Partner Incentives Co-op Guidebook

Business Policies for FY25
July 1, 2024

Updated January 1, 2025

The Partner Incentives Co-operative Marketing Fund (Co-op) provides reimbursements of earned funds to participating partners to help differentiate and build channel awareness and preference for Microsoft® products. Co-op is a critical investment for Microsoft in driving key business priorities with partners. Its purpose is to not only reward the partner, but also to reinvest back into the partner's business with Microsoft to accelerate future results and meet key objectives. This guide is applicable for incentives programs awarded Co-op funds, to be used for activities completed during fiscal year 2025 (FY25).

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Summary of FY25 Changes

General

- "Partner Readiness" category has been renamed as "Partner Skilling"
- Demand Generation "TV/Radio Advertising" activity no longer eligible.
- Demand Generation "Print Advertising" activity applies to Surface partners only.
- "Migration Services" and "Solution Building with Third Parties" activities moved from Demand Generation to Market Development.
- "Tradeshows and expositions" activity moved from Market Development to Demand Generation.
- "Microsoft syndicated content" eligible costs have been updated from USD 18,750 to USD 12,000-17,000 per usage period.
- Added "Specialization Audit Fees" as ineligible co-op expense for clarity.
- Co-op guidance for SMB and Solution Areas have been updated to align to FY25 priorities.

H2 Updates

- Featured Partner Sponsorships for first party corporate led Microsoft events (Microsoft AI Tour, Ignite, Build and Tech Connect) are eligible for Co-op.
- Added reminder that partners may not use Coop funds to match investments (e.g. SureStep).
- Added reminder "Internal Seller Award trips" ineligible co-op expense for clarity.

How to use the Co-op Guidebook

The Co-op Guidebook is for all partner incentive programs ("Programs") that receive Co-op funds and is published as one guidebook, with program-specific differences highlighted. Activity categories, activity definitions, eligible expenses, and proof of execution requirements are aligned across programs, except as indicated otherwise. This guidebook is applicable for the following programs:

Microsoft Commerce Incentives (MCI)
- Surface PC and Surface Hub Authorized Device Distributor (ADD)
- Surface PC and Surface Hub Authorized Device Reseller (ADR)
- Hosting
- Cloud Solution Provider (CSP) Indirect Provider
- Cloud Solution Provider (CSP) Indirect Reseller
- Cloud Solution Provider (CSP) Direct Bill Partner

This Guidebook contains a general "Overview" slide and detailed "Activity guidelines" slides, such as periods, instructions for claim submission, and core requirements. If an activity is not eligible for a specific incentive program, it is noted as not applicable on the "Activity guidelines" slide and the specific Activity slide.

Co-op Overview

What is Co-op:

Cooperative Marketing Funds (Co-op) provide reimbursement of earned funds to participating partners to help differentiate and build channel awareness and preference for Microsoft products. Partners participating in an incentive with a Co-op component will earn a portion in rebate (paid monthly) and a portion in Co-op (accrued for six months based on fiscal calendar) to use on eligible Co-op activities.

Participating Incentives:

- Microsoft Commerce Incentives (MCI)
  - Surface PC and Surface Hub Authorized Device Distributor (ADD)
  - Surface PC and Surface Hub Reseller (ADR)
  - Hosting
  - Cloud Solution Provider (CSP) Indirect Provider
  - Cloud Solution Provider (CSP) Indirect Reseller
  - Cloud Solution Provider (CSP) Direct Bill Partner

Qualifying Activities:

	Definition	Qualifying activities		
Partner Skilling	Activities for the partner's internal sales and technical personnel and includes specific expenses related to training that helps develop the partner's sales and technical expertise on Microsoft.	• Internal training and floor days • Microsoft AI Cloud Partner Program participation • Microsoft exams and tuition	• Microsoft hosted conferences • On-demand Training • Product seeding and demo units	
Demand Generation	Traditional advertising with broad reach that furthers the marketing and promotion of Microsoft offerings. Results and audience size are measurable.	• Best Practice Development • Digital advertising • Direct mail/email/mobile SMS • Microsoft syndicated content	• Multi-touch digital campaign • Partner website and search engine optimization • Print advertising	• Social media marketing • Tradeshows and expositions
Market Development	Marketing activities designed for a specific customer audience that support the sale of Microsoft software licenses.	• Customer seminars and bootcamps • Customer offers • Employee purchase web set-up for customers	• Internal incentives and SPIFFs for sellers • Migration Services • On-site champs	• Proof of concept • Solution Building with Third Parties • Telemarketing

Co-op Overview

Earning and Accruing Co-op:

Funds are earned and accrued semesterly through participating incentive programs to be used during the following six-month period on eligible demand generation, market development, and partner skilling activities. The accrued funds must meet a minimum Co-op earning threshold to be available for use.

Earning/Accrual Period	Usage Period	Claim Deadline	Claim POE Approval Deadline
FY24 H1 (July 2023 – December 2023)	FY24 H2 (January 2024 – June 2024)	August 15, 2024 (23:59:59 UTC)	September 30, 2024 (23:59:59 UTC)
FY24 H2 (January 2024 – June 2024)	FY25 H1 (July 2024 – December 2024)	February 15, 2025 (23:59:59 UTC)	March 31, 2025 (23:59:59 UTC)
FY25 H1 (July 2024 – December 2024)	FY25 H2 (January 2025 – June 2025)	August 15, 2025 (23:59:59 UTC)	September 30, 2025 (23:59:59 UTC)

At the close of each six (6) month earning period, for partners exceeding the minimum Co-op earning threshold, Microsoft will deposit the funds into the Partner Center claims tool for use in the upcoming fiscal semester.   Partners that do not exceed the Co-op threshold will not qualify to use funds and will receive the withheld Co-op funds as part of their rebate payment in the following payment cycle.

Minimum Threshold:

Threshold	Incentive
$1,500 USD	Applicable for Microsoft Commerce Incentives (MCI) Surface PC and Surface Hub Authorized Device Distributor (ADD), and Microsoft Commerce Incentives (MCI) Surface PC and Surface Hub Authorized Device Reseller (ADR), Microsoft Commerce Incentives (MCI) Hosting
$10,000 USD	Applicable for Microsoft Commerce Incentives (MCI) Cloud Solution Provider (CSP) Indirect Reseller, Microsoft Commerce Incentives (MCI) Cloud Solution Provider (CSP) Direct Bill Partner, Microsoft Commerce Incentives (MCI) Cloud Solution Provider (CSP) Indirect Provider

Bank and Tax:
Partners must complete a bank and tax profile for the incentive program(s) Co-op earning type in Partner Center. (Note, this is separate from rebate earnings.)

Co-op Overview

Co-op Planning

1. **Co-op Planning Guidance** (*optional, recommended*)
   - [Check Co-op earnings](#) in Partner Center.
   - Create a Co-op plan to enable optimal usage for your organization. This does **not** need to be submitted to Microsoft (CSP and Hosting).
   - Marketing plan approval is required POE for **all Surface partner claims.**

2. **Creative Materials Preapproval** (*optional, recommended* - applicable prior to execution only)
   - Follow [Preapproval process.](#)
   - Request preapproval by emailing commpre@microsoft.com
   - Ensure pre-approved creative materials are not modified in any way.

3. **Conduct Activity:** Gather all proof of execution materials required for submission.

4. **Submit Claim and Proof of Execution (POE)***
   - Claims can be submitted starting 45 days after usage period begins. Claims should be made within 45 days of activity completion and must be submitted by the period claim deadline.
   - Sign into Partner Center, select *Co-op Management* and then *Create a Claim.*
   - Complete claim form and include preapproval codes for creative pieces.
   - Upload proof of execution materials and *Submit claim.*
   - Review [POE policy](#) for when POE is required.
   - Partners have 45 days after the Co-op claiming deadline to close out any claims with a status of "Pending POE," "Request More Proof," or "Action required."
   - If any such claims are not closed out, the claim will be moved to a status of "Non-compliant" and payment will not be processed.
   - Unsuccessful Co-op claims and unused funds will be forfeited at the end of the grace period for claims submission (45 days after the end of the usage period).
   - Enter your claims in Partner Center as soon as possible to maximize cash flow and ensure that you have enough lead time to address any questions that may come up related to the submitted claim.

5. **Claim Deadlines:**
   - **Claiming Period Deadlines:** Submit reimbursement claims by August 15, 2024 23:59:59 UTC for H1 and February 15, 2025 23:59:59 UTC for H2
   - **Proof of Execution (POE) Approval Deadlines**: Obtain POE approval by September 30, 2024 23:59:59 UTC for H1 and March 31, 2025 23:59:59 UTC for H2

Notes:
- Any policy changes take effect in the H1 usage period.
- If you have any questions regarding what is required, please contact your PDM or Support Aliases as noted on the Partner Resources slide.

Activity Guidelines: Core Requirements

Core Requirements: As part of Partner Incentives Co-op, demand generation and market development activities must include the two core requirements, unless otherwise specified in the activity.

1. **Company/Brand Name and Contact Information:** Company/brand name and contact information must be included in all demand generation and market development activities, including at least one of the following: 1) Your company street address or email address and/or 2) Company website URL or phone number. Invoices only need a company name (not contact information.) In the event that a demand generation and/or market development activity is driving a customer to a landing page or resource managed by Partner's marketing agency, then at a minimum the marketing content must include the Microsoft offer being promoted, and the Microsoft Partner behind the promotion.

2. **Special Conditions:**

MCI - Surface	MCI - Hosting, MCI - CSP
Demand generation and market development activities must include a minimum of 30% content that furthers the marketing and promotion of Microsoft Surface products **and**	Content must support the marketing and promotion of Microsoft products. If the services marketed by the partner do not clearly show a Microsoft component, the partner must provide supporting documentation which describes the Microsoft product, service, solution, or platform that the Partner service or solution is based on **and**

Microsoft Content:

A minimum of 100% Microsoft* focused content for the following activities:	

• Partner Skilling
    • Internal training and floor days
    • On-demand training
• Demand Generation
    • Partner website & search engine optimization
• Market Development
    • Employee purchase web set up for customers
    • On-site champ
    • Proof of concept
    • Telemarketing
	• Partner Skilling
	    • Internal training and floor days
	    • On-demand training
	• Market Development
	    • On-site champ

A minimum of 75% Microsoft* focused content for the following activities: Social media marketing	

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*Microsoft **Office** offerings for Commercial Distributor Office FPP/ESD only

General Activity Guidelines

These guidelines apply to all activities. Specific requirements are listed with each activity description. Activities may include components and messaging from complementary vendors.

Activities must:

- Be focused on eligible Microsoft products that have been officially released as part of general availability (GA) or otherwise notified by the Co-op program.
- Only use approved Microsoft assets and logos.
- Be customer focused or targeted.
- Not appear to be conducted by, on behalf of, or sponsored by Microsoft.
- Adhere to all applicable international, national, regional, corporate, and local guidelines, laws and rules, and privacy policies.
- Meet standards of good taste and must not be sexually oriented or otherwise offensive or inappropriate.
- Be placed on media with content adhering to high standards of good taste.
- US allowances for each activity may vary from the global policy. US partners should check their individual agreements for details.
- If an activity is performed by a third party, the invoice from that third party should be provided as POE when required. In the event that the claim amount is below the threshold for POE requirement, simply retain the invoice as required by Co-op policy.

Inclusion of Non-Microsoft Products

Partners may claim:

- 100% of the cost for qualifying activities that meet the core requirements and promote only Microsoft operating system, productivity suite, server solution, collaboration suite software or devices.
- A maximum of 30% of the cost for qualifying activities that meet the core requirements when any non-Microsoft operating system, productivity suite, server solution, collaboration suite software or device running a non-Microsoft operating system are present.
- The Microsoft-specific portion of the cost of catalogs, tradeshows and expositions, and internal training that meet the core requirements and contain a non-Microsoft operating system, productivity suite, server solution, collaboration suite software, or device.

General Activity Guidelines

These guidelines apply to all activities. Specific requirements are listed with each activity description. Activities may include components and messaging from complementary vendors.

Ineligible Activities and Expenses

Co-op funds may **not** be used to reimburse:

- Microsoft products (except as specified at the activity level).
- Operating expenses and costs associated with the manufacture or distribution of systems, including costs related to bills of materials and costs of goods (packaging, shipping, freight, etc.).
- Giveaway items that include non-Microsoft operating system, productivity suite, server solution, collaboration suite software or device.
- Infrastructure, overhead, depreciable asset expenses (for example, vehicles, capital equipment, etc.), or real property.
- Placement costs associated with advertising on a web site or telephone on-hold message systems owned or operated by Company or Company Subsidiary(ies).
- Costs associated with Microsoft joint agreements or marketing agreements by Microsoft or affiliates that require Company to match or otherwise contribute additional marketing funds. (i.e., Company may not use any Co-op funds to satisfy any marketing funds contribution requirement by Microsoft or its affiliates as detailed in said marketing agreement such as SureStep.)

