

What is HP Amplify?

HP's partner program, HP Amplify, is the most streamlined partner engagement program in HP's history and is unlike any other program in the industry today. Two clearly defined retail tracks - HP Amplify Synergy and HP Amplify Power, including Power CDR Retail targeted at retail sub-distributors - ground the program and give retailers the autonomy to choose exactly how they want to work with HP in order to grow their profitability. HP Amplify is built on three pillars of performance, capabilities, and collaboration which we believe will catalyze future-ready sellers who aim to define and lead the future of the channel.

What is the overall objective of HP Amplify for retailers?

It advances the industry-leading go-to-market strategy that HP has maintained with our partners for decades. Our ultimate goal is to help our partners be successful in creating the best-possible customer experience—and to be prepared for where the customer journey demands we go next. The program rewards partners not only for sales revenue but also for meeting new performance indicators, including investing in, and improving digital skills, strategic initiatives and subscription models, e-commerce and omnichannel experiences, and secure data collaboration. HP Amplify breaks new ground in analytics and insights, differentiating the program from those offered by other vendors.

When will HP Amplify launch for HP retail partners?

After launching on May 3, 2021, HP will work closely with retail partners in the coming months to share details about the program to ensure they are prepared for the transition. The program will officially go live for all retail partners globally¹ on August 2, 2021, at which time HP will begin to transition partners to the program.

HP announced HP Amplify for commercial partners in July 2020. Why wait until May 2021 to announce the program for retail partners?

HP announced HP Amplify for commercial partners as the first phase of the program roll out. On November 2, 2020 during the go-live, the program was very well received with 99 percent of commercial revenue partners registering shortly after. HP is thrilled to now roll out HP Amplify for retail partners. For more on partner feedback from around the globe, see commercial partner quotes <u>here</u>.

What is the progress and adoption of HP Amplify to date?

On November 2, 2020, HP announced the go-live of HP Amplify for commercial partners, a first-of-its kind global channel partner program. Since launch, 99 percent of revenue partners are now registered, and HP is on track to enable partners with the right capabilities and insights required to serve customers as a segment of one global program. Additionally, 98 percent of Power Partners have opted-in to share data. This, in turn, uncovers new revenue opportunities, increases efficiency and profitability, and predicts future customer needs for HP's channel partners.

What prompted HP to develop a new partner program?

HP's previous partner program – *Partner First* – was built to enable partners to sell HP products and benefit from accelerated rewards based on their sales performance. It also helped pioneer massive growth in services and digital sales, enabling partners to stay relevant and competitive in an increasingly online world. Today's buyer expects streamlined, automated and personalized experiences. Thriving in this changing environment – with data as the new currency – requires a combined shift to relate to our customers as individual customers, not markets. HP Amplify not only makes it easier for partners to do



business with HP – it provides partners with a clear path to ready their business and succeed in today's environment and beyond – to capitalize on emerging trends and play a central role in the evolving customer buying journey.

How does HP Amplify make it easier to do business with HP?

By consolidating HP's best partner products, tools, and trainings into one intuitive, cohesive program, HP Amplify removes complexity, making it easier for partners to take advantage of its many benefits and engage customers on a deeper level. The streamlined two-track program eliminates complexity in navigating partner compensation and benefits.

Why is HP announcing this for retailers now?

HP began planning and designing HP Amplify more than a year ago. Our goal then and now is to show that we're listening to partners; we need to take action to make our channel program better for them and HP.

Spurred by rising demand for work, learn and entertain at home products accelerated by the pandemic, the retail industry has experienced an accelerated pace of change. According to Gartner, capitalizing on the momentum of transformational experiences will be critical to building and maintaining the flexibility that is demanded of doing business today. Trends such as hybrid work, the emergence of the prosumer and continued e-commerce growth are making collaborative partnerships in the retail industry more essential than ever. With the introduction of HP Amplify, HP is empowering retailers to capitalize on these shifts, arming partners to deliver superior customer experiences and drive future growth.

