The NPD Group, Inc. is the leading global provider of consumer and retail market research information for a wide range of industries. NPD publishes critical consumer behavior-and point-of-sale (POS) information and offers industry expertise across more industries than any other market research company.

**COMMERCIAL TECHNOLOGY PRACTICE PROFILE**

**PROFILE**
- Launched in 2002 with the Distributor Track and Reseller Tracking Service
- Exclusive U.S. partnership with the Global Technology Distribution Council
- Distributor Track data frequently featured in CRN’s Best-Sellers slide shows for top brands and models in a variety of categories

**ECOSYSTEM**
- 60+ Clients including Manufacturers and Financial Services
- 30+ Distribution, Commercial Reseller, and Retailer partners
- NPD team includes dedicated account teams, operations client services personnel and industry analysts

**PORTFOLIO**
- 3 POS Tracking Services (Distribution, Reseller, VAR) 200+ Categories and 2500+s Attributes Tracked
- 2 Premium Services: VAR Invoice Service and SMB Monitor
- Solutions including Forecasting, Analytics & Modeling Services
NPD POS TRACKING SERVICES
Commercial Technology
NPD POS Tracking Services Overview

COMMERCIAL TECHNOLOGY

Grow your business with timely market research information and analysis for key CE, IT, and software categories by tracking sales-out data in the commercial technology channels

Business Benefits:
- Assess industry, category, and product trends to devise better strategies for marketing, merchandising, and selling
- Monitor how well your products are selling, identify opportunities, and maximize assortment by diving down to the item level
- Gain a better understanding of how your company’s market share and performance measure up to competitors

Key Measures/Metrics:
- Sales and trends at the industry, category, brand, model, and feature levels
- Average selling prices and pricing trends
- Segment sales by destination channel in the Distributor Track

NPD POS Data Portfolio:
- 200+ Categories
- 2500+ Attributes
- 11 Destination Channels (in Distributor Track)
- Monthly and Weekly

NPD POS Tracking Services:
- Distributor Track
- Reseller Tracking Service
- VAR Tracking Service
What channels can I gain visibility into?

MANUFACTURERS

DISTRIBUTORS

RETAIL & ECOM

RESELLERS

VALUE ADDED RESELLERS

END CUSTOMERS

NPD POS Distributor Track

NPD POS Reseller Tracking Service

NPD POS VAR Tracking Service

NPD POS Retail Tracking Service
Who does NPD partner with to deliver solutions?

NPD Commercial Technology Channel Partners

<table>
<thead>
<tr>
<th>Distributor Track</th>
<th>Reseller Tracking Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALMO Consumer Electronics and Professional A/V divisions</td>
<td>Ingram Micro*</td>
</tr>
<tr>
<td>Arrow Enterprise Computing Solutions</td>
<td>Navarre</td>
</tr>
<tr>
<td>ASI*</td>
<td>SED*</td>
</tr>
<tr>
<td>Supplies Network</td>
<td>Supplies Network</td>
</tr>
<tr>
<td>Avnet Technology Solutions*</td>
<td>Synnex*</td>
</tr>
<tr>
<td>D&amp;H (Technology Products Only)</td>
<td>Tech Data*</td>
</tr>
<tr>
<td>Essendant</td>
<td>Westcon*</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WYNIT</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Distributors and Resellers Available in Weekly Track

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The Road to Gathering Insights

Channel partners send sales-out data (dollars/units) electronically to NPD

Raw data is quality controlled, processed, and coded by NPD

Data is aggregated and published by channel

NPD providers user support and value-added services

DISTRIBUTORS
DMRS/National Integrators
Contract Stationers
IOPDs
RETAILERS

Each SKU is coded into the dictionary by:
- Category
- Manufacturer
- Item Description
- Brand
- Attributes

Clients and partners access and analyze data through NPD’s DecisionKey™, a web-based and user-friendly suite of data delivery and analysis tools

- DecisionKey Training
- Value-Added Reports and Presentations
- Insights from Industry Analysts

How are NPD data and insights delivered?
Why the NPD data and what can it do for me?

Create Views Aligned with your Needs

Market Share
- Use POS data as a scorecard to track your market share across categories/brands
- Uncover areas to grow your share and quantify the opportunity

Pricing Analysis
- How do I price vs. my competitors?
- Which items are commanding premiums in the market?
- What are the pricing trends for categories/items?