- Multiple claims for a single activity expense. This policy may not apply in the US due to tool differences with global programs.
- Submitting the same expense for reimbursement from multiple Incentives and Co-op programs.
- Travel expenses, including flights and hotels (except as specified at the activity level), meals, mileage, and any other travel costs.
- Costs for an activity paid at more than its fair market value.
- Funds redistribution to third parties (excludes marketing agencies contracted by the partner). Co-op is a reimbursement for activities executed by the partner to engage the customer channel.
- Creative cost and printing fees on items such as; bags, T-shirts and golf-balls.
- "Advance Support for Partners" and "Premier Support for Partners" expense
- Microsoft Specialization audit fees
- Internal Seller Award trips

Claims Guidelines

Claim Submission Requirements

Partners may request reimbursement for the cost of qualifying demand generation, market development, and partner skilling activities against their earned funds. Usage of funds involves the completion of Co-op eligible activities and submission of reimbursement claims for qualifying activity expenses. To submit a claim, sign on to Partner Center follow the prompts.
Claims may be submitted after the planned activity has been completed. The claim submission and POE documentation must be received no later than the Claim Period deadlines (H1: February 15th 23:59:59 UTC and H2: August 15th 23:59:59 UTC).

Claim amounts are limited by the available funds at the time the claim is submitted. After the funds for that period have been fully utilized, the partner will not be able to submit additional claims. If funds are not claimed by the conclusion of the claiming period, they will be forfeited with no possibility of reinstatement or rollover.

A partner's claims will be validated against the activity-specific core requirements listed for that activity. ALL proof of execution (POE) must be provided for claims to be eligible for reimbursement.

Proof of Execution (POE)

All Co-op activities require POE to be documented per activity requirements listed in the guidebook. Claims made in Partner Center require submission of POE for validation and to assess compliance, unless noted otherwise by the tool during the claim creation process. POE must be provided as part of claim submission and must be uploaded in the claim form. All proof of execution listed on the activity page is required, unless specifically noted otherwise. In instances <u>where POE is not required </u>for the claim, Microsoft reserves the right to request the original proof of execution documentation. Partners must retain the original proof of execution documentation for 24 months after the incentive earning period or end of claiming period, whichever is later. Failure to do so could result in any disciplinary action that MS deems, in its sole discretion, to be necessary.

The costs associated with submitting POE are not reimbursable through Co-op.

POE must originate with the partner and be submitted by the partner for the claim to be reviewed for approval.

Proof of Execution (POE) Threshold

Microsoft simplified POE requirements by reducing the requirements to submit POE for low dollar claims. During the claim submission in Partner Center, if your claim does not require POE for submission, you will be notified within the tool. This update aims to reduce, simplify, and streamline POE requirements and processes, while ensuring that we maintain the same level of protection for Microsoft and our partners. The claim threshold amounts are set at the country level based on classification my Microsoft CELA.

Country classifications for applying POE thresholds for claims will adjust in FY25 based on updated guidance from CELA.
Microsoft uses proof of execution data to improve and develop our internal tools and processes.

Classified as Microsoft confidential

Claims Guidelines

Currency Exchange Rates
The exchange rate used to calculate rebate and Co-op payments will be the Microsoft monthly P&L FX Rate, which is the London spot close two business days prior to the last business day of the previous month end from Reuters.

Contract Account (CA) Currency
The CA or 'wallet' currency is the underlying currency used by Partner Center and is set when the first claim of the usage period is created. The currency used is that which was selected when enrolling and creating the bank and tax profiles in Partner Center.

If the partner only has one bank/credit profile setup for this program, the currency of this bank/credit profile is set as the CA currency automatically. If the partner has multiple bank/credit profiles setup for this program in multiple currencies (possible in a multi-pay-from scenario), the partner selects one of those currencies from a dropdown to use as the CA currency for that program and period. Once selected, the CA currency is set for the usage period and will not change for that period even if the bank/credit profile currency is changed, however, the partner will be paid in whatever the bank/credit profile currency is at the time of payment.

When an Activity spans multiple Usage Periods
If an activity spans multiple usage periods, and there is a milestone delivery date with an invoice in-between those periods, the partner may submit a claim for the portion within the usage period that was invoiced. If for an event, claim must be submitted after event has taken place.

Certification Statement and Report
The Certification Statement and Report (CSR) form is available online in Partner Center for all programs and used when a partner uses their resources to execute an activity. It must be completed in its entirety and may not be used to claim expenses that are not eligible for reimbursement. It is subject to verification upon request from Microsoft (or Microsoft designated claim validation entity).

Sales Performance Incentive Funds Form
The Internal incentives and sales performance incentive funds (SPIFFS) activity requires an attestation form to be populated online in Partner Center for all programs. All SPIFF claims require POE during claim submission. Per local regulations, SPIFFs are not allowed in Austria, France, Germany, and Switzerland.

Activity Plan Pre-Approval
Applicable for Surface PC and Hub Reseller and ADD Only: Partner Channel Marketing Manager (PCMM), Partner Development Manager (PDM), or Product Portfolio Go-to-Market Manager approval required of semesterly Co-op activity plan before claims can be validated for approval and subsequent payment.

Microsoft

Co-op Category Summaries

Partner Skilling

Partner Skilling

Activities for the partner's internal sales and technical personnel and includes specific expenses related to training that helps develop the partner's sales and technical expertise on Microsoft.

Qualifying Activities

- Internal training and floor days
- Microsoft AI Cloud Partner Program participation
- Microsoft exams and tuition

- Microsoft hosted conferences
- On-demand training
- Product seeding / Demo units

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.
100% Microsoft Content for timeframe of day or event space being claimed.

Proof of Execution Guidance
- Third party **invoice** or certification statement and report (CSR)
- **Communication material:** Training Agenda, Event Program or Screenshot of On-Demand Training Module
- **Communication material:** Microsoft presentation content
- Review POE policy on when POE is required.

Caution
- Co-op funds do not cover upgrades, alcohol, minibar, laundry, or any other travel cost not explicitly stated in this guide.
- TRAVEL EXPENSES (for partner) ARE NOT ELIGIBLE UNDER TRAINING ACTIVITIES

Reminders
- Training should be 100% Microsoft-focused.
- Provide giveaway items to boost sales and increase participation.
- Encourage sales staff to follow up with prospects.

Demand Generation

Demand Generation

Activities include traditional and digital advertising with broad reach that furthers the marketing and promotion of Microsoft offerings. Results and audience size should be measurable.

Qualifying Activities

- Best Practice Development
- Digital advertising
- Direct mail, email, and SMS
- Microsoft syndicated content
- Multi-touch digital campaign

- Partner website and search engine optimization
- Print advertising (Applies to Surface only)
- Social media marketing
- Tradeshows and expositions

Proof of Execution Guidance

- Third party **invoice** or certification statement & report (CSR) PLUS
- **Communication material:** Copy of final communication piece (based on advertising) showing program-specific core requirements.
- Review POE policy on when POE is required.

Best Practices

- Have a strong, clear call to action.
- Ensure contact information is clearly indicated and easily found on your materials
- Confirm your assets appear in publications or channels with an established circulation and/or advertising rate.
- Comply with all international, national, regional, corporate, and local guidelines, laws and rules, standards of good taste, and privacy policies.

Market Development

Market Development

Activities include customer recruitment and education, as well as market and business development activities that further the awareness, preference, and sales of Microsoft offerings. Typically, these marketing activities are designed for a specific customer audience.

Qualifying Activities

- Customer seminars and bootcamps
- Customer offer
- Employee purchase web set up for customers
- Internal incentives and SPIFFs for sellers
- Migration Services

- On-site champ
- Proof of concept
- Solution Building with Third Parties
- Telemarketing

Proof of Execution Guidance

- Third party **invoice** or certification statement and report (CSR)
- **Communication material:** Copy of script or relevant materials.
- Review POE policy on when POE is required.

Best Practices

- Indicate that the marketing content is from your company and not from Microsoft.
- Use the correct trademarked name for software in the materials and include the specific Microsoft product being promoted.
- Focus on communicating the most important message and driving a response.
- Appeal to Customer by meeting a specific need.
- Test multiple offers to determine impact.

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Microsoft

Partner Skilling Activity Sheets

Internal training and floor days

In-person partner-led and partner-facing training for internal personnel to help develop partner's sales, marketing, customer relationship management and technical expertise on Microsoft software and solutions; FIT and IAMCP training is eligible. Also includes Microsoft-hosted (or a certified agency) training. **Floor days** and internal **sales kickoff** events are days dedicated for the partner's sales staff to focus on the sale of Microsoft software. Can also include internal vendor fairs.

Activity Guidelines
- CPLS or Learning Consultant is an eligible expense under **Fee – external speaker,** paid to the CPLS consultant including the Microsoft-related technical training provided by the CPLS consultant.
- Giveaway items must adhere to Microsoft guidelines. Expenses for giveaway items as part of a SPIFF activity during a floor day event should be claimed under the "Internal Incentives and SPIFFs" activity category.
- How to claim proportional reimbursement: Proportional reimbursement is allowed for internal training events when a specific time period of the training is 100% Microsoft-focused. Proportional reimbursement is also allowed for internal vendor fairs. To calculate the claim amount of general event expenses, divide the total amount of time/space dedicated to Microsoft and meeting the core requirements by the total event time/space and multiply by the total event cost.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.
1. 100% Microsoft Content for timeframe of day or event space being claimed

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material:** Training Agenda, Event Program or Screenshot of On-Demand Training Module

Eligible Expenses*
- **Fee – training / tuition / registration / digital training platform or digital training formatting**
- **Signage / display / printed materials**
- **Giveaways**
- **Fee – agency**: marketing services, including agency fees
- **Fee – external speaker** (travel and hotel expenses eligible for speaker only)
- **Fee – facility and equipment rental**
- **Catering (excluding alcohol)**

*US allowances for this activity may vary from the global policy. US partners should check their individual agreements for details.

Caution
- Co-op funds do not cover upgrades, alcohol, minibar, laundry, or any other travel cost not explicitly stated in this guide.
- TRAVEL EXPENSES (for partner) ARE NOT ELIGIBLE UNDER TRAINING ACTIVITIES

Reminders
- Training should be 100% Microsoft-focused.
- Provide giveaway items to boost sales and increase participation.
- Encourage sales staff to follow up with prospects.

Microsoft AI Cloud Partner Program (MAICPP) participation

Includes Microsoft AI Cloud Partner Program annual enrollment fees for benefits package.

Activity Guidelines
- Must be submitted within the 6-month usage period. Claims can be filed based on either enrollment date or invoice date.
- Microsoft invoice should indicate payment was made.

Proof of Execution Requirements
- Original Microsoft **Invoice**

Eligible Expenses

- **Fee – Partner Launch Benefits enrollment:** Initial annual benefits package or renewal
- **Fee – Partner Success Core Benefits enrollment:** Initial annual benefits package or renewal
- **Fee - Partner Success Expanded Benefits enrollment:** Initial annual benefits package or renewal
- **Fee - Solutions Partner designations enrollment:** Initial annual benefits package or renewal

Microsoft exams and tuition

Official Microsoft exam and tuition fees for certifications relevant to Solutions Partner designations and specializations available at www.microsoft.com/learning.

Activity Guidelines

- Claims should be filed in the period during which the training activity occurred and after the exam / training is completed.
- Training vouchers may only be claimed <u>after</u> the completion of a training course. Partners must submit invoices for the vouchers and provide a certificate or a completion document that states the dates the course was taken and completed.
- If the invoice does not include the course/exam code and date of completion, be prepared to show an alternative form of course completion, such as a course certificate.

Core Requirements:

1. Course code / exam code on https://docs.microsoft.com/learn/

Proof of Execution Requirements

- Third party **invoice** with course code and date of completion or invoice with exam code and date of completion. If the invoice does not have the course/exam code and completion date, please provide course/exam code and completion date as a separate POE submission.

Eligible Expenses

- **Fee – exam**: Microsoft exam fees for certifications
- **Fee – training / tuition:** Microsoft tuition fees for certifications, including on-demand training expenses
- **3rd party ISV solution training** – tuition expenses for training on third-party solutions that can be demonstrated to leverage or reside on Microsoft applications and platforms
- **Fee – MCT renewal:** Microsoft Certified Trainer renewal fee (no metric required)
- **Initial MCT Enrollment** cost is an eligible expense.

Caution

Co-op funds will only cover predefined course materials, as listed on www.Microsoft.com/learning in relation to a completed course/exam

Are training vouchers eligible for Co-op funds?

Training vouchers may only be claimed <u>after</u> the completion of a training course. Partners must submit invoices for the vouchers and provide a certificate or a completion document that states the dates the course was taken and completed.

Microsoft Hosted Conferences

Conference and events hosted by Microsoft, in which the partner participates as an attendee. Includes registration, transportation (airfare or train fare), and hotel for up to 3 attendees per conference.

Activity Guidelines

- Claims may not be submitted until after the conference activity is complete.
- Partners participating as vendors (with a booth) at a Microsoft-hosted event can claim eligible expenses under "Tradeshows and Expositions" activity category.
- Conferences must be hosted by Microsoft in order to be eligible for reimbursement. If the required proof of execution does not clearly show that the conference was hosted by Microsoft, additional support documentation may be required.
- Conferences should include either a strategic discussion, product roadmap review or training opportunity which can lead to certification.

