

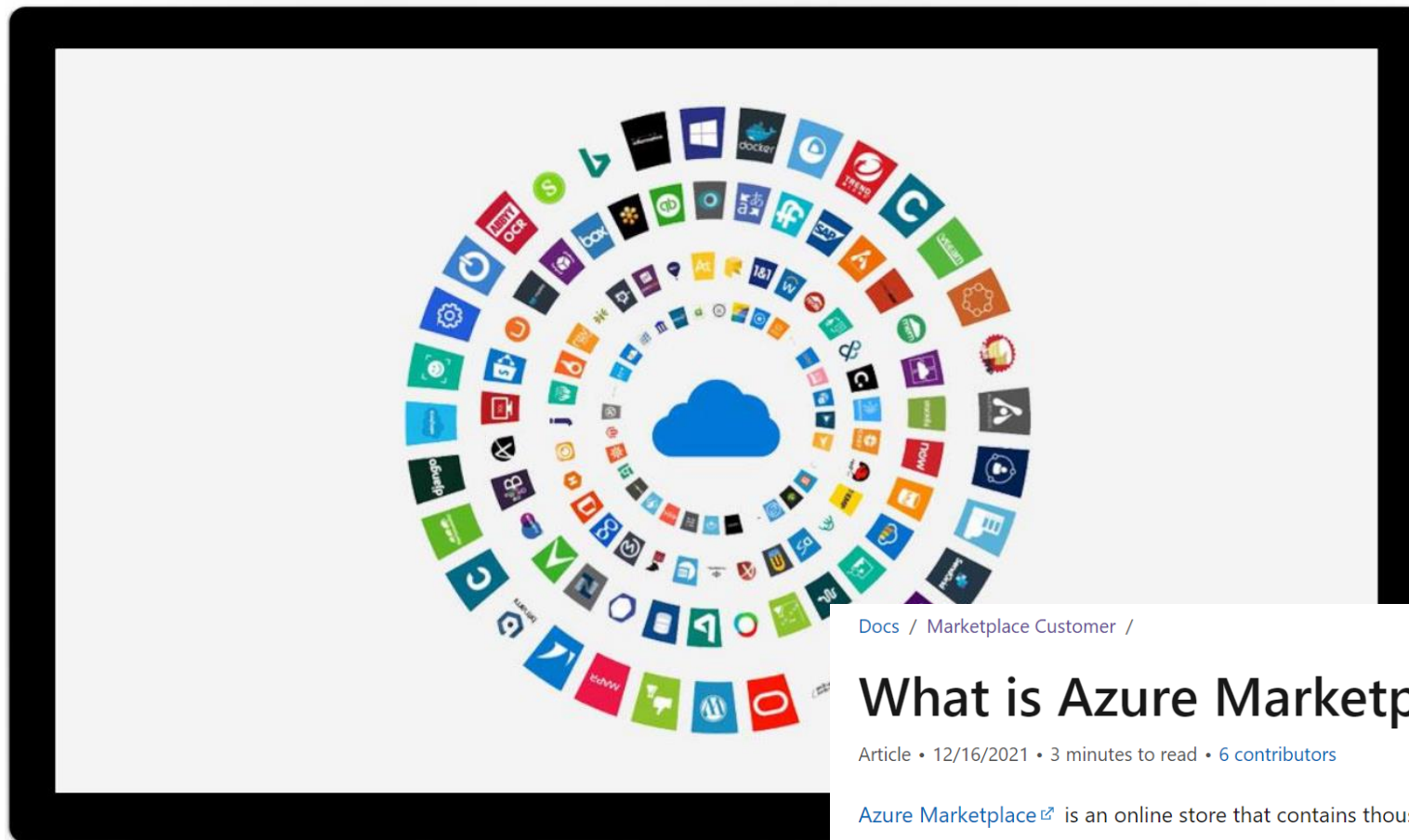
The Azure Marketplace Story

The WE GPS ISV team

Content

- What is (Azure) Marketplace?
- Why is Azure Marketplace relevant for both customer and ISV?
- How do I start the Azure Marketplace Journey?

(Azure) Marketplace is like an “App Store”



Docs / Marketplace Customer /

What is Azure Marketplace?

Article • 12/16/2021 • 3 minutes to read • 6 contributors

[Azure Marketplace](#) is an online store that contains thousands of IT software applications and services built by industry-leading technology companies. In Azure Marketplace you can find, try, buy, and deploy the software and services you need to build new solutions and manage your cloud infrastructure. The catalog includes solutions for different industries and technical areas, free trials, and also consulting services from Microsoft partners.