Assortment Analysis / Category Management
- What are the right mix of products to carry in the category?
- Which items are earning the most margin?

Forecasting Consumption
- What are the seasonality trends (with weekly data)?
- What demand and pricing opportunities (pressures) will exist?
- How does this factor into our future sales?
Can I segment customers in the Distribution channel?

<table>
<thead>
<tr>
<th>Destination Channel</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>Chain retail businesses with a store front that mainly cater to consumers and small businesses</td>
</tr>
<tr>
<td>Ecommerce</td>
<td>Non-manufacturer consumer centric website sales</td>
</tr>
<tr>
<td>OEM</td>
<td>Original Equipment Manufacturers, and Independent Software Vendors. The manufacturers and publishers of technology hardware products, and software</td>
</tr>
<tr>
<td>Direct Marketer/</td>
<td>Direct marketers of technology products via catalog, e-commerce and phone, principally targeting small to mid-size businesses; Large, typically national, B2B resellers where Hardware sales represent at least 50 percent of reseller’s revenue</td>
</tr>
<tr>
<td>National Integrator</td>
<td></td>
</tr>
<tr>
<td>Distributor</td>
<td>Wholesale distributors that procure product from another distributor</td>
</tr>
<tr>
<td>Internet Service</td>
<td>Internet Service Providers, such as Comcast, AT&amp;T</td>
</tr>
<tr>
<td>Provider</td>
<td></td>
</tr>
<tr>
<td>Global Consulting</td>
<td>Global consulting organizations that provide solutions and services, which bundle IT products as a component of the solution</td>
</tr>
<tr>
<td>Organization</td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>Large, typically national, resellers who’s primary (more than 50%) end-users are Federal, State and Local governments as well as Education</td>
</tr>
<tr>
<td>Integrator</td>
<td></td>
</tr>
<tr>
<td>Large Solution</td>
<td>Those resellers on the VAR Business 500, not included in the previous categories, with $100 million or more in annual revenue</td>
</tr>
<tr>
<td>Provider</td>
<td></td>
</tr>
<tr>
<td>Small Solution</td>
<td>Those resellers that are the exception to the other categories, and/or are listed on the VAR 500 as having less than $100 million in annual revenue</td>
</tr>
<tr>
<td>Provider</td>
<td></td>
</tr>
<tr>
<td>Office Product</td>
<td>Office product dealers, and their buying groups</td>
</tr>
<tr>
<td>Dealer</td>
<td></td>
</tr>
</tbody>
</table>

*NPD’s Distributor Track is an essential tool for any channel member looking to expand profit margins and boost channel opportunities.*

Tim Curran  
CEO, Global Technology  
Distribution Council
# NPD B2B POS Tracking Services Overview

<table>
<thead>
<tr>
<th></th>
<th>Distributor Track</th>
<th>Reseller Tracking Service</th>
<th>VAR Tracking Service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country Coverage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Canada</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Frequency Available</strong>*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Weekly</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td><strong>Methodology</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source</td>
<td>POS data from Channel Partners</td>
<td>POS data from 600+ VARs</td>
<td></td>
</tr>
<tr>
<td>Projection</td>
<td>at the category level for specific outlets not currently in the panel</td>
<td>applied evenly across all categories, a single-digit number</td>
<td>None</td>
</tr>
<tr>
<td>Suppression</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Reporting</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Categories Tracked</td>
<td>200+ Hardware &amp; Software</td>
<td>200+ Hardware &amp; Software</td>
<td>75+ Hardware</td>
</tr>
<tr>
<td>Customer Segmentation</td>
<td>✔️</td>
<td></td>
<td></td>
</tr>
<tr>
<td>History</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*NPD POS data follows the National Retail Federation 4/5/4 calendar*

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NPD Premium Service

VAR INVOICE SERVICE

Deep insight into the significant business potential of the VAR channel at the category, brand, item, feature, and now invoice levels

Business Benefits:
- Answer critical business questions around what products are invoiced together to maximize offerings and margins, deepen relationships, and identify opportunities

Key Measures/Metrics:
- Average Invoice Value, % Bundled v. Standalone, Attach rates
- Standalone and bundled invoice sales and attach rates for 1,400 brands. Sales performance for thousands of IT Hardware items.