Core Requirements

1. Microsoft-hosted conference

Proof of Execution Requirements

- Third party **invoice PLUS**
- **Support document:** Copy of conference/event invitation or registration confirmation showing evidence that conference is hosted by Microsoft **OR**
- **Support Document**: Transportation itinerary with travel dates *(Travel – airfare expenses only)*

Eligible Expenses

- **Featured Partner Sponsorships for first party corporate led Microsoft events**** including booth space, signage, display, printed materials, meeting/networking space, lead capture, allocated event passes, and content/sessions
  - Excludes Engagement Opportunity sponsorships that are entertainment driven: Food or alcohol based EOs (coffee carts, F&B, etc.); Brand amplification EOs (video game areas, lawns/parks, lounges); Mixer and/or Celebration named sponsorships
- **Fee – Registration**: for up to **3 attendees (6 attendees for Hosting)** per conference
- **Travel – Airfare/Hotel:** Transportation (airfare or train fare and applicable taxes) and hotel (room rate only and applicable taxes).
  - Travel – Airfare/hotel expenses are capped up to USD 5,000 per person per conference, limited to 3 attendees, with a total cap of USD 45,000 for airfare/train fare/hotel expenses per period per program. Hotel room rate will be reimbursed up to the night prior and night after the conference dates.
  - Note: Co-op funds **do not** cover upgrades, alcohol, minibar, laundry, or any other travel cost not explicitly stated in this guide.

*US allowances for this activity may vary from the global policy. US partners should check their individual agreements for details
**Valid only for Microsoft AI Tour, Ignite, Build and Tech Connect.

On-demand training

Virtual partner-led and partner-facing training that is delivered on-line in an On-Demand format for internal personnel to help develop partner's sales and technical expertise on Microsoft software and solutions; FIT and IAMCP training is eligible. Also includes Microsoft-hosted (or a certified agency) training.

Activity Guidelines

- Increasingly, sales and technical training is delivered on-line in an On-Demand format. Typically, a course is offered as a set of consumable modules that are targeted at a specific element of the course and can be digested in a manageable time frame, or as needed. These training offerings can increase employee productivity by delivering the content when and how it is needed.

- _How to claim proportional reimbursement:_ Proportional reimbursement is allowed for training events when a specific modules are consumed in different claim periods and the training is 100% Microsoft-focused. To calculate the claim amount of general event expenses, divide the total amount of time/number of modules meeting the core requirements by the total training time/number of modules and multiply by the total training cost.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

1. 100% Microsoft Content for the on-line, On Demand training module being claimed.

Proof of Execution Requirements

- Third party **Invoice or CSR** with course description and date of completion

Eligible Expenses

- **Fee – agency**: Marketing services and content creation services including agency fees
- **Speaker fees**

*US allowances for this activity may vary from the global policy. US partners should check their individual agreements for details.

Reminders
Training should be 100% Microsoft-focused

Did you know?
You can accelerate your sales team's skilling by having them participate in LevelUp, a training platform focused specifically on SMB.

Product seeding / Demo units

Demo units are for use by partner employees in customer-facing presentations, showcases, kiosks, and internal training. Product seeding are devices provided to customers on a trial basis for testing and evaluation purposes prior to a purchase decision.

Activity Guidelines*
- **Hosting and CSP Indirect Provider, Indirect Reseller and Direct Bill Partner Partners**: Limited to current Windows systems, Windows peripherals, and Microsoft Hololens up to the greater of USD3,000 USD or 10% of total accrued Co-op funds per program period.
- **Surface PC ADD and Reseller Partners**: Limited to Surface and Microsoft PCA branded accessories for ADD & Resellers
- **Surface Hub ADD and Reseller Partners**: Limited to Surface Hub and Microsoft Hub accessories for ADD & Resellers.

Claims should be filed in the period during which the activity was completed (i.e., units have been delivered).
Proof of delivery of units can include a packing slip, delivery confirmation, or retail receipt.

Proof of Execution Requirements

- Third party **invoice** showing demo unit system specs and the delivery date **PLUS**
- **Support document:** Proof of delivery for third party demo units

Eligible Expenses
- **Fee – equipment purchase:** Product demo units
- **Fee - shipping fees** for Surface PC, Surface Hub & Accessories

* Please review guidelines for core requirements under the applicable activity guidelines page.

Caution

- Co-op funds do not cover testing environments and other technology
- Co-op funds do not cover purchasing licenses.
- Accessories are defined as keyboard, docking station, mouse, pen, earbuds, Surface headphones and Surface travel hub.
- Surface demo unit quantities are determined pursuant to the Demo Device Program Terms and Conditions.

Microsoft

Demand Generation Activity Sheets

Best Practice Development

Certain work performed by the partner to set up a best practice associated with Microsoft technology. This can include sales, marketing, and technical resources required to establish the best practice. Also includes Customer Immersion Experience (CIE) and service fees for time incurred in set-up of a technology demo center.

Activity Guidelines: Using a third-party vendor to work on the Best Practice development is an eligible expense. Labor costs supporting qualifying activities may be claimed for reimbursement.
- Microsoft Customer Immersion Experience (CIE) is an eligible research expense.
- Eligible service fees include set-up of a technology demo center and deployment services, including installation, configuration, data migration, testing, or customer-facing system set-up. Expenses can include API system development. Funds can be used to execute best practice workshops for managed services for specific projects (such as Security, Teams and Voice implementations).
- Costs of Microsoft software, hardware, venue expenses, and other capital expenditures are not reimbursable.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement & report (CSR) **PLUS**
- **Support document**: Statement of work (from the partner or third-party vendor) and/or service agreement **OR**
- **Proof-of-Concept:** Planning document

Eligible Expenses

- **Printed materials**
- **Research:** White paper, case study development, market research, Customer Immersion Experience
- **Proof of Concept** development expenses
- **Fee – agency:** Marketing services, including agency fees
- **Fee – service:** Labor services provided by partner or third-party vendor in support of the proof of concept
- **Fee – exam**: Microsoft exam fees for certifications and competencies
- **Fee – training / tuition:** Microsoft tuition fees for certifications and competencies, including on-demand training expenses
- **Demo Center** set-up expenses
- **Workshops:** Development/execution costs

Caution
- Co-op funds do not cover the cost of the hardware or the venue as it is considered a capital expenditure.
- The cost of the Microsoft software is not reimbursable; license rights should come from internal-use rights benefit.

Reminders
- Must have a target customer audience
- Include a prominently displayed brand of Partner
- Respect any confidentiality obligations to third parties when providing Proof of Execution

Examples
- Partner decides to develop a best practice and center of excellence for Microsoft Teams
- Partner gets sales and technical resources certified and builds demo-center for customer presentations

Digital Advertising

Includes web banners and **online advertising** placed on a third-party website or third-party email and is designed to drive traffic to the Partner's website or offer page. Also includes **search engine marketing** (SEM) and **pay-per-click** (PPC) advertising.

Activity Guidelines

- Complete digital advertisement, including web banner/advertisement *and* landing page must meet the core requirements. Landing page refers to the website/offer page where customers are directed when they click on the digital advertisement posted on a third-party website.
- Web/online advertisements should be placed on a third-party site with an established advertising rate, of which not more than 10% is partner-owned. Digital content that is hosted on a partner-owned website should be claimed under "Partner Website and Search Engine Optimization" activity.
- **Surface PC only:** May claim web banners and online advertisements placed on a partner-owned website.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material**: Screenshot of landing page with **URL** of landing page, showing program-specific core requirements

Eligible Expenses

- Third party **media placement**
- **Fee – agency:** Marketing and creative services, including agency fees

Reminders

- Have a strong, clear call to action.
- Ensure contact information is clearly indicated and easily found on your materials.

Best Practices

- Confirm your assets appear in publications or channels with an established circulation and/or advertising rate.
- Comply with all international, national, regional, corporate, and local guidelines, laws and rules, standards of good taste, and privacy policies.

Direct mail, email, and mobile SMS

Communication pieces from the partner that are mailed or delivered electronically to customers.

Activity Guidelines

- Complete communication piece, including components of the communication must meet core requirements. Individual banners or graphics may not be claimed separately.
- Add the partner organization to the distribution list in order to provide the original communication piece with proof of distribution.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material:** Copy of final communication piece showing program-specific core requirements, including postmarked envelope or other proof of mailing.

Eligible Expenses

- **Database acquisition**
- **Printed material**
- **Postage**
- **Fee – agency**: Marketing and creative services, including agency fees

Reminders
- Have a strong, clear call to action.
- Ensure contact information is clearly indicated and easily found on your materials.

Best Practices
- Confirm your assets appear in publications or channels with an established circulation and/or advertising rate.
- Comply with all international, national, regional, corporate, and local guidelines, laws and rules, standards of good taste, and privacy policies.

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Microsoft syndicated content

Placement of Microsoft created and maintained content on the partner's website

Activity Guidelines

- Syndicated web banners and microsites should be prominently placed on the partner's own website, within the top 20% of the page.
- A minimum of two web banners should be syndicated.
- Syndicated content should be placed for at least 90 days. Visit the Microsoft Campaigns on <u>Partner Marketing Center</u> and <u>Digital Marketing Content OnDemand</u> to access content.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **URL** and/or screenshots of site pages showing URL

Eligible Expenses

Actual costs up to USD 12,000-17,000 per usage period for:
- **Fee – Agency:** Marketing services, including agency fees
- **Development:** Content development fees
- **Media placement**

Notices

How do I participate in content syndication? Please contact your local Partner Development Manager (PDM) for more information and to see if syndication is available in your area.

What is the difference between this and the Partner Website and Search Engine Optimization activity?
- Partner website and search engine optimization is partner-created content on a website or microsite.
- Microsoft syndicated content is Microsoft-created content that is purchased and placed from a provider (typically appears as a web banner or microsite on the partner's webpage)

Multi-touch digital campaign

Allows Partners to claim expenses for a digital multi-media campaign that may be comprised of several Co-op activity components under one eligible activity type, rather than multiple activity types within the tool. Digital marketing activities which can be grouped and claimed under Multi-touch digital campaign include digital advertising, social media marketing, direct email, partner website and search engine optimization, and telemarketing.

Activity Guidelines
- Complete campaign activity must meet all guidelines and requirements for each individual activity type, as detailed on the applicable activity page in the Co-op Guidebook.
- Multi-touch digital campaigns can be comprised of different combinations of eligible activities. When making the claim, all the proof of execution required in the included activities for the specific campaign must be submitted.
- Provide a marketing plan or other statement of work in the claim, which outlines the eligible activities included as part of a specific campaign in order to easily claim reimbursement for eligible expenses.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- All proof of execution as detailed in the applicable activity page is required.
  - Digital advertising
  - Social media marketing
  - Direct email
  - Partner website and search engine optimization
  - Telemarketing

Eligible Expenses

- Third party **media placement**
- **Fee – agency**: Marketing and creative services, including agency fees
- **Database acquisition**
- **Development:** Content development fees
- **Fee – SEO:** Optimization and maintenance fees
- **Fee - Third party call center**: Third party call center charges

NOTE – Multi-touch Digital Campaign activity claims should be for a single Microsoft-focused marketing campaign containing several coordinated marketing components

Reminders
- Have a strong, clear call to action.
- Ensure contact information is clearly indicated and easily found on your materials.
- Please enter all activities that the campaign is comprised of in the claim submission.

Best Practices
Work with a marketing agency to create successful multi-touch digital campaigns that have an easily identified ROI and build customer pipeline

Did you know?
- Microsoft's Partner Marketing Center offers resources for partners to easily build multi-touch campaigns. Visit smartpartnermarketing.microsoft.com for more information.

Partner website and search engine optimization

Creation of a **partner website / microsite** or content hosted on a partner-owned website or a partner's **social media** site. Includes **e-commerce** activities to promote solutions or set up online storefronts to drive sales of Microsoft products and solutions and **mobile e-commerce** efforts such as the development of a mobile-friendly website (web responsive design) or mobile application. **Search engine optimization** (SEO) includes website optimization services to help attract customers, lower customer acquisition costs, and increase content relevancy to a website.

Activity Guidelines

- The complete activity, including the website or microsite being claimed and any associated web content, must meet the core requirements as a whole.
- Services for search engine optimization may be acquired through Microsoft Pinpoint Marketplace (www.pinpoint.microsoft.com), DigitalStride (https://digitalstride.cxglobals.com/) or your local SEO agency.
- Activities must be completed in the period the claim is filed.
- Paid promotion/advertising on a social media site should be claimed under Social media marketing activity.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- Screenshot with URL (if available) and date visible – showing the keyword and results and org (take screenshot of entire page with date of screenshot visible) **OR**
- Copy of ad or Screen shot of ad with URL (if available) with dates visible

Eligible Expenses

- **Fee – agency:** Marketing services, including agency fees
- **Development:** Content development fees
- **Fee – SEO**: Optimization and maintenance fees

Best Practices

- Key Product pages help create value by showing additional benefits to products; include an "Add to Cart" or "Buy Now" link to drive sales.
- Place banners on key pages, including the home page, that link to product pages to foster better measurements of results while expanding communication opportunities.
- Create up-sell or cross-sell opportunities by configuring drop-down menus with Microsoft products.
- Do not limit your SEO to just keywords.
- Set measurable goals before execution to gauge effectiveness.

