

FAQ - Pricing Change for NetApp Backup and Recovery and NetApp Ransomware Resilience

1. Why are these product prices changing?

Answer: The changes aim to make the data services more competitive, reduce the need for excessive discounting, and accelerate deal velocity. This should help streamline the sales process and reduce operational overhead for the Worldwide Business Desk (WW Business Desk).

2. What are the primary goals of these pricing changes?

Answer: Our primary goals are:

- To help sellers succeed by attaching data services to deals.
- Improve deal velocity.
- Reduce operational overhead for the Worldwide Business Desk.
- Make services affordable at enterprise scale.

3. Will customers be informed about these pricing changes?

Answer: No, there will be no direct customer communications regarding the new pricing discount structure. These changes are designed to streamline our sales process and make these services more competitive without the need for frequent discounting requests.

4. How should I position protection services to my customers?

Answer: Position data services (Backup and Recovery and Ransomware Resilience) as solutions that empower customers to intelligently orchestrate and optimize their ONTAP hybrid multi-cloud environments. These services enhance operational speed, resilience, and responsiveness while slashing complexity, cost, and risk.

5. What specific pricing changes are being implemented?

Answer:

- **Backup and Recovery and Ransomware Resilience:** BYOL (Bring Your Own License) and Private Offer prices are reduced by nearly 50% or more.
- **Pay-Go prices for the products:** No changes.

6. When will the new list prices be available?

Answer: The new list prices will be available in the quote tools (UCPQ and MP Price calculators) on September 22, 2025.

7. Which prices will be impacted by these changes?

Answer: These changes apply to all NA, USPS, NYS, and GA price lists. Note that not all impacted products are on all the Government price lists.

8. How will this change affect my quoting process?

Answer:

- The intention is to accelerate deal velocity and make it more attractive to include data services in deals.
- This change is not intended to make services cheaper for customers but to enable sellers to quote feasible prices without requiring extensive deals desk reviews.
- For new deals and renewals, we expect sellers to quote the average deal prices they do today without needing to discount list prices heavily.

9. Will heavy discounting still be allowed?

Answer: We do not expect major discounting activity due to the reduced list prices. New discount requests will be scrutinized, and exceptions will be rare.

10. Will renewal prices be affected?

Answer: No, renewal prices should not decrease. They should be based on current deal prices.

11. What is expected from sellers in terms of behavior?

- **Continue to attach data services:** Drive attach value in the deals.
- **Maintain deal values:** Avoid reducing average deal prices for new deals and renewals.
- **Value over discount:** Focus on selling the value of the services rather than offering high discounts.

12. What should I do if a customer expects high discounts on quotes?

Answer: We need to move the conversation beyond discounts and focus on the value of the services. The value of our services should be reflected in the unit price being quoted, with minimal discounting.

13. Are there any changes to the current PVR processes?

Answer: No, the current PVR processes remain unchanged. If discounts exceed RPT thresholds, the current Deals Desk process will still need to be followed.

14. Will there be intense scrutiny on new discounting requests?

Answer: Yes, any new discounting requests will be scrutinized in detail, and exceptions will be made only in rare cases. Average deal values will be monitored to ensure the lower list prices and ensuing discounting potential are not being misused.

15. How will the company monitor the impact of these changes?

Answer: Average deal values will be closely monitored to ensure that the lower list prices and the associated discounting potential are not being misused or abused.

16. What should we expect to hear at INSIGHT 2025?

Answer: At Insight, you will learn more about the Cyber Resilience data services, their strategic fit in our portfolio, and be encouraged to sell them. This information is crucial for all sellers.

17. Who can I contact for further questions on pricing changes?

Answer: Please reach out to the Product Managers for further questions.

- NetAPP Ransomware Resilience – Michael Landau Michael.Landau@netapp.com
- NetApp Backup and Recovery – Santosh Lakshman Santosh.Lakshman@netapp.com
- NetApp Disaster Recovery - Glenn Sizemore Glenn.Sizemore@netapp.com