Methodology/Approach
- Invoice counts, sales, and average price trends for 3.7 million records covering 1.6 million invoices for roughly 600 Value Added Resellers
- Monthly POS Reporting of over 75 IT Hardware subcategories within Networking, Computing, Printing, and Storage Hardware among others.
The VAR Invoice Service
Business Questions Answered

- **Monitor performance and identify seasonal invoice trends.** How is my business faring with particular segments of the industry? Are there new opportunities to leverage my set of products or adjust price?

- **Identify ways to enhance your offering.** Which brand and product types are most often bundled?

- **Maximize bundled opportunities and identify areas of synergy.** Which complementary products enhance our offering? What new partnership opportunities exist?

- **Identify threats and strengths.** How often are my products bundled with direct competitors? Which paired products have fueled growth?

- **Deepen Relationships and communication with VAR partners.** Should I consider a differing strategy for larger and smaller VARs? What are the differences in invoice behavior by VAR segments? How does this differ by invoice price segments?

- **Identify drivers of growth.** What invoice price segments are driving VAR sales? Which bundled products and brands are prevalent in these invoices?

- **Maximize margins and your fair share.** Which brands and items are maximizing bundled revenue? What is my VAR invoice dollar opportunity gap in a specific subcategory attribute, price point, time of year?
## VAR Invoice Service Product Portfolio

<table>
<thead>
<tr>
<th>Product Offering</th>
<th>Total Industry Database</th>
<th>Custom Database</th>
<th>Standard Report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product Offering</strong></td>
<td>A total solution that comprehensively reports on VAR sales and invoice-level intelligence.</td>
<td>In-depth, customized report and dataset centered on VAR sales and invoice-level intelligence.</td>
<td>An actionable update report on VAR sales and invoice-level intelligence.</td>
</tr>
<tr>
<td></td>
<td>VAR invoice-level insights for all reported categories, subcategories, attributes, brands, product families, price segments, and items.</td>
<td>Built to fit specific needs and may include VAR invoice-level insights by category, subcategory, product attributes, brand, product family, price segment, and item.</td>
<td>A summary of VAR industry, subcategory, and brand performance.</td>
</tr>
<tr>
<td></td>
<td>Clients have access to all of these metrics and attributes for their analyses.</td>
<td>Delivers new insights into products and brands purchased together including answers to questions around brand loyalty, item performance, and bundled product decisions.</td>
<td>Delivers new insights into products and brands purchased together including answers to questions around brand loyalty and product affinities.</td>
</tr>
<tr>
<td><strong>Deliverable</strong></td>
<td>Flat File</td>
<td>Flat File</td>
<td>PowerPoint</td>
</tr>
</tbody>
</table>
NPD Premium Service

SMB TECHNOLOGY MONITOR

B2B insights on anticipated purchase intentions and spending, brand perceptions, and services attached to PCs, networking equipment, storage systems, servers, software, mobile devices, and printers.

Business Benefits:
- Understand SMB buying behavior and make informed business decisions related to the commercial market

Key Measures/Metrics:
- Future purchase intentions and spending expectations by market, category, and brands
- Planning horizon for next 3 or 12 months with segmentations available by company size, market vertical, and region

Methodology/Approach
- Online survey fielded to at least 500 major influencer IT buyers across the US at firms 500 in size or less
  (Respondents are IT professionals within US organizations from a broad variety of commercial industries holding titles of VP IT to Owner/CEO whom are SMB major influencers and responsible for IT equipment procurement/decision making)
- Quarterly trended report, refreshed four times in a calendar year
Category Coverage

Market expectations available for all categories. Category and brand expectations available for all excluding cell phones/smartphones & software.
Key Questions Addressed

- Purchase intentions?
- Expected channels of purchase?
- Average spend by category?
- Financing options?
- Key motivations for planned increase or decrease in purchasing?
- Services bought along with purchases?
- Importance of attributes in purchase decisions?
- Brands considered and preferred for purchase?