Print Advertising

Print Advertising applies ONLY to Surface partners

Print advertising includes advertisements that appear in a newspaper, magazine or other publications with established circulation (distribution) rates. Also includes **outdoor advertising, catalogs,** and **print brochures,** such as a trifold brochure or one-page reference guides.*

Activity Guidelines: Complete printed communication must meet the core requirements, except for, catalogs (see below).

FOR PRINT CATALOGS ONLY: Description of how to claim

Reimbursement for catalogs is calculated based on the number of pages out of the total that meet the core requirement for Microsoft content. To calculate the claim amount, divide the total number of pages that meets core requirement for Microsoft content by the total number of catalog pages. A proportional amount of the per page cost for each page that meets core requirements for Microsoft content may be claimed, when any non-Microsoft operating system, productivity suite, server solution, collaboration suite software or device running a non-Microsoft operating system are present.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement & report (CSR) **PLUS**
- **Communication material**: Copy of final communication piece (based on advertising) showing program-specific core requirements

Eligible Expenses

- Third party **media placement**
- **Printed material**
- **Fee – agency**: Marketing and creative services, including agency fees

Reminders

- Have a strong, clear call to action.
- Ensure contact information is clearly indicated and easily found on your materials.
- Microsoft content must be featured in the advertisement as outlined in the core requirements.

Best Practices

- Confirm your assets appear in publications or channels with an established circulation and/or advertising rate.
- Comply with all international, national, regional, corporate, and local guidelines, laws and rules, standards of good taste, and privacy policies.

Social Media Marketing

Includes **search engine marketing** (SEM), **pay-per-click** (PPC) advertising and paid media promotions and advertising through **social media markets**, such as LinkedIn and Facebook.

Activity Guidelines

- Complete digital advertisement, including web banner/advertisement *and* landing page must meet the core requirements. Landing page refers to the website/offer page where customers are directed when they click on the digital advertisement posted on the social media site.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- Screenshot of Social Media landing page with **URL** of landing page, showing program-specific core requirements

Eligible Expenses

- Third party **media placement**
- **Fee – agency:** Marketing and creative services, including agency fees
- Monthly subscription fee for the **LinkedIn Sales Navigator**

Reminders

- Have a strong, clear call to action.
- Ensure contact information is clearly indicated and easily found on your materials.

Best Practices

- Confirm your assets appear in channels with established advertising rates.
- Comply with all international, national, regional, corporate, and local guidelines, laws and rules, standards of good taste, and privacy policies.

Back to TOC

Tradeshows and expositions

Tradeshows are sales events hosted by a third party, in which the Partner participates as a vendor. **Expositions** are sales events hosted by the partner, which promote multiple vendors. The primary focus of the event is to promote the sale of Microsoft products through demonstration and handouts. Only the Microsoft portion of general event expenses are eligible for reimbursement. Tradeshows and expositions that are executed digitally/virtually are also eligible.

Activity Guidelines

General Event Expenses

- Booth or Exposition spaces featuring Microsoft content must meet the requirement for Microsoft content. Only the Microsoft portion of the general event expenses is eligible for reimbursement.
- To calculate the claim amount of general event expenses, divide the total amount of space dedicated to Microsoft and meeting the core requirements by the total event cost.

Event Communication Materials

- All communication materials used at the Microsoft booth, such as signage, display, and printed materials, must meet the core requirements. No proportional reimbursement is allowed for communication materials that do not meet the core requirements. Giveaway Items and event claiming for trade shows and expositions must adhere to Microsoft guidelines.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material:** Event agenda, program and/or presentation/printed material, or a description of the event and its focus/audience

Eligible Expenses*

- **Signage / display / printed materials**
- **Giveaways**
- **Fee – agency**: Marketing services, including agency fees
- **Fee – registration**
- **Fee – external speaker**(note: travel and hotel expenses eligible for speaker only)
- **Fee – facility and equipment rental including Surface devices owned and managed by a third party**
- **Catering (excluding alcohol)**

*US allowances for this activity may vary from the global policy. US partners should check their individual agreements for details.

Reminders:

- To calculate the claim amount of general tradeshow event and registration expenses, divide the total amount of tradeshow booth space dedicated to Microsoft and meeting the Core Requirements by the total tradeshow event cost.
- If a non-Microsoft operating system, productivity suite, server solution, collaboration suite software, or devices are present in the communication material, a maximum of 30% of the activity cost will be reimbursed.
- Event sponsorship is not an eligible Co-op expense, with exception of Featured Partner Sponsorships for first party corporate led Microsoft events. More details can be found in the Microsoft Hosted Conferences activity.

Market Development Activity Sheets

Customer offers

Customer offers are customer or thru-partner marketing activities with promotional giveaway items offered to customers/resellers/channel partners to create excitement, generate sales opportunities, and reward outstanding sales performance.

Activity Guidelines

Customer Offers:
- Should not advertise bundles or include a discount on a bundle which includes software.
- Should not be awarded based on first unit structures.
- Giveaway Items must adhere to Microsoft guidelines.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material** showing offer with terms and conditions

Eligible Expenses

- **Signage / display / printed materials**
- **Giveaways**
- **Fee – agency**: Marketing services, including agency fees

Reminders:
- Target your offers to the right audience.
- DO NOT advertise bundles or include a discount on a bundle that includes software.
- What if giveaway items do not comply with the Core Requirements? Giveaway items that cannot physically contain the core requirements must include supporting communication material that demonstrates the core requirements. Examples include advertisement, direct mail, or a brochure.

Back to TOC

Customer seminars and bootcamps

Customer seminars are Microsoft-focused customer and reseller-facing training and recruitment events, utilizing content developed by the partner. Digital events such as podcasts, video on demand, simulcasts, hands on lab online, and other virtual seminar events are also eligible. **Microsoft bootcamps** are reseller-facing training events hosted by the partner, utilizing specific Microsoft presentation materials and Microsoft centralized registration.

Activity Guidelines

- Customer seminars or Microsoft bootcamps must meet the core requirements. No proportional reimbursement is allowed for events that do not meet the core requirements. Events must be partner-led and partner-branded and not appear to be "sponsored by" Microsoft.
- Microsoft business model transformation consultants may be leveraged as external speakers to deliver workshops.
- Giveaway Items and event claiming for customer seminars and bootcamps must adhere to Microsoft guidelines.
- When conducting digital events, an image of the initial welcome screen of the webinar should be submitted in place of the event photos.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material:** Event invitation and agenda/program, or a description of the event and its focus/audience

Eligible Expenses*

- **Signage / display / printed materials**
- **Giveaways**
- **Fee – agency**: Marketing services, including agency fees
- **Fee - registration**
- **Fee – external** speaker (note: travel and hotel expenses eligible for speaker only)
- **Fee – facility and equipment rental including Surface devices owned and managed by a third party**
- **Catering (excluding alcohol)**

*US allowances for this activity may vary from the global policy. US partners should check their individual agreements for details.

Did you know
Distributors participating in both the Authorized OEM Distributor incentives and CSP Indirect Provider Co-op programs may claim the appropriate percentage of OEM and/or commercial business-focused event expenses under the respective programs. Proof of execution must designate the percentage of total expenses applied to each program.

Best Practices
- Customize your strategy based on the unique needs of your business and customers.
- Provide giveaway items to attract attendees, increase participation, and collect customer information.

Employee purchase web setup for customer

Employee purchase web setup for applies ONLY to Surface Reseller partners

Setup of web site to allow employees of the customer to purchase Surface and Mixed Reality devices for their own use

Activity Guidelines

• Partners can claim reimbursement for tech setup, testing, training and development for the web setup.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

1. 100% Microsoft content

Proof of Execution Requirements

• Third party **invoice** or certification statement and report (CSR) **PLUS**
• **URL** landing page or screen shot of website pages

Eligible Expenses

• **Fee – agency:** Marketing services, including agency fees
• **Development:** Content development fees
• **Fee – service:** Labor services provided by partner or third-party vendor in support of the web setup

Internal incentives and SPIFFs

Internal incentives and **sales performance incentive funds (SPIFFS**) are activities in which prizes are awarded to partner employees (for example, sales staff) for achieving specific goals or for sales teams for winning sales contests.

Activity Guidelines
- Must be determined based on overall achievement relative to a peer group. Should not be awarded based on individual minimum commitments, first unit structures, attach rates, year-over-year growth percentage, or volume targets (not applicable for Surface partners).
- Giveaway items must adhere to Microsoft guidelines.
- The SPIFF giveaway expense of a floor day should be claimed under this activity. Other general event expenses for a floor day event should be claimed under "Internal Training and Floor Day".

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (**CSR**) **PLUS**
- **Communication material** flyers or notices circulated to Partner Employee informing them of the sales contests including the eligibility criteria and contest details (ex. KPIs, max cap on award, etc.) **AND**
- **SPIFF Attestation Form** confirming the participant awards, see Reminders section for detail

Eligible Expenses

- Actual costs up to 25% total of earned Co-op funds per usage period for:
- **Signage / display / printed materials**
- **Giveaways ***
- **Fee – agency**: Marketing services, including agency fees
- Surface partners may claim up to 100% of earned Co-op funds per usage period for eligible activity expenses.

* Photo not required for cash giveaways

SPIFFs should leverage key performance indicators (KPIs) to structure the payout, require that a minimum eligibility threshold be attained, and place a cap on the award payable. SPIFF cannot be used by the partner to achieve a lower street price as the partner must pay them to partner employees.

Reminders
- Do not include Microsoft software except as specified.
- Cash/cash equivalent is an acceptable giveaway for SPIFFs.
- The Internal Incentive and SPIFFs activity now requires an attestation form to be populated as part of the claim creation process. This applies to all programs on Partner Center, it is not applicable to the Commercial Distributor program

Best Practices
- Internal Incentives/SPIFFs are most effective when clear goals and timelines are set and the incentive is related to the goals

Note: per local regulations, SPIFFs are not allowed in Austria, France, Germany, and Switzerland

Migration Services

Migration Services does not apply to Surface partners.

Certain work performed by the partner to set up a working model of the solution being proposed to the customer to migrate compute workloads, IP solutions, and software to Azure or the Microsoft Marketplace. Also includes Customer Immersion Experience (CIE) and service fees for time incurred in set-up of a technology demo of the proposed migration by the partner.

Activity Guidelines: Using a third-party vendor to work on the migration activity is an eligible expense. Labor costs supporting qualifying activities may be claimed for reimbursement.
- Microsoft Customer Immersion Experience (CIE) is an eligible research expense. Eligible service fees include set-up of the technology solution and deployment services, including installation, configuration, data migration, testing, or customer-facing system set-up. Expenses can include API system development.
- Costs of Microsoft software, hardware, venue expenses, and other capital expenditures are not reimbursable.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement & report (CSR) **PLUS**
- **Proof-of-Concept:** Planning document **OR**
- **Support document**: Statement of work (from the partner or third-party vendor) and/or service agreement

Eligible Expenses

- **Printed materials**
- **Proof of Concept** development expenses
- **Research:** White paper, case study development, market research, Customer Immersion Experience
- **Fee – agency:** Marketing services, including agency fees
- **Fee – service:** Labor services provided by partner or third-party vendor in support of the proof of concept
- **Demo Center** set-up expenses
- **Proposal Development** expenses
- **Migration Tools**
- **Assessments and Test Environment Development**

Caution
- Co-op funds do not cover the cost of the hardware or the venue as it is considered a capital expenditure.
- The cost of the Microsoft software is not reimbursable; license rights should come from internal-use rights benefit.

Reminder
- Must have a target customer audience
- Include a prominently displayed brand of the Partner
- Respect any .confidentiality obligations to third parties when providing Proof of Execution

Example
- Customer desires to migrate SQL workloads to Azure
- Partner develops proof of concept and migration plan to present to the customer

On-site Champ

The On-site Champ activity is an allowance for the use of Co-op funds for Microsoft-focused services, such as leading and coordinating marketing or sales campaigns, provided by current or hired, full or part-time partner resource(s) (employees or vendor-contracted) that demonstrate clear business development results such as Microsoft solutions competitive wins and sales uplift. These services should be for specific Microsoft-focused sales and marketing initiatives, or strategic incubation projects that are covered by the eligible Co-op funds.

Activity Guidelines
- Specific marketing activities driven by the On-Site Champ (for example, telemarketing) must be claimed separately under the applicable activity categories and must meet the core requirements.
- On-Site Champ can be a current or hired, full or part-time partner resource(s) (employees or vendor-contracted) to perform Microsoft-focused sales and marketing initiatives, or strategic incubation services.
- In cases where the On-Site Champ is an employee of the partner, a CSR form must be populated as proof of execution. In cases where the On-Site Champ is a vendor-contracted resource, an invoice will be required as proof of execution.
- Can include projects that extend beyond the current fiscal period, and Co-op funds that are available to the partner in subsequent fiscal periods can be used to fund services provided by On-Site Champ for these projects within the policy guidelines.
- Partners may not use Coop funds to match the SureStep investment and must use their own funding and demonstrate evidence to Microsoft .

