HPE SMB OFFER 2.0 (FLEXOFFERS)

The future of promotions in the transactional business

September 1, 2020
HPE SMB Offers 2.0 (FlexOffers), is a new systems enhancement that enables resellers, using iQuote, to create flexible BTO configurations and get the best pricing when attach rules are met.

- The SMB 2.0 enhancements also enable the full automation of distributor offer set up and the rebate claiming process. These system enhancements are intended to allow HPE and its partners to focus on driving more sales while speeding up transactional claims processing.
- SMB 2.0 supports existing pricing and promotional programs such as SmartBuy Express (SBE), Top Value Accelerate (TVA), and Intelligent Buy (IB), and covers Heat of the market HPE ProLiant servers, HPE storage products, and HPE networking products that are targeted for SMB.

**BENEFITS OF SMB 2.0:**

- More flexibility for partners to make BTO offers attractive
- BTO SKUs defined to meet volume portfolio objectives and support extended lifecycle management
- Define rules that meet ‘Heat of the Market’ demand
- Automate offer setup and management (iQuote)
- Enable best discount identification (iQuote)
- Automate back-end claiming to drive scale
REFRESHER: WHAT IS AN SMB OFFER?

SMB Offer = Base SKU + Elements

877621-XXX + SMB Offer Elements

877621-XXX
ML350 Performance SMB Offer

SMB Offer 1P Xeon 4110 8C (2.1GHz/85W), 16 GB RAM, No Drive (8SFF HP Cage); P408i-a, 1x800 FS RPS PS

• 1 x 16GB Memory Upgrade option
• 2 x 300GB SAS 10K SFF Hard Drives option
• 1 x 800W FS Platinum Power Supply option

SMB Offers presented challenges for both customers and distributors

• Fixed Configurations: Didn’t meet all customer needs
• Inventory replenishment: Challenging to manage
• Change: Difficult to modify once launched

Blended Margins—Everyday low price
# SMB OFFERS 2.0 (FLEXOFFERS)
End to end enhancements to enable flexible configurations

## Base SKUs

<table>
<thead>
<tr>
<th>Base SKUs</th>
<th>MicroServer</th>
<th>ML30</th>
<th>DL380</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entry</td>
<td>Entry</td>
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<tr>
<td></td>
<td>Performance</td>
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<tr>
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<td>Solution</td>
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</tbody>
</table>

## SMB Preferred Options

**HDD**
- 300 GB
- 600 GB
- 1 TB RW
- 1 TB LP
- 1 TB SC
- 1.2 TB
- 2 TB
- 4 TB

**SSD**
- 240 GB
- 480 GB

**Controller**
- P408i-p
- P408i-a
- P440/2G
- E208i-a

## SMB 2.0 “a la Carte” Offers

- **Any Base SKU**
- **Required**
  - Any SMB Preferred Option
- **Everyday Low Price**
  - Price $\leq$ SBE / TPL

## For distributors using integrated iQuote
- Allows customers and resellers to build flex configurations
- Additional discounts based on options attach
- Options attach rules can vary by product
- Typical buy price less than separate smart buy express purchase

## Base SKUs
- Minimally configured SKUs (CPU, Memory, Power Supply)
- Defined by HPE and shipped from factory

## SMB Preferred Options
- Subset of options portfolio defined to target high volume channel sales
HOW DOES IT WORK?

Now start adding options

- Add Memory
- Add HD
- Add iLO
- Add more HD

Additional savings after crossing threshold
## SMB OFFERS 2.0—CAPABILITIES

A FLEXIBLE TOOL for the different business needs—3 types of rules

<table>
<thead>
<tr>
<th>Rule Type</th>
<th>Attach</th>
<th>Multi-System</th>
<th>Combo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selecting the Right Rule Type</td>
<td>Keep it simple and easy, while promoting options attach.</td>
<td>Promote a System family attached to another System. Great to be used for special offers.</td>
<td>Perfect to promote Solutions that require more than 1 system family and options attached.</td>
</tr>
<tr>
<td>Rule Capability Definition</td>
<td>Ability to set a minimum # of Preferred Options per Preferred System to unlock discounts.</td>
<td>Attach a System unit from other Product families or from different BUs as requirement to unlock systems discounts.</td>
<td>Ability to combine offers with System units from different Product families or BUs in same order and unlock discounts on all Preferred Systems and Options.</td>
</tr>
<tr>
<td>Rule Examples</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MicroServer &amp; ProLiant 10 Series</td>
<td>3 Options</td>
<td>ProLiant ML350 Gen10</td>
<td>Shared Storage Virtualization Solution</td>
</tr>
<tr>
<td>ProLiant 100 Series</td>
<td>4 Options</td>
<td>StoreEver MSL 1/8 Autoloader</td>
<td>ProLiant DL360</td>
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<tr>
<td>ProLiant 300 Series</td>
<td>6 Options</td>
<td></td>
<td>Gen6th MSA2060</td>
</tr>
</tbody>
</table>

### Rules based discounting designed to incentivize attach

- **Preferred Options/Preferred Systems:** Pre-Selected SKUs that will represent Heat of the Market, Promo purposes and Strategic products
- **Rules available only through iQuote. One rule per system during same period of time is allowed.**
SMB OFFER 2.0 FLEXIBILITY/AUTOMATION—SYSTEMS FLOW

FlexOffer enhancements will automate rebate claiming but will require some distributor system changes. A new iQuote ID will be used to track quotes from quote creation to claiming.

- All Quotes initiated in iQuote are trusted
- Quotes created with real-time OPG matching and discount calculation
- Completed quotes transferred to disti systems with unique iQuote ID

- Quote to Invoice
- Disti systems required to preserve iQuote ID
- Standardized sales-out reporting that includes iQuote ID

HPE iQuote ID—“HPEQuoteID”—The iQuote “Quote ID” is a numeric 15 digit ID that will be added to the data so that it can be reported via the sell-out data to be combined at HPE with an associated export from iQuote to drive the automated claiming process. Example: Quote, 20123456 version 3 = 200002012345603

- Use iQuote ID to match invoice to Quote
- Matched invoices used to create back-end rebate claims
- Executes approved Claims

iQuote
Distributor Systems

Sales-out Reporting

Zyme
GRS