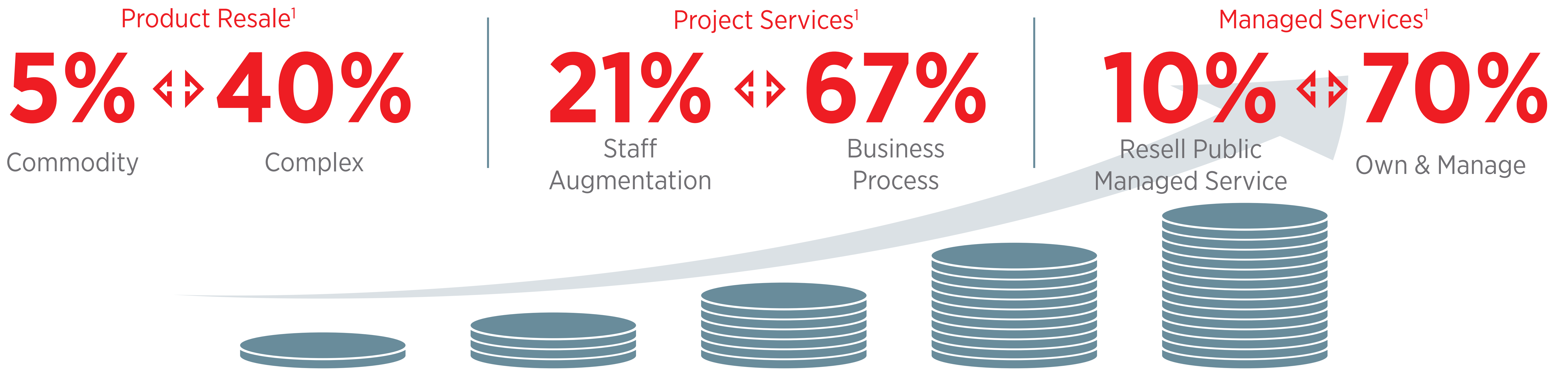


INDUSTRY INSIGHTS

PARTNER MARGINS



¹Source: IPED Partner Profitability Research and Partner Interviews

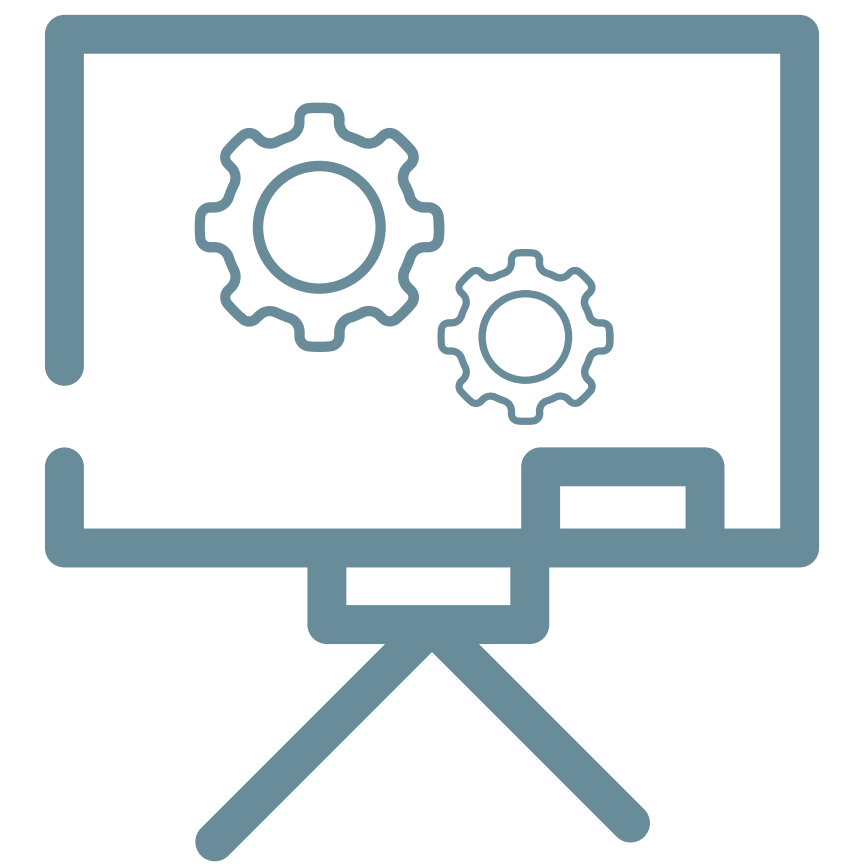


10.6

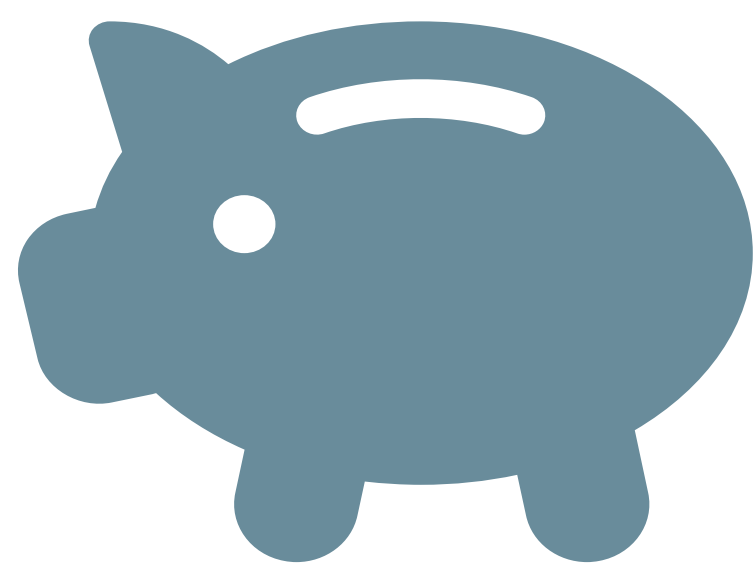
days of Sales Training per person/per year²

15.2

days of Technical Training per person/per year²



²Source: IPED Research and Partner Interviews



8%
median

Marketing Investment % of Total Revenue³



Partners Expect Payback within
~ 12 months on Investments

60% of all partners expect to achieve payback within 12 months⁴



70-80%

of Revenue from Existing Customers⁵

³Source: IPED Partner Marketing Study

⁴Source: IPED Research and Partner Interviews

⁵Source: IPED Research and Partner Interviews



| ARC IMPORTANCE RANKINGS ⁶ | RANK | ARC IMPORTANCE RANKINGS ⁶ | RANK |
|---|------|--------------------------------------|------|
| (Product) Quality and Reliability | 1 | Manages Channel Conflict | 10 |
| Richness of Product Features / Functionality | 2 | Pre-Sales Support | 11 |
| (Product) Technical Innovation | 3 | Solution Provider Program | 12 |
| (Product) Compatibility & Ease of Integration | 4 | Quality of Field Management | 13 |
| Revenue and Profit Potential | 5 | Technical Support | 14t |
| Ease of Doing Business | 6 | Training | 14t |
| Post-Sales Support | 7 | Partner Portal | 15 |
| Marketability | 8 | Marketing Support | 16 |
| Services Opportunity | 9t | Business Model Transformation | 17 |
| Communication | 9t | | |

⁶Source: 2017 Annual Report Card Study. Ranking shown reflects average across 22 product categories included in the study.