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.
1. Services that are focused 100% on Microsoft products.

Proof of Execution Requirements
- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Support Document:** On-Site Champ form with project/activity details

Eligible Expenses
- Actual costs up to 100% for Surface and 50% for all other programs of earned Co-op funds per usage period for:
- **Fees – services**: Services provided by On-Site Champ resource(s)

* US allowances for this activity may vary from the global policy. US partners should check their individual agreements for details.

Reminders
- Services associated with administrative or operational tasks, management of Co-op and Incentive funds, and general sales services are not eligible for reimbursement.
- Number of hours worked by Champ(s) is required if CSR is used.
- The On-Site Champ form is available on aka.ms/partnerincentives.

Proof of concept

Work performed by the partner to set up a working model of the solution being proposed to the customer for demonstration and evaluation purposes. Also includes Customer Immersion Experience (CIE) and service fees for time incurred in set-up of a technology demo center in the partner's office.

Activity Guidelines

- Using a third-party vendor to work on the proof-of-concept activity is an eligible expense. Labor costs supporting qualifying activities may be claimed for reimbursement.
- Microsoft Customer Immersion Experience (CIE) is an eligible research expense. Eligible service fees can include set-up of a technology demo center and deployment services, including installation, configuration, data migration, testing, or customer-facing system set-up. Programming / development expenses can include API system development.
- Costs of Microsoft software, hardware, venue expenses, and other capital expenditures are not reimbursable.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

1. Microsoft content

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Support Document:** Statement of work (from the partner or third-party vendor) and/or service agreement

Eligible Expenses

- **Printed materials**
- **Research:** White paper, case study development, market research, Customer Immersion Experience
- **Development:** Content Development Fees
- **Fee – agency:** Marketing services, including agency fees
- **Fee – service:** Labor services provided by partner or third-party vendor in support of the proof of concept

Caution

- Co-op funds do not cover the cost of the hardware or the venue as it is considered a capital expenditure.
- The cost of the Microsoft software is not reimbursable; license rights should come from internal-use rights benefit.

Reminders

- Must have a target customer audience
- Include a prominently displayed brand of Partner.

Solution Building with Third Parties

Certain work performed by the partner to develop a Microsoft-focused solution with a third-party organization (Tri-branded offer). This work includes technical, infrastructure, and marketing resources required to build and promote the solution. Also includes Customer Immersion Experience (CIE) and service fees for time incurred in set-up of a technology demo center.

Activity Guidelines:
- Using a third-party vendor to work on the solution building activity is an eligible expense. Labor costs supporting qualifying activities may be claimed for reimbursement.
- Microsoft Customer Immersion Experience (CIE) is an eligible research expense.
- Eligible service fees include set-up of a technology demo center and deployment services, including installation, configuration, data migration, testing, or customer-facing system set-up. Expenses can include API system development.
- Costs of Microsoft software, hardware, venue expenses, and other capital expenditures are not reimbursable.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements
- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Support document**: Statement of work (from the partner or third-party vendor) and/or service agreement **OR**
- **Proof-of-Concept:** Planning document

Eligible Expenses
- **Printed materials**
- **Research:** White paper, case study development, market research, Customer Immersion Experience
- **Fee – agency:** Marketing services, including agency fees
- **Fee – service:** Labor services provided by partner or third-party vendor in support of the proof of concept
- **Proof of Concept** development expenses
- **Demo Center** set-up expenses
- **Test Case:** Development/execution costs associated with a solution test-case

Caution
- Co-op funds do not cover the cost of the hardware or the venue as it is considered a capital expenditure.
- The cost of the Microsoft software is not reimbursable; license rights should come from internal-use rights benefit.

Reminders
- Must have a target customer audience
- Include a prominently displayed brand of Partner
- Respect any .confidentiality obligations to third parties when providing Proof of Execution

Examples
- System Integrator works with an ISV to develop a healthcare application built on Microsoft Dynamics platform.
- ISV deploys the application for sale on the Microsoft Marketplace.

Telemarketing

Calling partners/customers or potential customers to promote and sell Microsoft products, services, solutions, or platforms. It can be an effective tool to prospect for leads, communicate directly with customers, and build a sales pipeline.

Activity Guidelines

- Telemarketing activities must be partner-led and not appear to be from Microsoft. Microsoft products must be properly referenced in the script.
- Telemarketing includes Telesales activities executed by a 3rd party agency to contact a target set of customers to sell Microsoft solutions in a given period of time.

Core Requirements: Review specific guidelines on the Activity Guidelines: Core Requirements slide.

Proof of Execution Requirements

- Third party **invoice** or certification statement and report (CSR) **PLUS**
- **Communication material:** Copy of script **AND**
- **Metric**: Summary of results (number of calls made during the campaign)
- **Date(s) of the specific Telemarketing campaign**
- **Duration of the calls made in the specific Telemarketing campaign**

Eligible Expenses

- **Fee – agency**: Marketing services, including agency fees
- **Fee - Third party call center**: Third party call center charges
- **Database acquisition**

Reminders
- Indicate that the call is from your company and not from Microsoft.
- Use the correct trademarked name for software in the script and include the specific Microsoft product being promoted.
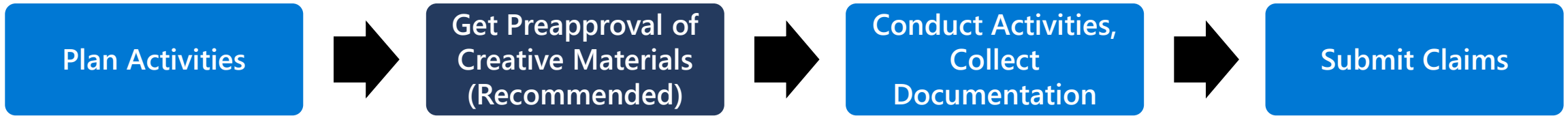- Use for special initiatives.

Best Practices
- Focus on communicating the most important message and driving a response.
- Appeal to Customer by meeting a specific need.
- Use a targeted call list.
- Test multiple offers to determine impact.

Microsoft

Additional Resources

Creative materials preapproval

Plan Activities → **Get Preapproval of Creative Materials (Recommended)** → **Conduct Activities, Collect Documentation** → **Submit Claims**

Preapproval Recommendation for Creative Materials

- Preapproval of creative material is available to partners. It is strongly recommended that creative material for Demand Generation and Market Development activities be submitted for preapproval to ensure compliance with the Co-op guidelines.
- Creative material may be submitted for preapproval by email before the activity is scheduled to begin. The Preapproval team will review the activities and approve or request changes/corrections within 3 business days.
- Approved activities will be assigned a preapproval code which should be entered into the claim form on Partner Center along with proof of execution at the time of claim submission. The activities must be conducted exactly as approved. Any deviation from the approved activities, with the exception of dates and pricing, will result in the activities being re-assessed and the claim may be denied. Activities that run repeatedly should receive a new preapproval number each program period to ensure the activity continues to meet program requirements.

Preapproval Best Practices

The following suggestions will assist in receiving a quick and accurate preapproval response:

- Include the Co-op Program ID in the preapproval request. The Co-op Program ID can be found on the Partner Center homepage following your company name.
- Include the activity type in which the creative material will be used. Including the activity type planned will assist the Preapproval team in accurately evaluating the activity.
- Leave ample lead time in order to make any necessary changes before starting the activity. Recommended lead time is a minimum of 7 business days.

Submitting Preapproval Requests

- To request preapproval of creative materials, please email the materials to commpre@Microsoft.com.
- Each preapproval code is specific to the submitted request and program and cannot be used interchangeably. Assigned preapproval codes are valid for one year from the date of preapproval.
- Creative Materials Preapproval is applicable prior to execution only.

Giveaway items

- Must be limited to no more than 40% of Co-op funds per usage period
- May include up to 20 systems with preinstalled Microsoft software per usage period
- May include cash or cash equivalents, such as gift cards or certificates *
- Must not include Microsoft software (except as specified above)
- Cannot feature competitors' products or offerings
- Cannot be costs associated with the manufacture or distribution of customer systems, including costs related to bills of material and cost of goods (shipping, packaging, freight).

* Photo is not required as POE for cash.

Back to TOC

Event claiming

When partners claim using Co-op funds for the various events that are eligible activities, subtle differences in the definition and classification of these events often result in claims being made for the wrong type of event or incorrect proof-of-execution (POE) submitted. In these cases, the claims are rejected. This forces the partner to re-work and re-submit the claim. The following guidance will assist partners in successfully claiming for these various events.

Tradeshows and Expositions

The key difference between these two types of events is:
- A Tradeshow is hosted by a third party, and the partner participates as a vendor/exhibitor (and promotes Microsoft products/offerings at the event).
- An Exposition is a sales event that is hosted by the partner, and can involve multiple vendors, but must promote Microsoft products/offerings among them for Co-op funds to be used to fund the event.

In the case where the partner is promoting the products of multiple vendors at either of these types of events, the partner should only submit an expense amount of the total incurred, eligible expenses that is proportional to the Microsoft amount of space and promotion. This portion can be based on a good faith estimate, but, in the event of an audit, must be backed up with such items as booth photos and copies of any promotional material that was developed to support/promote the event.

Additional clarification, as well as allowable expenses and POE for each event can be found on the activity pages in the Co-op guide for these events.

Customer Seminars and Bootcamps

The key difference between these two types of events is:
- In Customer Seminars, content is used that is developed by the partner.
- In Bootcamps, the content used is originated by Microsoft.

In both types of events, the event must be partner led and partner branded. They can't be sponsored by Microsoft or even appear to be branded by Microsoft.

A Seminar is typically either a selling or product/solution orientation focused event. Either a reseller is conducting an informational meeting with potential customers, or a distributor is conducting a recruiting event with potential partners.

A Bootcamp is an event hosted by a distributor (or CSP Indirect Provider, Indirect Reseller and Direct Bill Partner). Bootcamps are not conducted by resellers. These events are typically used by distributors to both train their partners on specific Microsoft products and offerings and promote specific Microsoft products and offerings. These events typically involve the entire Microsoft-focused sales team at the distributor and last for several hours to an entire day.

Both Seminars and Bootcamps can be conducted in person, or virtually.

Partner resources

For more information, please review the following resources:

- All Co-op assets and Partner Center Guides, are located within the Partner Portal at **https://aka.ms/partnerincentives**.
- The Certification Statement and Report (CSR) form is available online in Partner Center for all programs to request reimbursement to offset costs and/or expenses incurred by the partner solely in connection with the implementation of certain Co-op supported marketing activities.
- The Internal incentives and sales performance incentive funds (SPIFFS) activity now requires an attestation form to be populated. This applies to all programs on Partner Center.
- For step-by-step Partner Center Co-op claim instructions go here: Co-op Claiming Experience

Other program assets are available as follows:
- Hosting and CSP Incentives: Partner Portal – Partner Incentives: **https://aka.ms/partnerincentives**
- Surface PC and Surface Hub ADR & ADD programs: Operations Readiness for Surface Partners

Co-op Best Practice Library:
- A library of Co-op Best Practices that can be leveraged by both partners and Microsoft teams to drive full usage and optimal impact from the Co-op funds that are earned by partners. For more information go here: Co-op best practices library

Support Channels
1. Navigate to partner.microsoft.com and sign in.
2. Click on Dashboard in the upper right-hand corner to access your Partner Center dashboard.
3. Click on the Help and support link on the Incentives tile of your Homepage.
4. Click Provide issue details to submit a support ticket.

Microsoft

Usage Recommendations by Product Group and Solution Areas

FY25 Co-op Usage Recommendations for Modern Work

Co-op planning recommendations

Partners should work closely with Microsoft PDMs and PMMs in their region to align GTM plans, activities, and spend to drive maximum usage and impact.

All co-marketing in FY25 (July 2024 through June 2025) focused on Modern Work should be used to drive these core priorities:

- **Lead with Copilot for Microsoft 365 and the functional role-based Copilots[1] to acquire new-to-M365 customers** across small, medium and larger companies, selling M365 suites or standalones such as Teams Essentials.
- **Upsell** to Microsoft 365 Business Premium (BP), **M365 E3** and E5 and attach Teams Premium, Teams Phone and Microsoft Teams Rooms
- **Expand your business** portfolio with Viva, Windows 365 and Frontline Worker.

[1] Functional role-based Copilots include Copilot for Sales, Copilot for Services, Copilot for Finance

Co-op Funding Plan (Recommendation only)

Following are suggested Co-op activities to plan and execute using available funds that align to the FY25 priorities above.

