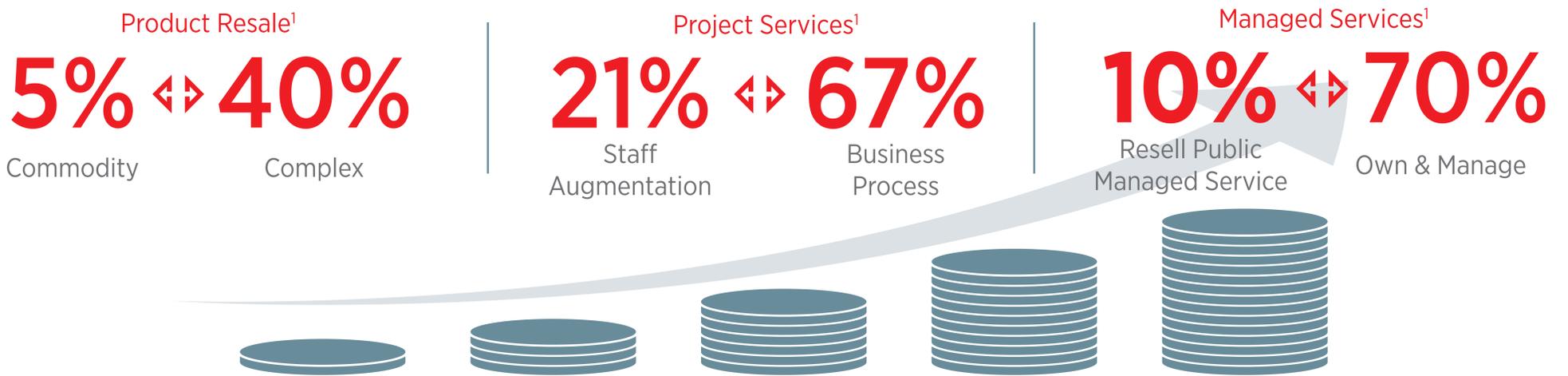


INDUSTRY INSIGHTS

PARTNER MARGINS



¹Source: IPED Partner Profitability Research and Partner Interviews



~7-9 days*

of Vendor Sales Training
per person/per year²

**MSPs tend to be on the lower end of the range*

²Source: IPED Partner Enablement Study of Non-Management Field Sales Personnel from VAR/MSPs

~10-13 days*

of Vendor Technical Training
per person/per year³

**MSPs tend to be slightly lower*

³Source: IPED Partner Enablement Study of VAR/MSPs



8%
median

Marketing Investment
% of Total Revenue⁴

⁴Source: IPED Partner Marketing Study

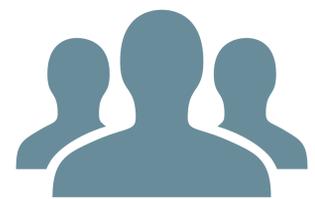


Partners Expect Payback within

~12 months on Investments

60% of all partners expect to achieve payback within 12 months⁵

⁵Source: IPED Research and Partner Interviews



70-80%

of Revenue from
Existing Customers⁶

⁶Source: IPED Research and Partner Interviews

| ARC IMPORTANCE CRITERIA RANKINGS ⁷ | RANK |
|-------------------------------------------------|------|
| (Product) Quality and Reliability | 1 |
| Ease of Doing Business | 2 |
| Revenue and Profit Potential | 3 |
| (Product) Technical Innovation | 4 |
| Richness of Product Features / Functionality | 5 |
| (Product) Compatibility & Ease of Integration | 6 |
| Post-Sales Support | 7 |
| Manages Channel Conflict | 8 |
| Communication | 9 |
| Services Opportunity | 10 |
| Field Teaming & Channel Compensation Alignment* | 11 |

| ARC IMPORTANCE CRITERIA RANKINGS ⁷ | RANK |
|-----------------------------------------------|------|
| Marketability | 12 |
| Solution Provider Program | 13 |
| Quality of Field Management | 14 |
| Pre-Sales Support | 15 |
| Profit Margins/Profit Potential* | 16 |
| Integration with Services Management Tools* | 17 |
| Training | 18 |
| Cloud-Readiness of Channel Program* | 19 |
| Marketing Support | 20 |
| Consumption Based/Subscription Pricing* | 21 |

**New Category - Managed & Cloud Services*



⁷Source: 2018 Annual Report Card Study. Ranking shown reflects average across selected value based products categories.