

### Distributor Development Funds (DDF) – Distribution Program Benefit

The Distributor Development Funds (DDF) is a benefit as part of the Global Distribution Program for eligible AWS Distributor Partners. Depending on their annualized program goal attainment and prior year's Total Program Revenue goal, partners may be eligible to be allocated DDF cash to help support their distributor-led marketing efforts and promote their service(s) or solution(s) on AWS. DDF resources are available for building out a Go-To-Market (GTM) strategy around AWS and are only available for AWS Distributors.

#### **Funding Qualification**

In order to qualify for DDF funding there are four requirements that need to be met the prior fiscal year in order to accrue funding for the next fiscal year. These goals are set with the PMM, PDM, and Regional Leads, and then Global DDF Program Management.

- Total Program Revenue for Authorized Services on Distributor Program Accounts for the fiscal year.
- Total number of transacting Distribution Sellers with revenue of >USD\$0 for the fiscal year.
- Total number of validated opportunities submitted to the APN Customer Engagements (ACE) Pipeline Manager where partner connections functionality is used for the fiscal year.
- Total number of cumulative new AWS End User Account IDs reported through End User Reporting, with revenue >\$0 for the fiscal year..

There are additional partial funding limits that will be applied if 100% of the applied Regional Goals are not met.

Complete details on the qualifications may be found in Section 2, "AWS Partner Funding" in the" Distributor Program Discount Guide", located HERE on AWS Partner Central.

#### **Funding Benefits**

The main benefits AWS Distributor Partners can receive from the DDF Program are:

**DDF Cash** – This funding can offset 100% of the actual costs of eligible Distributor-led marketing activities that focus on awareness, enablement, recruitment, and/or demand generation.

AWS Distributor Tier Eligibility	Annual DDF Cash Baseline	Program Cap
Select or above	Up to 2% of the prior fiscal year's	Up to USD\$600,000 per Region Worldwide.
	YoY Program Revenue Growth	



#### Partial Performance

- If Distributors do not fulfill all of their annual goals for a given Geographic Region in a given year, they may accrue AWS Partner Funding (DDF) in a partial budgeted amount if they fulfill at least 50% of their annual goals for such Geographic Region in such year. Since there are four goals, in order to accrue a partial Budgeted Amount, Distributors must fulfill at least two of the four goals.
- If Distributors fulfill two of the four annual goals in a given year, they may accrue 50% of the accrued DDF allocation.
- If Distributors fulfill three of the four annual goals in a given year, they may accrue 75% of the accrued DDF allocation.
- If Distributors fulfill all four of the annual goals, you may accrue 100% of accrued DDF allocation.

#### **Best Practices**

- Distributors must deliver annual or half-year marketing plans and business goals to the PDM and they will work with the DDF Program Manager to approve the marketing plans and secure the DDF allocation.
- If the partner enters the Distributor Program as a new distributor after January of each fiscal year, they need to work with their PDM and Distribution Program Team to determine a pro-rated DDF launch fund allocation for the remaining part of the year.
- It is suggested that at least 35% of DDF marketing activities be focused on the SMB segment both for new Program Revenue and net new customers.
- All claims must be submitted within 30 days after the activity completion date on a quarterly, bi-annually or yearly basis, and all prior to December 15, of each fiscal year.
- · All claims / invoices should be consolidated as much as possible to avoid multiple invoices at year end.
- All claims must be made prior to the end date of the marketing plan. Any claims after that date cannot be honored.
- All DDF benefits expire on December 15, any unused DDF or unclaimed DDF will NOT be carried over to the following year.

### **Funding Claiming**

When the activities are completed, the distributor is eligible to claim the funding. Multiple claims can be made throughout the year against one or two marketing plans – as often as quarterly (by June 15, September 15, or December 15) or yearly – no later than December 15. When the activities are fully completed, the distributor will need to claim the DDF by submitting an invoice and approval email via self-service within Payee Central.

#### **Best Practices**

- In order to successfully claim DDF, the distributor will need to submit Proof of Execution (POE) to their PMM / PDM and secure a validation e-mail from the PDM approving the execution of the activities.
- The PMM / PDM will then provide the POE to the DDF Program Manager and either it will be approved or they will ask for further details.
- All POE will be attached to the SFDC Funding request by DDF Program Manager
- When the PDM and DDF Program Manger approves the POE, Distributor will need to upload the Invoice for the total amount being claimed in <a href="Payee Central">Payee Central</a>: This invoice MUST be accompanied by an approval email from the PDM signing off on the activity. If not the invoice will be REJECTED.