Demand Generation	Market Development	Partner Skilling
✓ Social Media Marketing across Modern Work sales plays, especially Copilot for Microsoft 365, functional role-based Copilots, Teams Essentials and Microsoft Defender for Business (SMB Solution Plays;)	✓ Customer seminars and bootcamps to execute CSP Briefings	✓ Microsoft Exams and Certifications for Microsoft 365, Teams (MS-700) and Security (MS-500)
✓ Multi-touch Digital Campaign for Modern Work offers, especially for new acquisition motions (SMB Solution Plays;)	✓ Customer offer focused on Copilot for Microsoft 365, functional role-based Copilots, Teams Essentials, Business Premium, or Microsoft 365 suites	✓ Internal Training & Floor Days on hero offers: Teams, Viva, Windows 365, Frontline Worker, and premium products
✓ Best Practice Development for Copilot for Microsoft 365, functional role-based Copilots, Teams Essentials, Viva, Windows 365, Frontline Worker	✓ Sales SPIFF focused on Customer add growth, Copilot for Microsoft 365, M365 E3 or E5, or Business Premium;	✓ On-demand Training on Microsoft 365 hero offers: Teams, Viva, Windows 365,Frontline Worker, and premium products and the Level Up: CSP trainings with digital series live and on demand for partners
✓ Secure Productivity	✓ On-site champ with campaign focus on Copilot for Microsoft 365, functional role-based Copilots, Teams, M365 E3 or E5, or Business Premium	
	✓ Proof of concept for Windows 365 in existing (BP, ME3, ME5) customers	

FY25 Co-op Usage Recommendations for Security

Co-op planning recommendations

Partners should work closely with Microsoft PDMs and PMMs in their region to align GTM plans, activities, and spend to drive maximum usage and impact.
All co-marketing in FY25 (July 2024 through June 2025) focused on Security, Compliance, and Identity (SCI) should be used to drive these core priorities:

- Upsell to Microsoft 365 E5 through security value and attach Microsoft Sentinel
- Expand Copilot for M365 opportunity with Data Security to prepare customer for AI journey
- Acquire new customers with Microsoft Defender for Business in SMB
- Upsell to Business Premium and Microsoft 365 E5, and attach Microsoft Defender for Business to all SMB customers

Co-op Funding Plan (Recommendation only)

Following are suggested Co-op activities to plan and execute using available funds that align to the FY25 priorities above.

Demand Generation	Market Development	Partner Skilling

✓ Launch partner-ready, digital campaigns to drive leads for your services and Microsoft Security solutions.
  • Defend Against Cybersecurity Threats 6-week automated digital campaign
  • Defend Against Cyber Security Threats downloadable, customizable, campaign
  • Data Security 6-week automated digital campaign
  • Data Security downloadable, customizable campaign
  • Modernize Security Operations 6-week automated digital campaign
  • Modernize Security Operations downloadable, customizable campaign
✓ Run social media marketing across the Security solution plays
✓ Drive targeted marketing campaigns for Microsoft Defender for Business and attach to Business Basic/Business Standard customers
	✓ Customer seminars and bootcamps to execute the SMB Workshops; E3 offer
	✓ Sales SPIFF for Security, Compliance & Identity
	✓ Customer Offer for managed security agreements focused on Microsoft Security, Compliance, & Identity products
	✓ On-site Champ focus on Security, Compliance, and Identity sales and marketing projects
		✓ Microsoft Exams and Certifications for employee's technical certification on Security, Compliance, and Identity
		✓ Leverage the Cloud Ascent to run a **Telemarketing** activity targeting the *Act Now* accounts in your customer base.

Claim your Co-op right after completing the activity (maximize cash flow) and utilize all your earned Co-op so that you don't forfeit funds you have worked hard to earn.

FY25 Co-op Usage Recommendations for Business Applications

Co-op planning recommendations

Partners should work closely with Microsoft and Indirect Providers PDMs and PMMs in their region to align GTM plans, activities, and spend to drive maximum usage and impact.

All co-marketing in FY25 (July 2024 through June 2025) focused on Business Applications (Microsoft Dynamics and Power Platform) should be used to drive these core priorities:

- Win new customers driving urgency to buy AI-powered business applications solutions and elevate its Better Together value proposition with collaboration and productivity solutions

- Double your customer adds capacity by delivering repeatable offering at scale
- Expand into next applications – sell additional applications and cross-sell Microsoft solutions
- Migrate customers to the Cloud – help customers accelerate their transition to the cloud

Co-op Funding Plan (Recommendation only)

Following are suggested Co-op activities to plan and execute using available funds that align to the FY24 priorities above.

Demand Generation

- ✓ **Market/promote** a Business Applications packaged solution with copilot/AI
- ✓ **Multi-touch Digital Campaign** – use Co-op to execute digital marketing activities and generate demand leveraging the latest and greatest Digital Marketing Content.
- ✓ Business Applications **Migration, App and Copilot/AI services** : Microsoft Development Centers support

Market Development

- ✓ Leverage the Cloud Ascent to run a **Telemarketing** activity targeting the *Act Now* accounts in your customer base.
- ✓ Customer and Reseller-facing **Events**, **Seminars and bootcamps**
- ✓ Internal **Incentives & SPIFFs** – use Co-op to fund defined sales SPIFFs to support Better Together campaigns
- ✓ **Proof of Concept** – use Co-op to fund PoC's for specific customer opportunities

Partner Skilling

- ✓ **High Volume Practice Program** – build your repeatable offering and train your team
- ✓ **Microsoft AI Cloud Partner Program** participation – pay your annual enrollment fee for benefits packages and become a Solutions Partner for Business Applications.
- ✓ Microsoft **exams and tuition** – use Co-op for exams required to attain BizApps related MPN Competencies
- ✓ **Customer and Reseller-facing Events,** Seminars and bootcamps
- ✓ Use Co-op to fund **third parties training** session dedicated to Dynamics 365 and copilot for existing or new hired. Leverage the Reskill program

⚠ Claim your Co-op right after completing the activity (maximize cash flow) and utilize all your earned Co-op so that you don't forfeit funds you have worked hard to earn.

FY25 Co-op Usage Recommendations for Azure

Co-op planning recommendations

Partners should work closely with Microsoft PDMs and Partner Marketing to align GTM plans, activities, and spend to drive maximum usage and impact.

Focus all co-marketing to drive these core priorities for Azure (Infrastructure, Data & AI, and Digital & App Innovation workloads):

- **Infrastructure:** Migrate to Innovate with focus on Majors and SMC; Every migration needs to be a secure migration; Win SAP RISE in SMC; and Capture market moment with AVS
- **Data & AI:** Enable customer AI Transformation by bringing together the full capability of Azure AI platform; Help customers accelerate the value derived from their data and future proof their data estate
- **Digital & App Innovation:** Drive AI Design Wins through app modernization and building new AI-infused apps; Adopt GitHub Copilot as Customer zero and drive Developer tools & GitHub Copilot ACR
- **All:** Grow Technical and Sales Capacity & Capability

Co-op funding plan & execution guidance

Following are suggested Co-op activities to plan and execute using available funds that align to the above priorities.

Demand Generation

- ✓ Launch partner-ready, digital campaigns to drive leads for your services and Microsoft Azure infrastructure solutions.
  - PMC: Infrastructure Solution Play Marketing Campaigns
  - PMC: Data and AI Solution Play Marketing Campaigns
  - PMC: Digital and Application Innovation Solution Play Marketing Campaigns
- ✓ Set-up of a technology demo for the Azure scenario using On Demand Content:
  - Azure Demos - DMC
- ✓ Best Practice Development - to fund promotion of Azure focused best practice

Market Development

- ✓ Events: Deliver customer seminars and bootcamps
- ✓ Outreach: Use Cloud Ascent to run a Telemarketing activity targeting the *Act Now* accounts in your customer base.
- ✓ Pre-Sales: Use Co-op to fund Proof of Value (POV) engagements for specific Azure customer opportunities
- ✓ Internal incentives and SPIFFs: Use Co-op to fund defined sales SPIFFs to support campaigns
- ✓ On-site Champ: Use Co-op to fund specialists to manage and accelerate specific Azure focused sales and marketing projects that drive consumption

Partner Skilling

- ✓ Microsoft exams & tuition: Use for exams req'd to attain:
  - Azure related MAICPP Solution Designations
  - Azure Specializations
    - Infrastructure
    - Data & AI
    - Digital & App Innovation
- ✓ On-demand Training: To help develop partner's sales and technical expertise on Azure
- ✓ Internal Training & Floor Days: Partner facing/sales rep readiness on Azure

Claim your Co-op right after completing the activity (maximize cash flow) and utilize all your earned Co-op so that you don't forfeit funds you have worked hard to earn.

FY25 Co-op Usage Recommendations for Surface PC & Hub

Co-op planning recommendations

Partners should work closely with Microsoft PDMs in their region to align GTM plans, activities, and spend to drive maximum usage and impact.

Plan approval is required from Partner Development Manager or Surface delegate as Proof of Execution (POE) for all Surface PC & Hub claims.

All co-marketing in FY25 (July 2024 through June 2025) focused on Surface PC & Surface Hub should be used to drive these core priorities:

- **Priority 1**— Drive growth of AI PCs.
- **Priority 2**— Drive In-Stock SKUs focusing on Surface Laptop & Surface Pro devices.
- **Priority 3**— Target SMB customers to Modernize with Surface and get AI-ready.
- **Priority 4**— Drive Enterprise through Top Accounts.

Co-op Funding Plan (Recommendation only)

Following are suggested Co-op activities to plan and execute using available funds that align to the priorities above.

Demand Generation

- ✓ **Digital campaign**s leveraging Surface assets on our priority story, products, campaigns and themes.
- ✓ **Social media and digital advertising** to amplify product launches and campaigns
- ✓ **Surface landing pages** to reach and capture customers

Market Development

- ✓ **On-Site Surface Champs** to develop and drive opportunities
- ✓ **Internal SPIFFs** and Incentives focused on the priorities above
- ✓ **Customer seminars and bootcamps** leveraging the FY25 Sales Play content

Partner Skilling

- ✓ **Internal training and floor days** focused on seller readiness on the Surface portfolio
- ✓ **Microsoft hosted Surface training(s)**
- ✓ Get Surface in the hands of your sellers and customers by purchasing **demo devices** for evaluation programs and training events

Claim your Co-op right after completing the activity (maximize cash flow) and utilize all your earned Co-op so that you don't forfeit funds you have worked hard to earn.

FY25 SMB Co-op Guidance | Indirect Provider

	Azure Data & AI	Azure Infra	Business Applications	Modern Work	Security
Co-op Spend Allocation	40%		15%	25%	20%
Partner Guidance	• Develop & execute a comprehensive customer acquisition, retention and growth plan per CSA based on Solution Plays and hero products, leveraging the programs and campaigns, and following Co-op spend guidance • Create unique differentiating offers around hero products, using Cohorts and marketing resources, and accelerating sales with internal incentives/SPIFFs • Use the Solution Play Customer Journeys to drive clarity on how to execute a solution play through MCEM • Train SureStep Ambassadors on the MCEM customer journey; guide and enable them with Cloud Ascent and resources to engage and land these with their Indirect Resellers >customers				
Solution Plays *Hero Products*	Unify your Intelligent Data and Analytics Platform *Microsoft Fabric* *Power BI Pro/Premium*	Migrate and Secure Win Server and SQL Server and Linux Estate *Windows Server VMs* *SQL Server on Azure VMs* *Azure SQL Managed Instance* *Azure SQL Database* *Defender for Cloud* *Azure VMware Solution (AVS)* *Azure Arc; Linux VMs* *Azure Database for PostgreSQL*	Scale Business Operations *Business Central*	Secure Productivity *M365 Business Standard (acquisition)* *M365 Business Prem or E3 (upsell)* Copilot for Microsoft 365 Modernize with Surface	Threat Protection *ME5/E5 Security* Migrate and Secure Win Server and SQL Server and Linux Estate *Defender for Cloud* Secure Productivity *M365 Business Prem/M365 E3*
MAICPP Offerings & Campaigns	Level Up (Partner Skilling) Campaign in a Box Customer Targeting Lists (Cohorts) Fabric Trial Solution Assessments for Fabric	Level Up (Partner Skilling) Campaign in a Box Customer Targeting Lists (Cohorts) Multi customer Briefings Migration POC; Cloud Migration Factory	Level Up (Partner Skilling) Campaign in a Box Scenario-targeted Campaign in a Box Customer Targeting Lists (Cohorts) SMB Briefings	Level Up (Partner Skilling) Campaign in a Box Customer Targeting Lists (Cohorts) Partner Ready Solution Assessments CSP Briefings	Level Up (Partner Skilling) Campaign in a Box Customer Targeting Lists (Cohorts) Multi-Customer Briefings (MCB) Rapid Security migration: Solution Assessments (Self-service, Cloud Security and Secure Migration Assessment)

Spend guidance by category and strategic activities xCSA
100% Co-op claim rate to maximize business impact (ROI)

Demand Generation	Acquisition Drivers	Market Development	Acquisition Drivers	Skilling	Prioritized Activities
30% towards demand gen/digital marketing activities to generate leads for cloud services and devices.	• Multi-Touch Digital Campaigns **Retention/Growth Drivers** • Partner website and SEO **Other Prioritized Activities** • Digital advertising • Social Media Marketing	**60%** towards market development activities to close leads	• On-site champ • Customer Seminars & Bootcamps **Other Prioritized Activities** • Internal incentives and SPIFF • Migration Services • Proof of Concept • Telemarketing	**10%** on partner readiness to develop partner capabilities to promote, transact and deploy services and devices	• Microsoft exams and tuition • Internal training and floor days • On demand training

FY25 SMB Co-op Guidance | Scale Solution Partner (LSP/Direct)

