sell and marketplace strategy, since the ISVs that combine motions see the most value. If PLG isn’t a fit for your organization, that’s totally fine! Plenty of companies win with Cloud GTM through co-sell and private offers alone. The signal in the data shows that relying on a single motion is a more fragile position, so it’s worth considering whether your strategy is too dependent on one path.

Cybersecurity sells the most through cloud marketplaces, but trusts it the least.

Cybersecurity runs more revenue through marketplace than any other category. Yet out of all the verticals we surveyed, they are the least sold on Cloud GTM. Even when we controlled for company size, cybersecurity execs were less likely to see significant impact within larger and smaller companies alike.

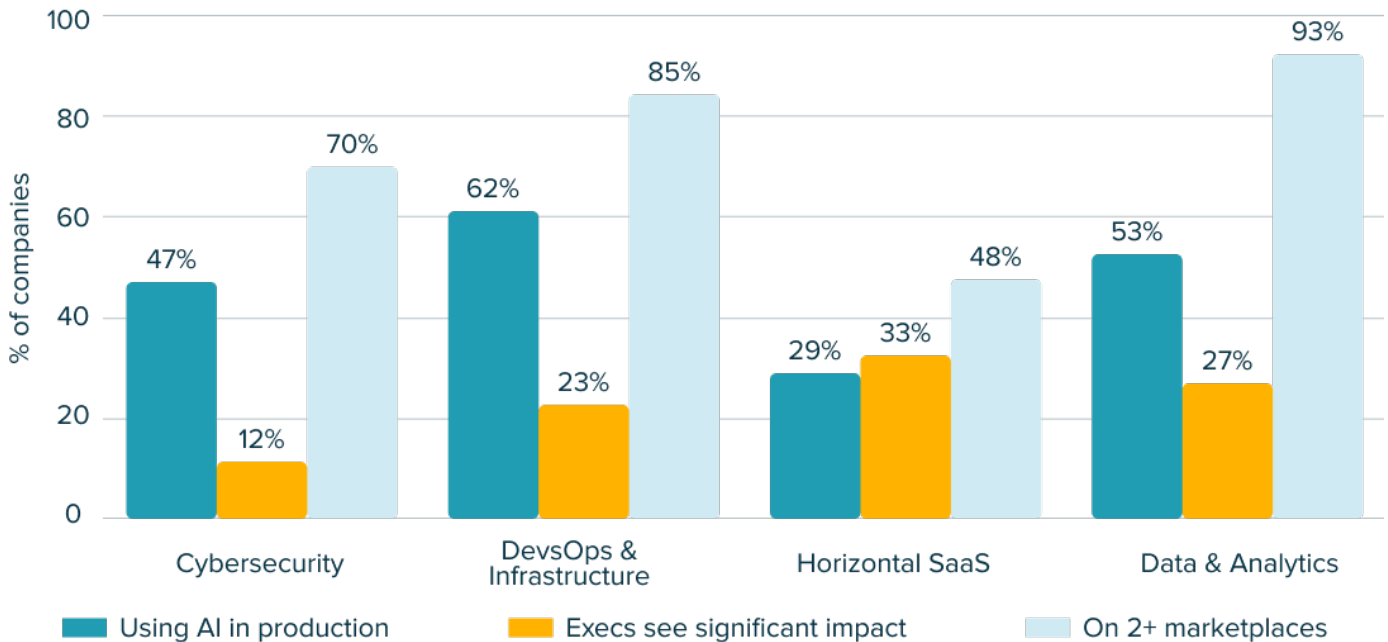
SURVEY RESPONDENTS BY INDUSTRY



So why are the ISVs driving the most marketplace volume the least sold on it? Sometimes the most successful marketplace sellers grow to become the most demanding. When these companies become galactic superpowers (as our GM John Jahnke describes it), the collision of their universes with the clouds' becomes inevitable. The bigger a company gets, the more its ambitions bump up against its cloud partners' own. And as a result, the friction gets sharper. Ultimately, the most successful ISVs are often the first to say their cloud partner isn't doing enough - because they have the most at stake.