Filters available for segmenting survey results

- High v. Low Spenders
- Company Size
- Market Vertical
- Region
- Planning Horizon
NPD SOLUTIONS
**NPD Advanced B2B Solutions – Customized to your business needs**

**Forecasting**

- Improve category planning with two-year category sales projections where time-series model approaches & ASP/macroeconomic trends are applied.

**Price Simulator**

- Model the impact of promotions – accounting for interactions within the own & competitive product portfolio.

**Category Mgmt.**

- Monitor performance by category and vendor by defining key performance indicators and metrics critical to your business in a customized visualization tool.

**Item Detector**

- Quickly identify threats/opportunities to assortment with a tool that isolates the top new SKUs by velocity across the channel.

... and more possibilities.
CONTACT:

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Executive Director, Commercial Technology

Jana.Munford@NPD.com
817.479.3984
Thank you
Technology categories tracked

**Communication**
- Communication Servers
- Fax Servers
- Multi-Line Serial I/O
- Telecom Equipment
- Wired Networking Devices
- Wireless Networking Devices

**PC Memory**
- Cache Memory Upgrades
- Desktop/Server Memory
- Net/Comm memory Upgrades
- Notebook Memory
- Printer Memory
- Simm Extenders/Expanders
- Video RAM

**Total Notebook Accessories**
- Docking Stations
- Laptop Cases
- Notebook Batteries
- Notebook Adapters
- Other Portable Accessories
- Port Replicator

**Total Personal Computers**
- Bare-Bone Computers
- Desktop Computers
- Notebook Computers
- Servers
- Terminals
- Thin Clients
- POS PCs
- Workstations
- Stick Computers

**Consumables**
- Inkjet Cartridges
- Label Printer Tapes
- Laser Toner
- Technology Papers

**Data Cables**
- Network Cables
- Other Connectors
- Peripheral Cables
- Calculators
- Tablets
- Tablet Accessories/Cases

**Printers/Faxes**
- Fax Machines
- Label Printers
- Multifunction Printers
- Other Printer Accessories
- Printer Stands
- Trays/Feeders
- Inkjet Printers
- Laser Printer
- Other Printers
- Receipt Printers

**Input Devices**
- Keyboard Drawers
- Mouse Pads
- Wrist Rests
- Keyboards
- Mice
- Other Pointing Devices
- Presentation Devices
- Graphic Tablets
- Touchpads
- Trackballs

**Power & Equipment**
- Batteries
- Power Distribution Units
- Power Supplies
- Racks, Chassis & Mounts
- Surge Protectors
- UPS

**Entertainment Devices**
- Game Pads
- Joysticks
- Other Entertainment Devices

**RISC**
- RISC Computers
- RISC Servers
- RISC Workstations
Technology categories tracked (continued)

### Storage Hardware
- CD/DVD Drives
- Hard Drives
- NAS
- SAN
- Flash Memory Readers
- Other Drives
- CD Duplicators
- Disk Enclosures
- Tape Cartridges
- Removable Media Drives
- SSD
- Storage Accessories
- Tape Drives

### Storage Media
- CD Media
- Data Cartridges
- DVD Media
- Memory
- Next Generation Blank Media
- Other Media

### Multimedia
- Monitor Accessories
- Networked Content Devices
- Other Multimedia
- Other Presentation Accessories
- Projector
- Sound Cards
- Total Monitors
- Total Scanners
- Video/Capture Edit

### Color Television
- 2D/3D LCD
- 2D/3D Plasma
- Portable
- Rear Projection

### Digital Imaging
- Camera Accessories
- Digital Picture Frames
- PC Camera
- Detachable Lens
- Point-and-Shoot

### Landline Telecom
- Corded Equipment
- Cordless Equipment
- Cellular Headset
- Cellular Hands-free
- Other Headset Equipment
- PC Headset & Microphone
- Telephone Headset

### Wireless Telecom
- Cell Phone Accessories – Battery/Charger/Protection
- Cell Phone Holders/Stands
- Cell Phone Screen Protection

### Miscellaneous
- AV Tuner Cards
- Chips
- Firewall Hubs
- Peripheral Sharing
- USB Hub
- Firewire Cards
- Motherboards
- I/O Cards
- IDE/EIDE – I/O Controllers
- PCMCIA I/O Adapters
- SCSI – I/O Controllers
- USB Connectives
- Shredders
- Total Accessories
- Video Cards

... and more!