- AWS Payment Operations team will then approve and process the payment within 30 days.
  - Please note: invoices cannot be greater than the total submitted in the associated marketing plan. The fund request in the marketing plan must be "all-in" full DDF allocation, inclusive of all taxes and fees.

Eligible DDF Activities	Description	Best Practices for DDF Activity
Internal / Field Incentives	Up to a maximum of 10% of the annual DDF allocation may be used for Distributor only internal or field incentives. (Applicable to re:Stack / re:Scale SCA programs with prior Program approval.)	<ul> <li>Define the program that is designed to incentivize internal sellers to help with GTM and demand generation activities.</li> <li>Define clear and reasonable and clear goals and consider stretch goals for additional incentives.</li> <li>Consider a Prospecting Day for new resellers or drive segment or industry opportunities.</li> <li>Allow for multiple teams to participate in the incentives.</li> </ul>
AWS Distributor Sales Content / Literature	Business or technical content written as an AWS focused solution document produced by the AWS Distributor Partner for use in their marketing activity.	<ul> <li>Tell us how you are going to use this content.</li> <li>Will the whitepaper be displayed on your website as gated content? Through an e-mail marketing campaign?</li> <li>What's the plan beyond the creation of the content/literature?</li> <li>Hire a third-party agency to create the material on your behalf or utilize a Distributor in-house agency. Suggested agencies can also be found in APN Marketing Central located HERE.</li> </ul>
AWS Distributor Partner Produced Case Study (Written and/or Video)	Distributor Case study or Win Wire.	<ul> <li>AWS must approve such materials and will advise on how the case study will be used.</li> <li>Visit AWS Marketing Central HERE and download a case study template and review approved marketing agencies for support if needed.</li> <li>Keep your subject line short and concise.</li> </ul>
Email Campaign	Demand generation through email marketing.	<ul> <li>Consider your target audience: what will be compelling to them? What will resonate?</li> <li>Include an unsubscribe button and a link to your privacy policy.</li> <li>Think about the timing of the campaign; When do you think sending out the campaign will be most effective?</li> <li>Keep the email short and clear.</li> </ul>
Gifts/Giveaways	Small prizes and gifts may be purchased for events.	<ul> <li>All gifts must be pre-approved by PDM and DDF Program Management and must be included in the marketing plan.</li> <li>All gifts must use approved AWS Branding.</li> <li>Total annual expense cannot exceed 5% of the total annual DDF allocation.</li> </ul>



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Webinars	Webinars led by AWS Distributor Partners focused exclusively on the Distributor's solutions on AWS.	<ul> <li>If a Distributor agency is not available, a list of agencies that help support webinars is available in AWS Marketing Central HERE.</li> <li>Consider recording your webinar for future use in marketing campaigns.</li> <li>Joint events with other vendors that demonstrate their value on AWS to customers.</li> </ul>
Industry Conference Event	AWS Distributor Partner sponsors a third-party industry or technology conference to showcase their solutions on AWS.	<ul> <li>Look for third party conferences where you can showcase your unique value.</li> <li>These events could be industry specific (oil &amp; gas), aligned to job role (CMO), solution focused (SAP), location (Atlanta small business), or some combination of these.</li> <li>Logo only sponsorships will be declined.</li> </ul>
AWS Distributor Partner Led Customer Event	Customer in-person or virtual networking events run & focused exclusively on solutions on AWS	<ul> <li>The event should primarily be centered around the AWS Distributor's solution on AWS.</li> <li>Any social only event (examples include but are not limited to: golf, sporting event suites, wine tasting) will be declined.</li> </ul>
Display Advertising and Search Marketing	Demand generation through online banner advertising, online campaigns and websites.	<ul> <li>Run your own campaign and use DDF to support your advertising costs from Google AdWords, LinkedIn, etc.</li> <li>Execute an end-to-end campaign.</li> </ul>
Sales Kick-off Event (SKO) or Annual Virtual Conference	Internal AWS Distributor Partner virtual event focused on your annual sales strategy and Go-To-Market with AWS.	AWS will not sign any contracts for these activities.
Telemarketing Campaigns	Use of an in-house or outside agency to call customer contacts to engage in further meetings, events or sales calls.	• If distributor does not have an in-house agency, a list of agencies that help support telemarketing campaigns is available in AWS Marketing Central HERE.
List Purchase	Expand your prospect database by purchasing a targeted list.	Consider industry specific or role-based lists.
Demonstrations and workshops	Online demo booths and workshops to showcase the AWS partner solutions and/or offerings.	The activity enables customers to experience the solution for a specified time period.
SMB Focused on New Customers	SMB customer recruit initiatives to help win customer opportunities.	Work with your regional Lead to develop sales plays that focus directly on the proposed customer opportunity.