As for the other verticals, DevOps and Infrastructure is the most advanced. They lead on AI adoption at 62% and ACV lift at 77%. Horizontal SaaS (the large general-purpose software companies) are the most established of the group. They're the most likely to have a signed cloud agreement in place (at 86%) and their executives are the most convinced of any category, yet have the least AI adoption and lowest marketplace volume. Data and Analytics companies are the most multi-cloud of any category, with 93% selling through two or more marketplaces.

EVERY VERTICAL RUNS A DIFFERENT PLAYBOOK



One segment worth keeping an eye on is vertical SaaS. Financial services, healthcare, martech, retail, and adjacent industries are still a small piece of the market by themselves. Vertical SaaS leans on co-sell more heavily than most verticals (at 31% of pipeline versus a 25% average) and projects solid Cloud GTM headcount growth at 44%. This is an early signal that vertical software is finding its home in Cloud GTM. The timing lines up well since AI is making it easier to build and distribute software for specific industries.

Action items: before comparing yourself to the overall averages, compare yourself against your own category. A blended number across all verticals won't describe any one of them uniquely, so your true benchmark is the companies selling the way you do.

Looking Back: Grading Last Year's Predictions



Every year we make predictions, and every year we grade the previous year's big bets. Here's how last year's forecast held up against our 2026 data.

Prediction 1

The next \$100B in marketplace revenue will come from new motions, not just "more ISVs"

Verdict: On track. Sources of growth no longer lean as heavily on new listings or ISVs. Distribution is on the radar for 44% of companies, and half of our respondents have been approached by a distributor. There's a definitive demand for new infrastructure, with 37% asking their providers for MCP servers and half asking for better co-sell APIs. The next \$100B of growth is coming from quality over quantity - how companies sell, not just how many are selling.

Prediction 2

Co-sell will only scale with agents

Verdict: Correct, but still early. Co-sell is the top area companies want AI to take over, and 47% expect AI to be core to their Cloud GTM motion within a year. There's something worth zooming in on here that may seem like a contradiction. The ISVs automating with AI at some level project the fastest headcount growth of anyone, 58% versus 22% for those who've only piloted AI or not used AI at all. This could read as the opposite of "AI means you need fewer people," but it doesn't necessarily. Rather than swapping people for agents, these ISVs are using agents to handle higher co-sell volume, which is what allows them to scale the team without drowning. Last year, we weren't predicting "AI will shrink headcount." Instead we were doubling down on the belief that you can't scale co-sell by headcount alone. One year later, it's clear that the ones investing in both people and process have the most meaningful growth.

Prediction 3

Data is the key to unlocking Cloud GTM participation

Verdict: Incomplete. This is the one prediction we can't grade accurately, because our survey this year didn't repeat the question that would help us directly measure it. We can still see the demand, however. Real-time pipeline visibility and data synchronization is the second most-requested capability ISVs want from their cloud providers (45%) just behind better co-sell APIs. Companies clearly want this data flowing into the systems they already use. Whether or not it's increasing seller participation is something we'll be sure to measure properly next year.

Prediction 4

AI is the forcing function that finally makes PLG real

Verdict: Too early. The product-led motion is on the rise (up from 25% in 2024 to 37% in 2026) and the companies that run it are getting more out of Cloud GTM. But most marketplace selling still runs through custom private offers, and only 16% have automated meaningful parts of their motion today. We are calling this one a "not yet."

Prediction 5

Storefronts proliferate and federate into "buy anywhere"

Verdict: On track, but very early. One out of five ISVs already run their own transactable marketplace, and almost half of them now list third party products alongside their own. This is the beginning of the 'buy anywhere' idea we predicted in 2025 - marketplaces that connect with each other rather than standing alone.

Prediction 6

GTM becomes a primary cloud selection lever

Verdict: On track. The data shows that a strategic cloud agreement is becoming one of the most valuable things an ISV can achieve, with 65% of respondents pursuing or holding one. And as shown in Finding #4, the outcomes for them are overwhelmingly stronger. More and more, commitments paired with strategic cloud agreements are influencing where (and how) ISVs go to market. Once again, an SCA is not an easy task to secure. Plenty of companies want one and just can't get the provider to engage. This is exactly why signing one has become such a massive advantage, since it's not a guarantee.