What is the benefit of having one global¹ partner program? Were there inconsistencies before?

The decision to make HP Amplify a more universal program was primarily based on two things: the customer experience and the partner experience. Partners have asked HP for a program that prioritizes simplicity, consistency, and transparency, which can be difficult to achieve with a decentralized model. We also recognize that customer demands and behaviors are only becoming more complex. We knew that by making the relationship between HP and partners more frictionless, we would in turn, make our partners' relationships with customers easier. According to 2112 Research, the ease of doing business has a direct and material impact on share of wallet. We believe this will become even more pronounced in the next era of the channel. As a result, a streamlined program has never been more important.

Why is China not participating in HP Amplify?

China has developed a unique set of partner programs that work well for its partners, and we feel it is best to maintain continuity of those programs at this time. We will evaluate migration of those programs to HP Amplify at a future date and look forward to launching this new program across all other markets in the meantime.

What are the two new program segments? What are the specific criteria needed to qualify?

HP Amplify is comprised of two core retail tracks, **Synergy** and **Power**, including Power CDR Retail targeted at retail sub-distributors. Synergy will be the foundational track of HP Amplify. Partners in this track will reap the value of HP's immense channel ecosystem with a minimum threshold sales commitment. Meanwhile, in the Power track, partners realize exactly that—true earning Power with HP. In Power, partners demonstrate deeper collaboration and capabilities with HP and see increased return on their



investment in the form of higher rewards, data insights, focus on customer experience, sales and tech resources, and marketing support that drives new sales and renewals.

How does HP Amplify compare to other partner programs from HP's competitors?

The channel model is experiencing rapid digital evolution, with the rise of managed and cloud services driving new customer expectations. HP Amplify represents an industry first program structure, optimized to simply and streamline partner engagement with clearly defined measurement criteria. HP Amplify will pioneer a new measurement and reward system that accounts for partners' many strategic efforts throughout the entire sales process and those who invest more in their efforts will earn more rewards from HP. HP Amplify is unique in its evaluation of non-traditional, yet high-value performance indicators, including investing in and improving digital skills, strategic initiatives and subscription models, omnichannel experience and secure data collaboration.

What is the opportunity for HP Amplify partners in the retail industry?

HP Amplify gives HP's vast global¹ partner ecosystem the power to ready their business to succeed in today's environment and beyond – to capitalize on emerging trends, arm for future growth, and deliver superior customer experiences. Trends such as hybrid work, the emergence of the prosumer and continued e-commerce growth are making collaborative partnerships in the retail industry more essential than ever. According to Gartner, capitalizing on the momentum of transformational experiences will be critical to building and maintaining the flexibility that is demanded of doing business, and HP is empowering retail partners to capitalize on these shifts, arming partners for future growth and to deliver superior customer experiences. HP Amplify not only makes it easier for retail partners to do business with HP, it provides a clear path, built on a proven framework, to transform their business for today while enabling long-term sustained growth in the future. Retailers will benefit from consumer experience consistency online and instore, data insights to maximize sales and improved efficiency working with HP.

Is HP changing its go-to-market strategy and the role partners play in that strategy?

HP is not changing its go-to-market strategy in the sense that partners remain woven into the fabric of HP's business. We will continue to drive a significant portion of our revenue through our partners. What will change is how we go to market together—and how we win. We have enjoyed tremendous success with our partners in the past, yet we must not become complacent in our collective approach. We – HP and partners alike – cannot afford to rest on our past success. HP's focus with our partners will move away from transactional relationships that are primarily product focused and toward outcomes-based, data-led engagements.

Will all partners qualify for HP Amplify?

All partners – commercial and retail – will have the ability to engage in HP Amplify. The Synergy and Power tracks allow partners to determine their willingness to invest in the capabilities and enable the collaboration we believe is necessary to succeed in today's market. Both tracks offer partners a specialized HP platform to engage at a level partners are comfortable with. We recognize, however, that some partners may choose not to co-invest in future-readiness alongside HP, and they will be retired from the program. Those partners can continue to source products and resources through distribution as they do today.