	Azure Data & AI	Azure Infra	Business Applications	Modern Work	Security
Co-op Spend Allocation	40%		15%	25%	20%
Partner Guidance	• Develop & execute a comprehensive customer acquisition, retention and growth plan per CSA based on Solution Plays and hero products, leveraging the programs and campaigns, and following Co-op spend guidance • Create unique differentiating offers around hero products, using Cloud Ascent and marketing resources, and accelerating sales with internal incentives/SPIFFs • Use the Solution Play Customer Journeys to drive clarity on how to execute a solution play through MCEM				
Solution Plays *Hero Products*	Unify your Intelligent Data and Analytics Platform *Microsoft Fabric* *Power BI Pro/Premium*	Migrate and Secure Win Server and SQL Server and Linux Estate *Windows Server VMs* *SQL Server on Azure VMs* *Azure SQL Managed Instance* *Azure SQL Database* *Defender for Cloud* *Azure VMware Solution (AVS)* *Azure Arc; Linux VMs* *Azure Database for PostgreSQL*	Scale Business Operations *Business Central*	Secure Productivity *M365 Business Standard (acquisition)* *M365 Business Prem or E3 (upsell)* Copilot for Microsoft 365 Modernize with Surface	Threat Protection *ME5/E5 Security* Migrate and Secure Win Server and SQL Server and Linux Estate *Defender for Cloud* Secure Productivity *M365 Business Prem/M365 E3*
Program Offerings & Campaigns	Campaign in a Box Customer Targeting Lists (Cohorts) Fabric Trial Analytics Migration Accelerator, CSU Cloud Migration Factory Solution Assessments for Fabric Level Up (Partner Skilling)	Campaign in a Box Customer Targeting Lists (Cohorts) Multi customer Briefings Azure Migrate and Modernize Partner Led Migration POC; Cloud Migration Factory Level Up (Partner Skilling	Campaign in a Box Scenario-targeted Campaign in a Box Customer Targeting Lists (Cohorts) SMB Briefings Level Up (Partner Skilling)	Campaign in a Box Customer Targeting Lists (Cohorts) Partner Ready Solution Assessments CSP Briefings Level Up (Partner Skilling)	Campaign in a Box Customer Targeting Lists (Cohorts) Multi-Customer Briefings (MCB) Rapid Security migration: Solution Assessments (Self-service, Cloud Security and Secure Migration Assessment) E3/E5 Customer Accelerator Level Up (Partner Skilling)

Spend guidance by category and strategic activities xCSA
100% Co-op claim rate to maximize business impact (ROI)

Demand Generation
Available Funds >$50K= 30%
Available Funds $20K-$50K = 20%
Available Funds <$20K = 20%

Between **30% to 20%** towards demand gen/digital marketing activities to generate leads for cloud services and devices

Acquisition Drivers
• Social Media Marketing
• Best Practice Development
Other Prioritized Activities
• Digital advertising
• Multi-Touch Digital Campaigns
• Social media marketing
• Tradeshows & expos

Market Development
Available Funds >$50K = 60%
Available Funds $20K-$50K = 50%
Available Funds <$20K = 30%

Strong focus towards market development activities to close leads

Acquisition Drivers
• Customer Seminars & Bootcamps
• Migration Services
Retention/Growth Drivers
• Customer Offers
• Migration Services
• Solution Building with 3rd parties
Other Prioritized Activities
• Internal incentives and SPIFF
• Proof of Concept
• Telemarketing

Skilling
Available Funds >$50K = 10%
Available Funds $20K-$50K = 30%
Available Funds <$20K = 50%

Strong focus on partner readiness, based on available funds, to develop partner capabilities to promote, transact and deploy services and devices

Acquisition Drivers
• On demand training
Prioritized Activities
• MAICPP SMB/Azure Designations
• Microsoft exams and tuition
• Internal training and floor days

FY25 SMB Co-op Guidance | Indirect Reseller

	Azure Data & AI	Azure Infra	Business Applications	Modern Work	Security
Co-op Spend Allocation	40%		15%	25%	20%
Partner Guidance	• Develop & execute a comprehensive customer acquisition, retention and growth plan per CSA based on Solution Plays and hero products, leveraging the programs and campaigns, and following Co-op spend guidance • Create unique differentiating offers around hero products, using Cloud Ascent and marketing resources, and accelerating sales with internal incentives/SPIFFs • Use the Solution Play Customer Journeys to drive clarity on how to execute a solution play through MCEM				
Solution Plays *Hero Products*	Unify your Intelligent Data and Analytics Platform *Microsoft Fabric* *Power BI Pro/Premium*	Migrate and Secure Win Server and SQL Server and Linux Estate *Windows Server VMs* *SQL Server on Azure VMs* *Azure SQL Managed Instance* *Azure SQL Database* *Defender for Cloud* *Azure VMware Solution (AVS)* *Azure Arc; Linux VMs* *Azure Database for PostgreSQL*	Scale Business Operations *Business Central*	Secure Productivity *M365 Business Standard (acquisition)* *M365 Business Prem or E3 (upsell)* Copilot for Microsoft 365 Modernize with Surface	Threat Protection *ME5/E5 Security* Migrate and Secure Win Server and SQL Server and Linux Estate *Defender for Cloud* Secure Productivity *M365 Business Prem/M365 E3*
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Spend guidance by category and strategic activities xCSA
100% Co-op claim rate to maximize business impact (ROI)

Demand Generation	**Retention/Growth Drivers**	**Market Development**	**Acquisition Drivers**	**Skilling**	**Acquisition Drivers**
Available Funds >$50K= 30% Available Funds $20K-$50K = 20% Available Funds <$20K = 20% Between **30% to 20%** towards demand gen/digital marketing activities to generate leads for cloud services and devices	• Tradeshows and Expos **Other Prioritized Activities** • Best Practice Development • Multi-touch digital campaign • Partner website and SEO • Social media marketing	Available Funds >$50K = 60% Available Funds $20K-$50K = 50% Available Funds <$20K = 30% Strong focus towards market development activities to close leads	• Customer Seminars & Bootcamps • Migration Services • Solution Building with 3rd parties • Telemarketing **Other Prioritized Activities** • Customer offers • Internal incentives and SPIFF • Proof of Concept	Available Funds >$50K = 10% Available Funds $20K-$50K = 30% Available Funds <$20K = 50% Strong focus on partner readiness, based on available funds, to develop partner capabilities to promote, transact and deploy services and devices	• On demand training **Retention/Growth Drivers** • Internal training and floor days **Prioritized Activities** • MAICPP SMB/Azure Designations • Microsoft exams and tuition

Microsoft

Co-op Planning Resources

Co-op funds planning guidance

1   Funds guidance per category

Category	Category A Partners	Category B Partners	
	>$50K Co-op	$20K-$50K Co-op	<$20K Co-op
Partner skilling	10%	30%	50%
Demand generation	30%	20%	20%
Market development	60%	50%	30%

Category A Partners (>$50K of Co-op per semester)

- At least 30% towards demand gen/digital marketing activities to generate leads for services (cloud) and devices.
- 60% towards market development activities to close leads.
- 100% co-op claim rate to maximize business impact (ROI).

Category B Partners (<$50K of Co-op per semester)

- At least 20% towards demand gen/digital marketing activities to generate leads for services (cloud) and devices.
- $5K to $20K co-op resellers: strong focus on market development activities to close leads.
- $5K or less breadth: strong focus on partner skilling develop partner capabilities to promote, transact and deploy services and devices.
- If co-op earnings are below $10,000 USD in a co-op earning period, funds will be paid as rebate (applicable to CSP incentives).

2   Co-op for digital marketing

Category A Partners: Target at least 30% of available funds towards Digital Marketing to generate leads for cloud services and devices.

Category B Partners: Target at least 20% of available funds towards Digital Marketing to generate leads for cloud services and devices.

Demand generation/digital marketing activities

- Partner Website and Search Engine Optimization
- Direct Mail, Email & Mobile SMS
- Digital Advertising
- Social Media Marketing
- Microsoft Syndicated Content

Co-op Plan Example #1

Co-op planning Guidance – effective planning is critical for delivering optimal impact with Co-op funds. This page provides an example of a Co-op plan defined by activity type

Recommendations
- Align activities across the 3 categories effectively
- Align activities to Microsoft Solution Areas, priorities and local offers (optimize impact and leverage of Microsoft spending)
- Claim right after completing the activity (maximize cash flow)
- Utilize all your earned Co-op (don't forfeit funds you have worked hard to earn)
- Align with local market motions

Co-op Funding Plan Example

In this example of a Co-op plan, the partner allocates available funds for the next period against 4 categories of activities: demand generation, sales spiffs & offers, sponsorships, and on-site champs. These activities are also designed to drive business in alignment with Microsoft solution areas and priorities.

Demand Generation	Sales Spiffs and Offers	Program Sponsorship	On-site Champs
✓ Cloud Roadshows: Microsoft 365 & Azure ✓ Hands-on Workshops: Microsoft 365& Azure ✓ Webinar Series: Microsoft 365 ✓ & Azure ✓ Webinar: 3 per Quarter ✓ Customer event bundling with ISV to focus Azure usage	✓ Upgrade existing Office 365 Business Premium seats to Microsoft 365 Business ✓ Inside Sales (SPIFF) ✓ To-customer Offer ✓ For every new Azure subscription > $5000, get a Surface PRO ✓ Azure porting support on ISV Campaign	✓ Road Show/Hands-on Workshops/Webinar ✓ Azure Campaign/building Modern Workplace solutions ✓ Promote cloud marketplace to customers ✓ Digital marketing to boost offers	✓ Azure Pre-Sales PM ✓ CSP Warrior (Customer recruit Focus) ✓ Additional Cloud BDM and Presales for ISV consumption on Azure ✓ Presales & Technical support on Azure CSP

Co-op Plan Example #2

Co-op planning Guidance – effective planning is critical for delivering optimal impact with Co-op funds. This page provides an example of a Co-op plan defined by Microsoft solution area

Co-op Funding Plan Example

In this example of a Co-op plan, the partner allocates available funds for the next period against 4 categories of activities: demand generation, sales spiffs & offers, sponsorships, and on-site champs. These activities are also designed to drive business in alignment with Microsoft solution areas and priorities.

Modern Workplace	Apps & Infrastructure	Business Applications	Data & AI

Demand Generation
• Customer recruitment
• Digital Advertising
• Post touch nurture email campaigns
• Lead scoring & onboarding
Program Sponsorship + Industry Events
• Cloud, Security + IoT Program
• SMB Connect Program
SPIFFs/Offers
• Inside Sales SPIFF
• To-Customer E5 Offer
	Demand Generation
	• Customer recruitment
	• Digital Advertising
	• Training recruitment
	  • Technical product & profitability training
	• Post touch nurture email campaigns
	• Lead scoring & onboarding
	Program Sponsorship + Industry Events
	• Advisory Council
	• Migration seminar
	SPIFFs/Offers
	• Inside Sales SPIFF
	• To-Customer Migration offer
	On-site Champ
	• Business Dev Coordinator
		Demand Generation
		• Training recruitment
		  • Complimentary vendor trainings
		  • ISV trainings
		• Post touch nurture email campaigns
		• Lead scoring & onboarding
		Program Sponsorship + Industry Events
		• CRM Seminar
		• Industry ERP Workshops
		SPIFFs/Offers
		• Inside Sales SPIFF
		  • CRM wins
		• To-Customer D365 CRM Offer
			Demand Generation
			• Azure promotion social media campaign
			Program Sponsorship + Industry Events
			• Azure road show
			• PowerBI Seminars
			• Government Community Show
			SPIFFs/Offers
			• Inside Sales SPIFF
			• To Customer Azure offer

Partner Marketing as a Service

Partner Marketing as a Service provides eligible Microsoft partners with **access to marketing advisory, content, and execution services from a world class marketing agency to build and execute a well resourced strategic GTM plan** leveraging the breadth of GTM resources Microsoft provides to partners. These free or highly subsidized services are intended to reduce your time to market and grow joint pipeline for your solutions.

Partner Objective Eligibility:
Earned solutions partner designation **or**
Earned specialization **or**
IP Cosell eligible solution(s)

Supported Languages for Execution:
Americas: English, Spanish and Portuguese
EMEA: English, Italian, French and German
Asia: Korean, Japanese, Mandarin and Cantonese

Marketing Service Packages:
Discrete marketing service packages to help partners meet their unique business goals. Each subsequent package includes all services from the package before it. i.e. Package 4 includes all services is packages 1, 2 and 3. Below are a summary of deliverables provided from the executing marketing agency. Specific deliverables will be outlined as a part of the PMaaS onboarding process.