Seven Predictions for 2027

Every year we close with a look ahead. Here are seven predictions for where Cloud GTM goes in 2027, grounded in what we saw in this year's data.

PREDICTION 1

Partnerships executive ownership of Cloud GTM will keep climbing.

Partnerships already sponsors the motion at 46% of companies this year, while the CRO's ownership dropped to 23%. With the Chief Partnership Officer becoming the fastest-growing GTM leadership role, there are no signs of slowing down. We expect the model where partnerships reports to the CRO will keep shrinking, as partnerships gets closer to (or exceeds) 60% ownership.

PREDICTION 2

AI execution will begin to catch up with AI ambition.

Just 16% of ISVs are using AI to automate significant portions of their Cloud GTM today, vs. 47% who expect AI to be core to their motion within a year. We believe the number of folks automating with AI will reach 30% or more (roughly doubling) by the end of 2027 as pilots move into production.

PREDICTION 3

Headcount increases as automation handles the busy work.

Projected Cloud GTM headcount growth hit 46% this year, and we believe that pace will continue even as AI takes over more substantial aspects of Cloud GTM. As agentic adoption increases, the Cloud GTM role itself will get a lot more interesting. The work will move toward what people are truly gifted at: building relationships, closing co-sell deals, and designing the workflows that keep things rolling. The best Cloud GTM hires of 2027 will stand out for the partnerships they build and the systems they create. And the teams that learn how to blend hiring with automation will pull ahead of the ones attempting to scale with only one.

PREDICTION 4

Staying eligible with the cloud providers will become its own budget line item.

The cost of keeping up and staying compliant will continue to climb. With 75% of companies reporting that hyperscaler requirements are outpacing support, we expect more ISVs to budget headcount and tooling to maintain eligibility and treat it as a standard cost of doing business.

PREDICTION 5

The strategic cloud agreement becomes the clearest signal of a serious program.

Two thirds of companies are pursuing or holding a strategic cloud agreement. And there's a huge difference in outcomes between the ISVs in pursuit and the ones that already have an agreement secured. Companies still chasing an agreement are far more likely to report no benefit from Cloud GTM than the ones that have signed, at 24% versus 2%. As signed agreements become more common, we expect agreement status to become the top indicator for whether a company's executive leadership believes in Cloud GTM.

PREDICTION 6

ISVs will lean in more with distributors.

Distributors have approached half of our survey respondents, 44% of which are actively interested. Even still, interest hasn't translated into widespread adoption (yet). We anticipate that shifting in 2027 as the economics push both sides toward distribution to cast a wider net, changing it from something ISVs mostly talk about into something they truly leverage.

PREDICTION 7

Running more than one motion becomes the gold standard.

The companies blending PLG into their Cloud GTM strategy already see the strongest results. Plus, ISVs running three or more motions rarely report zero benefit from Cloud GTM. We expect "multithreaded" to become the way the market describes a healthy program, and dependence on a single motion will be seen for what the data suggests it is: the more precarious position.

Conclusion

As we've observed over the past decade, the question is no longer, "Should software companies sell through the cloud?" It's, "Who's building the foundation to do it well, and who's getting left behind?"

The divide this year is clear. On one side are the companies treating Cloud GTM as a true operating function: a dedicated leader, a strong foundation, more than one motion, and investment in automation. These ISVs are seeing returns, and their leadership believes in the work.

On the other side are the companies standing still, waiting to see the value before building the foundation that creates it. And the gap between the two is widening.

The bar for a successful Cloud GTM strategy is rising. The hyperscalers are asking for more and AI is reshaping how the work gets done. The companies that keep building and innovating are the ones that will continue to pull ahead.

We say it every year, and we'll say it again:

**It's time to go
all-in with Cloud GTM.**

Have questions or comments about this report?

Interested in having Tackle debrief your team on the findings?
Reach out at marketing@tackle.io.

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