



Azure Credit Offer

FY24 ACO through CSP – US SMB

Introduction

Azure Credit Offer (ACO) Azure Credits Offer (ACO) is an initiative to allow the use of Azure Credits to win and accelerate Azure consumption.

The Azure Credit Offer provides customers with a fixed amount of free Azure usage, which can be used within a defined timeframe

Credits are applied directly to the customers billing profile (tenant) and are automatically applied to the eligible charges. While credits are being consumed neither the partner or customer are charged.

ACO through CSP | Program Guidance

CSP Available to all transacting CSPs - Direct & Indirect

Deal Threshold Minimum deal size is \$5k. Deal size is calculated on estimated 12-month incremental ACR.

ROI ACO ROI is 10:1. Estimated 12-month incremental ACR ÷ 10. Example: Est. ACR of \$15k. ACO = \$1,500

Applicable Scenarios:



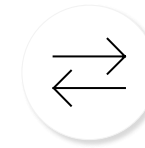
To mitigate customer's concerns on **dual-cost during the migration projects**; i.e., to unblock customer's budget constrains for onboarding Azure



To provide funding for a **production POC/test** for a new Azure workload the customer is considering implementing



To increase and **accelerate cloud adoption.**



To effectively **compete** against other cloud providers offers

ACO through CSP | Pre-requisites

Customer

- ✓ Must be an US SMB / US customer [Use Partner Center to look up account status](#)
- ✓ Must be a commercial customer (not available for non-profit, education or gov cloud customers)
- ✓ Microsoft billing account with details up to date (Tax ID, registration number, address details, etc.) is required. Customer can update their information via the [Microsoft Admin Portal](#)
- ✓ Has accepted the Microsoft Customer Agreement (MCA) terms and conditions (not available on legacy CSP)

Partner

- ✓ Has signed Microsoft Partner Agreement (MPA).
- ✓ Has registered / added the the customer account in Partner Center
- ✓ [Confirmed that customer has accepted the Microsoft Customer Agreement](#)
- ✓ Has formally established Partner Center '[Reseller Relationship](#)' with the customer,
 - If you are an Indirect Reseller, your Indirect Provider must also have reseller relationships with your customers. Details on this process can be found [here](#)

If requirements listed above are not met, ACO through CSP requests cannot be processed and will be rejected

ACO through CSP | Application & Approval

Initiated by transacting CSP

Identify Customer

Partner

- 1 Have full understanding of project scope (workloads, timeline, etc.) and has estimated 12-month ACR quote

Have full understanding of how ACO would help customer

Assure all ACO program [prerequisites](#) are met

Submit Request

Partner

- 2 Submit ACO request through [PLSR - Engagement Form](#)

When completing request, please **provide as much detail as possible** "MORE is MORE"

📌 **NOTE:** If you are an Indirect Provider, the **ACO request MUST be submitted by the transacting partner / Indirect Reseller**, not the Indirect Provider – no exceptions

Application Review (1-5 Business Days)

Microsoft

- 3 PLSR team completes quality & compliance check (customer account details, partner account details, domain / TPID, etc.)
 - ✗ Does NOT pass initial check, PLSR will request additional details or will provide rejection notification.
 - ✓ Request passes check, PLSR will assign to Channel Sales to review deal specifics
- 4 Channel Sales Manager will review and respond supporting the deal or requiring additional business justification details.

Finance & Operation (3-7 Business Days)

Microsoft

- 5 Channel Sales will submit request for Finance approval.
- 6 Finance approves and send to operations to create a customer ACO agreement.
- 7 Operations approves agreement and send documentation to the customer for signature
 - Transacting Partner and Channel Sales will be CC: on this email

Customer Acceptance

Customer

- 8 Customer will receive an email from "Microsoft E-Sign"
adobesign@adobesign.com
 - The customer must electronically accept / sign the ACO agreement (PL-MCA amendment) before the last day of the month that the contract was published.
 - Specific date will be provided by Channel Sales 'Application Review' response.
- 9 Once customer accepts, Azure credits are automatically applied to the customers billing profile.

ACO through CSP | Resources

Partner Center

- [Transact with customers in Partner Center](#)
 - [How to add a new customer record](#)
 - [Establish a reseller relationship with you and your indirect provider](#)
 - [How to request a 'Reseller Relationship'](#)
 - [Create a new customer and invite the customer to review and accept the agreement](#)
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Customer Information

- [Confirm that your customer has accepted the Microsoft Customer Agreement to the CSP program](#)
 - [Find customers tenant ID & primary domain](#)
 - [Update customer account info - Partner Center](#)
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Track ACO spend

- [Azure credit offer balance - Partner Center](#)
- [Azure plan billing - invoice & recon files](#)
- [Azure Credit Balance – Customer view](#)

Q. How are the Azure credits consumed?

A. ACO credits through CSP are applied directly to the customers billing profile and are consumed upfront. The customer, nor the transacting partner will be billed by Microsoft until all credits are consumed.

Q. Can customers use the free credit against 3PP products?

A. No, ACO will only be available to use against 1PP products and cannot be used against 3PP products e.g. SUSE Linux Enterprise Server for SAP Standard

Q. How can partner/customer track ACO utilization?

A. The monthly reconciliation file shows how the credit was applied to offset the charges of eligible transactions in a billing cycle.

Q. Who do I talk to if my customer isn't seeing the credit granted via ACO in their Azure portal?

A. You can ask customer to raise a support ticket from Azure Portal

Q. I am an Indirect Provider, can I apply for ACO on behave of my reseller.

A. No. All ACO requests must be submitted by transacting partner / reseller that is working with the customer.

Q. My customer went to sign the ACO Agreement, and it is saying that the agreement is expired.

A. The agreement expiration date set to be the last day of the month that the agreement is published i.e. If agreement is published July 20th , the customer will have until July 31st to accept / sign. If the agreement expires, the ACO request will need to be reapproved by Microsoft Finance and Operations and can take another 3-7 business days.

Q. Can I change the contact for the customer signing the ACO agreement?

A. In order to make any changes to the ACO agreement once it is published, the agreement will need to be withdrawn and reapproved by Microsoft Finance and Operations and can take another 3-7 business days.

Q. Can partners receive incentives for ACO charges?

A. ACO impacts the bill pre-final-invoice, so partners will not get incentives for ACO in CSP. PEC is not earned while ACO is being consumed. In the months where ACO being applied to customer billing profile / partner invoices, PEC and Incentives are not earned for the ACO-credited ACR. The only exception is that in the final month of ACO usage, after ACO's balance goes to zero, any billed usage, PEC would be earned at a flat 15%. The concept of customer specific ACO (\$500) invoice reduction is illustrated using the table below.

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
ACR (@ERP rate)	\$75	\$85	\$90	\$112	\$85	\$100
ACO Balance	\$500	\$425	\$340	\$250	\$138	\$53
ACR above ACO	\$ -	\$ -	\$ -	\$ -	\$ -	\$47
PEC on ACR after ACO @15%	\$ -	\$ -	\$ -	\$ -	\$ -	\$7
Invoice Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$40
ACO Balance	\$425	\$340	\$250	\$138	\$53	\$ -