Package 1	Package 2	*Package 3	*Package 4(select 1)		
GTM Strategy	**Customer Intelligence**	**Social Media Campaign**	**4a: ABM Content Campaign**	**4b: Joint webinar support**	**4c: In-person event support**
1. Unique joint Partner/Microsoft value proposition (JVP) 2. Messaging and Positioning Framework: 3. Go-to-market (GTM) plan with execution guidance	1. Research document outlining competitive differentiation, industry trends, target customer insights and more.	1. Social amplification planning and execution 2. Customer targeting 3. A/B Testing and one round of modification	1. Strategy, planning and execution 2. Core Content (40% Updates to current asset) 3. Graphic Support 4. Content promotion and lead capture	1. Webinar Strategy Planning and Execution 2. Webinar Core Content(40% Updates to current asset) 3. Webinar Graphics Support 4. Pre & Post Webinar Promotion & Lead Capture	1. Event Strategy Planning and Execution 2. Core Content (40% Updates to current asset) 3. Graphic Support 4. Pre & Post Event Promotion & Lead Capture
Content Development	**Prospect Identification**	**Social Content Development**			
1. Solution play aligned content integrating your core messaging to support demand generation, customer acquisition, nurture and sales	1. 3rd party prospect contact information based on GTM strategy	1. Design of up to 8 static, 2 motion and 2 carousel posts			

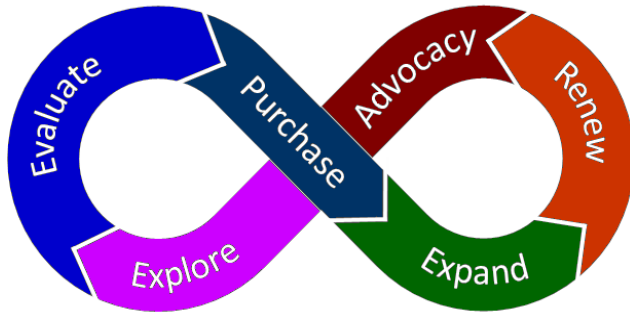**To learn more or start a project:** Visit the PMaaS webpage

*Investment with executing marketing agency is required for packages 3 and 4 to support demand generation. Project timelines vary but should be between 4-10 weeks before campaign launch.

Digital marketing guidance

Anchor your demand generation in the cloud customer journey

- IDC defines 6 stages of the customer journey as shown to the left, based on specific goals that must be met.
- Partners should align their demand generation activities to these goals and keep pace as customers progress.
- Cloud customers go through a cognitive process to advance their purchase and use of cloud solutions.
- Each customer may have a unique path to purchase.
- Customers can move forward or backward and even appear to skip steps. But they need to accomplish stage-specific goals before they buy.
- There are differences in importance and the amount of time spent in each stage for different kinds of customers and regional markets, but at the highest level they share the same decision-making process.

Marketing tactics by stage of journey

Explore	Evaluate	Purchase	Expand	Renew	Advocacy
Website SEO and content	Social media- including blogs	Sales presentations	Website content	Social media	Social media
Social media- including blogs	Email campaigns	ROI tools	Social media- including blogs	Email marketing	Case studies
White papers	Telemarketing	Case studies	Case studies	Telemarketing	Public relations
Web content syndication	Events – online or in person	Offers and incentives	Proof of concepts	Newsletters	Referrals
Social Selling	Videos	Proof of Concepts	ROI tools	Account management	
Educational Videos	Product trials and demos	Account management	Account management		

Available tools to help drive Microsoft Business

Co-op funds can be used and claimed under Demand Generation or Market Development to access third-party tools that help partners connect with a Microsoft solution and drive incremental sales pipeline and cross-sell/up-sell opportunities.

Examples*

Work 365 is a Customer Experience Platform built on the Microsoft Cloud (Dynamics 365, Azure, Office) that delivers: 1) Billing and invoicing automation, 2) Integration with Microsoft Partner Center; and 3) a Customer Self-Service Portal

Go to www.work365apps.com to learn more

TBSC is a software asset management pioneer that has developed offers you can leverage to help you effectively migrate your customers to the cloud.

Go to https://businesssoftwarecentre.com/ to learn more

Pluralsight is an online platform for delivering Microsoft related training content.

Go to https://www.pluralsight.com/paths/microsoft-365-basic-concepts-and-fundamentals to learn more

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* NOTE - These examples are for partner reference and providing this information does not constitute an endorsement of these companies by Microsoft

Use Co-op for ISV marketing

Does not apply to Surface

Did you know Co-op funds can be used to drive ISV solutions in the market? Co-op funds earned through Partner Incentive programs may be used to engage the ISV partner channel and drive pipeline for ISV applications.

CSP Indirect Providers	CSP Resellers
• Assist partners to build <u>Customer Offers</u> that include key ISV applications. • Develop <u>online marketplaces</u> to distribute ISV applications. • Conduct <u>Floor Days</u> to train internal sales teams on how best to promote joint reseller-ISV solutions.	• Execute <u>Multi-Touch Digital Campaigns</u> that include ISV applications. • Develop <u>Proof of Concept</u> centers that include ISV applications. • Build <u>SEO</u> and <u>Telemarketing</u> campaigns that feature solutions built with key ISV applications.

Follow these best practices to claim reimbursement for ISV-focused Co-op activities

▪ **Does your activity prominently display Microsoft solutions?** If the marketing material does not clearly show a Microsoft component, additional proof may be required to ensure the activity meets core requirements. Review specific program guidelines for more details about the Microsoft content requirement.

▪ **Is the activity's marketing material branded for your company?** Partner company/brand name and contact information is a core requirement for demand generation and market development activities.

▪ **Does the activity follow general Co-op policies and activity guidelines?** Adhere to all Co-op activity guidelines as detailed on each activity page.

▪ **Did you review the necessary proof of execution for activities to be conducted?** Collect all required POE for each ISV-focused activity conducted and submit in the claiming platform.

SureStep: Blitz Boost

Programmatic set of sales activities for SureStep ambassadors that combine the power of Pitch Perfect, customer/partner propensity, GTM and promos to drive net customer acquisition and revenue growth in an established time period using Co-op Funds.

Solution Area	Solution Play	Targeted Customers
Azure Infra	Migrate and Secure Windows Server SQL and Linux Estate	1) End of Support 2012 2) First Workload AVD 3) Active WS/SQL Server
Azure Data & AI	Unify your Intelligent Data & Analytics Platform	
Modern Work	Secure Productivity	1) Migrate to Cloud 2) Upsell from standalone to M365 3) Upsell from EXO to M365 4) Upsell from M365 MBP/ME3
	Drive Business Transformation with Copilot	1) Attach Copilot to Eligible Customers
Business Applications	Scale Business Operations	1) Bix Central: First Workload 2) Biz Central Nav migration 3) D365 Sales First Workload

Co-op Funding Plan Example

Options	Good	Better	Best
Description	Utilize the full package of supporting material to drive intentional focused blitz's centered on the solution and targeted customers	Utilize the full package of supporting material to drive intentional focused blitz's centered on the solution and targeted. + Sales Contest for Pitch Perfect	Utilize the full package of supporting material to drive intentional focused blitz's centered on the solution and targeted. + Sales Contest for Pitch Perfect + Sales Contest for Sales Acceleration of Propensity Targets
Recommended Co-op Investment (per Solution/per geo)	$0K	$4K	$10K

Supporting material:

- Identified End to End Process
- Pitch Perfect
- Aligned Customer/Partner Propensity
- Thru partner marketing assets
- Applicable Promotions/Incentives
- Sales Contest Structure

Microsoft

FAQ

Frequently asked questions

Why do you include Co-op in the Indirect Reseller incentive program?
- The CSP business has become the primary go-to-market engine for Cloud services for Microsoft. As we evolve to the new Commerce Experience and the breadth/partner-led motion thru CSP, it will become even more important. So, it is critical that our partners invest significantly in marketing to drive both product/solution awareness and sales pipeline, and in skilling to build expertise and business practices. Co-op has proven to be an excellent way to enable partners to do this without having to solely rely on their own budgets.

What can we use the funds for?
- Co-op funds can be used for a wide variety of Demand Generation, Market Development, and Partner Skilling activities. For more details, access the program overview and FY25 Partner Incentives Co-op Guidebook.

How can we effectively plan for fund usage?
- Microsoft has developed several videos that provide planning guidance for Co-op funds available within the Co-op Funds Resources collection.

We can't use all the funds … can you cap the max earning?
- At this time, there is no plan to "cap" the amount of Co-op funds that can be earned each period. Analysis indicates that most partners will earn amounts that have been manageable each period by partners in other incentive programs with a Co-op component. If we find this an issue, we will re-evaluate this policy.

Can we opt-out of this program?
- No, this is a global program that applies consistently to all eligible partners in the CSP Direct Bill Partner and CSP Indirect Reseller incentives.

How can we propose doing activities that aren't in the Co-op Guide?
- If a partner has an activity that they would like to consider doing that isn't covered in the Co-op Guide, they should share the proposed activity with the local Area Partner Incentives Lead for submission of an exception request.

What is the role of Microsoft teams in Co-op?
- The role of local Microsoft teams is to share both global and local Microsoft business priorities and marketing plans/promotions that partners can align their Co-op investments with and provide feedback to partner plans to deliver optimal impact.

Back to TOC

Frequently asked questions

How can we plan for the impact to our profitability?
- Partners have found that, because Co-op funds can't be given to customers as a discount, their gross margins per sale tend to increase measurably when Co-op is introduced to an incentive program. Partners should evaluate the forecasted Co-op earnings each fiscal semester based on CSP sales forecasts. Estimator tools have been developed to support these efforts and are available at Partner Incentives (microsoft.com). The mix of planned Co-op activities will determine the growth in sales pipeline and sustainable business practices and related growth impact to profitability.

Why do we have to wait so long to use the funds?
- Experience with Co-op programs has found that 6-month periods for both accrual and usage of the funds provided optimum time for partners to both accumulate adequate funds to make an impact and execute planned activities (and make claims for those activities).

Where can we see our fund balance/usage reporting?
- Open Partner Center, enter incentives dashboard by clicking on the Overview tab and clicking on program name.
- Filter at top right to "Earning Type" to "Co-op".
- Using custom date feature at top right, select start and end dates based on earning period.
- "Incentives earned this period" will total Co-op earnings for earning period.

How can you make the claims process easier?
- Microsoft has developed a new claims capability within the Partner Center incentive tool that streamlines and improves the Co-op claiming process for the partner. This process will continually be reviewed for improved efficiency. We are also reducing PoE requirements and implementing other actions to reduce the time spent managing claims.

Where do we find more information?
- For more details on Co-op and other incentive opportunities, please always refer to your relevant Partner Incentive Guide from https://aka.ms/partnerincentives

Are Sponsorship Fees eligible for Co-op funds?
- Featured Partner Sponsorships for first party corporate led Microsoft events (Microsoft AI Tour, Ignite, Build and Tech Connect) are eligible for co-op. This includes booth space, signage, display, printed materials, meeting/networking space, lead capture, allocated event passes, and content/sessions. Expense should be claimed under Microsoft Hosted Conferences.

Glossary

Available Funds: Funds that can be used for claiming and reimbursement in the usage period following the earning period.

Cash Equivalents: Item that can be easily converted to cash, such as bank and financial gift cards (for example, prepaid credit cards), certificates or vouchers.

Co-op Marketing Fund: A Microsoft marketing program designed to help qualified partners grow their businesses. The fund provides reimbursement for approved demand generation, marketing development, and partner skilling activities. Partner funds accrue based upon qualifying eligible product list purchases.

Demand Generation: A marketing activity in which performance and the size of the audience can be verified. Examples include web advertising, and direct response mailing or emailing. Partners can be reimbursed for the cost of qualifying demand generation activities.

Device: Any PC (including a desktop, laptop, tablet, all-in-one, or ultra-mobile), mobile internet device (MID) or phone form factor. Also includes wearables, video gaming systems, electronic music players, streaming media devices, televisions, and electronic readers.

Earned Funds: The total Co-op fund amount that is calculated based on the net sales of eligible Microsoft devices specified in the Partner Incentives Guide.

Marketing Development: Marketing activities for which performance and the size of the audience cannot be verified, such as customer events and telemarketing that support the sale of Microsoft devices.

Media Placement Costs: Costs associated with purchasing measured media space from a third-party

Microsoft Channel Development Manager (CDM) or Partner Development Manager (PDM): Microsoft field personnel who are assigned to individual Microsoft partners to monitor marketing and other business development activities.

Partner Skilling: Microsoft AI Cloud Partner Program participation, Microsoft exams and training, internal training, and demo units for partner personnel that promote the development of Microsoft technology expertise.

Peripheral: Additional components of a demo unit, defined as keyboard, docking station, mouse, and pen.

Proof of Execution (POE): To be eligible for reimbursement, proof of execution documentation must be submitted by the established deadline. Proof of execution is critical to the reimbursement process. Accepted file types are:

- ✓ Document: doc, docx, xls, xlxs, csv, ppt, pptx, msg, rtf, mht, htm, html
- ✓ Media: bmp, dib, jpeg, jpg, jpe, jfif, gif, tiff, png, psd, wmv, wma
- ✓ Reader: pdf, xps

Service Vouchers: Pre-purchased services vouchers a third party.

Signage: Signage includes tabletop signage, banners, product sheets, sales sheets, promotional materials, event binders, and attendee materials.

System: A fully assembled computer system consisting of at least a central processing unit, a motherboard, hard drive, a power supply, and a case.

Third-Party Vendors: Businesses or service providers that are not affiliated with Microsoft or the partner company enrolled in the Co-op fund.

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Partners make more possible