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Ineligible Activities/Expenses	Details	
Relationship Events	AWS will not approve any customer events that are networking only and not focused on an AWS Partner Solution. This also includes events only for morale building.	
AWS Staff Activity	• Gifts, entertainment, or business costs for AWS or AWS employees will not be covered. This includes thank you gifts, tickets for AWS employees to attend a conference or event, etc.	
Headcount	• DDF cannot be used to fund staff unless directly tied to the activity, (e.g. event staff for a funded activity). This includes recruiting events and wages for temporary or permanent employees assigned to the activity.	
Charity Donations	DDF cannot be used to fund charitable donations.	
AWS Sponsored Events	• DDF cannot be used to offset any costs around AWS led events such as: AWS re:Invent, AWS Summits, AWS SKO. This includes the tickets to such events; meetings before, during, or after the event; happy hours or receptions; advertising your attendance; marketing collateral; swag or giveaway; or any other related expenses.	
Training certification vouchers or Authorized Training Partners (ATP)	• DDF cannot be used to purchase training certification vouchers or to pay for 3 <sup>rd</sup> party training at an ATP.	
Social/recreational events	• DDF cannot be used for social and recreational costs. This includes parties, movies, sporting events, tours, golf, wine tasting, horse racing, and sports game suites. Sponsorships of recreational events are also not eligible for reimbursement, such as golf tournaments or festivals. This list is not exhaustive, so please work with the PDM and DDF Program Manager for additional guidelines.	
Cancellation Fees	Costs for deposits or costs already incurred, will not be covered if the activity is cancelled.	
Travel	• No travel or accommodation expenses will be covered. This includes flights, hotels, individual meals, and other types of transportation such as taxis, ride shares, buses, etc. This includes costs incurred by the partner, AWS staff, and your third party vendor (e.g. speakers, event staff, etc.).	
AWS Distributor Partner Business Costs	DDF cannot be used for normal business expenses. This includes operational expenses, normal overhead, or capital expenditures.	
Amazon.com Merchandise	• DDF can't be used to buy any Amazon.com merchandise such as Amazon.com gift cards, Echo, Kindles, Kindle Fires, Echo Dots, Echo Shows, etc.	



Alcohol	• Alcohol can only be included for reimbursement when food is also served. All food and beverage must be itemized on the invoice. Activities where only alcohol is consumed is not eligible for reimbursement.	
Rush Fees	Any additional fees for expedited or rush jobs are not reimbursable.	
Gratuities	AWS will not cover any gratuities/tip on top of standard expenses (e.g. tip on food and beverages).	
Customer Incentives	• DDF cannot be used to incent customers. For example, an AWS Distributor Partner cannot offer USD\$500 in DDF cash in exchange for a public reference.	

### **Frequently Asked Questions**

- 1. What are examples of a Proof of Execution?
  - Lead list(s), e-mail blasts, webinar recordings, event attendance results, opportunities submitted in ACE, or newly created opportunities (in a CRM file or list) are all samples of what is accepted. Please send all POE to the PDM to validate via e-mail before you submit your claim.
- 2. For a brand-new AWS Distributor, how will funding and claims be handled?
  - Please work with your PDM to ensure that you are officially authorized by the Global Distribution Program Team. Once that's done, you will work closely with your PDM to come up with a prorated DDF allocation. Funding will be approved by the PDM and DDF Program Manager and then facilitated via a Purchase order. Upon completion, all claims will be done self-service within <a href="Payee Central">Payee Central</a>. Please keep in mind that it is the Distributor and PDM's responsibility to ensure Distributor is properly set up in <a href="Payee Central">Payee Central</a>. If you have any questions around Payee Central set-up, visit this partner-facing instruction <a href="Central">Cheat Sheet</a>. For any troubleshooting, you can also open up a case within AWS.
- 3 Can the distributor update a GTM activity that is in the approved marketing plan but has not shown to drive the required results.
  - If a distributor wants to change an activity and replace it with another one using the remainder of the allocated funds they can update the marketing plan and send to PDM and DDF Program Team.