Which regions and partners will be impacted by HP Amplify?

The program is intended for HP's global partner ecosystem in North America, LATAM, EMEA and parts of APJ. By condensing HP's current program and setting clearly defined eligibility criteria, all partners have the ability to qualify for HP Amplify.

How will partner performance be measured under HP Amplify?

Serving the end customer remains our top priority. HP Amplify presents an evolved strategy that allows partners to achieve the business outcomes that customers want. Partners will be measured across three core pillars:

<u>Performance</u>: Rewards partners for a variety of performance indicators tied to portfolio sell through and revenue. A structured compensation framework, sales boosters, and other tools help retail partners to assess performance and actions providing clear indicators of success.

<u>Capabilities</u>: Beyond sales revenue, HP Amplify measures rewards based on strengthening and developing new capabilities supported by online digital assessments and recommendations based on core capabilities, consumer trends, benchmarking, and best practices. HP Amplify rewards partners who invest in the capabilities to compete - and win - in a world dominated by e-commerce and digital-led customer journeys.

<u>Collaboration</u>: Companies that regularly collaborate with suppliers can demonstrate higher growth, lower operating costs, and greater profitability than their industry peers. Partners who choose to report data will be able to anticipate and enable more positive customer outcomes, ultimately driving sales conversions and maximizing average baskets. HP will collaborate closely with partners to optimize sales through store level assortment tools and cross category recommendations to unlock opportunity diversification.

What data is HP asking partners for?

Whereas capabilities are the basics of what HP believes every partner needs to stay relevant, collaboration is the critical success differentiator. Trusted collaboration enables secure data sharing that leads to problem solving and innovation. Since program go-live of HP Amplify for commercial partners, 98 per cent of Power Partners have opted in to share data.

For retailers who choose to share data, HP Amplify will utilize information such as basic partner data about sales (purchases at SKU level), inventory (stock on hand) and online units. End-user customer data will not be collected. A comprehensive list of the optional data requested by HP from partners is in the program guide. HP Amplify Synergy partners are not required to report data to HP.

HP takes the opt-in data shared by partners, enriches it, and gives it back. This data is also folded in with third-party market research and HP's own internal data, which helps partners benchmark against competitors to gain valuable sales insights. HP also shares predictive information around customer behavior and their propensity to buy particular products. The data collected is given back to partners in a more complete and enriched data package, making it more useful than it was on its own.



How will HP protect partner data?

Confidentiality and data security are core to HP's ongoing commitment to the highest standards of integrity in any form of business we conduct. Data collection will be opt-in only and adhere to strict customer privacy and data security requirements. HP will protect data with confidentiality and caution in accordance with the confidentiality terms of the HP Partner Agreement. In addition, HP has implemented technical and operational safeguards to protect reported data and ensure that they are not misused or disseminated inappropriately.

How is HP empowering partners to achieve their sustainability goals?

On February 11, HP launched HP Amplify Impact, an industry-first partner assessment, resource and training program aimed at driving meaningful change across its three Sustainable Impact pillars – Planet, with an emphasis on climate change; People with an emphasis on human rights and social justice; and Community with an emphasis on bridging the digital divide. Partners that voluntarily pledge to join the HP Amplify Impact program will work with HP to assess their own practices while tapping into the company's extensive investments and initiatives.

How many HP Amplify partners are currently signed up for HP Amplify Impact?

Since launch, HP has enrolled more than 1,000 partners worldwide in the HP Amplify Impact program, representing a major step forward in the company's ambitious goal to become the most sustainable and just technology company by 2030.

Where can I find more details on HP Amplify and HP Amplify Impact?

Media and analysts are invited to visit our online press kit for more details. Partners can log on to the HP Partner Portal for additional information.

¹ Global program, with the exception of Greater China

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