Future of Sales 2025: Why B2B Sales Needs a Digital-First Approach

To meet customers' new buying preferences and succeed at virtual selling, sales leaders must adopt a digital mindset.

B2B digital commerce, accelerated by the COVID-19 pandemic, is now top of mind for most sales organizations. Over the next five years, an even greater rise in digital interactions between buyers and suppliers will break traditional sales models.

The Gartner Future of Sales 2025 report predicts that by 2025, 80% of B2B sales interactions between suppliers and buyers will occur in digital channels. Chief sales officers (CSOs) and other senior sales leaders must accept that buying preferences have permanently changed and, as a result, so too will the role of sellers.

“ Sales organizations must be able to sell to customers everywhere the customer expects to engage, interact and transact with suppliers”

STAMFORD, Conn., April 19, 2022

Gartner Forecasts Worldwide Public Cloud End-User Spending to Reach Nearly \$500 Billion in 2022

SaaS remains the largest public cloud services market segment, forecasted to reach \$176.6 billion in end-user spending in 2022. Gartner expects steady velocity within this segment as enterprises take multiple routes to market with SaaS, for example via cloud marketplaces, and continue to break up larger, monolithic applications into composable parts for more efficient DevOps processes.

Table 1. Worldwide Public Cloud Services End-User Spending Forecast (Millions of U.S. Dollars)

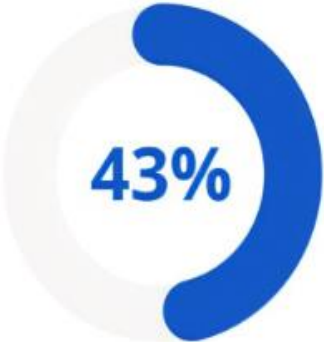
	2021	2022	2023
Cloud Business Process Services (BPaaS)	51,410	55,598	60,619
Cloud Application Infrastructure Services (PaaS)	86,943	109,623	136,404
Cloud Application Services (SaaS)	152,184	176,622	208,080
Cloud Management and Security Services	26,665	30,471	35,218
Cloud System Infrastructure Services (IaaS)	91,642	119,717	156,276
Desktop as a Service (DaaS)	2,072	2,623	3,244
Total Market	410,915	494,654	599,840

BPaaS = business process as a service; IaaS = infrastructure as a service; PaaS = platform as a service; SaaS = software as a service. Note: Totals may not add up due to rounding.

Source: Gartner (April 2022)

Top Reasons Buyers Buy on Cloud Marketplace

Survey Voices:
“[Marketplace] is a purchase vehicle that customers understand and can easily execute.”



Leverage Committed Cloud Spend

Aka “MACC”



Accelerate Time to Value



Simplify Procurement

Reduce number of SW vendors
(part of Azure invoice, invoiced by MS)



Standardized Contracts



Fast Access to Tools

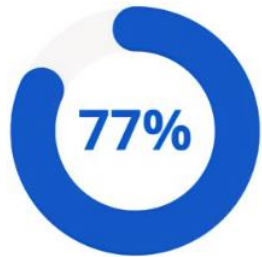


Survey Voices: “This is highly visible within our C-suite ... and is gaining more traction. Our reps are proactively asking us for the ability to transact all solutions through the Marketplace.”

Why Software Companies Sell on Cloud Marketplaces



Access Buyers' Pre-Committed Cloud Spend



Accelerate Deals with Easier Procurement



Advance Partnerships with Clouds



Improve Customer Acquisition

Aka "MACC"

Survey Voices: "The value [of Marketplace] is amazing because we want to provide our customers with the best experience. Giving them the ability to tap into committed cloud spend opens the door to larger deals and more opportunities to work with the customer."

Why Azure Marketplace & MACC?

The Microsoft **Azure** Consumption Commitment (**MACC**) is a contractual commitment that your organization may have made to Microsoft Azure spend over time.

Transact publishing option

Choosing to sell through Microsoft takes advantage of Microsoft commerce capabilities and provides an end-to-end experience from discovery and evaluation to purchase and implementation. A *transactable offer* is one in which Microsoft facilitates the exchange of money for a software license on the publisher's behalf. Transact offers are billed against an existing Microsoft subscription or credit card, allowing Microsoft to host cloud marketplace transactions on behalf of the publisher.

You choose the transact option when you create a new offer in Partner Center. This option will appear only if transact is available for your offer type.

MACC program

The *Microsoft Azure Consumption Commitment (MACC)* program is for transactable offers that are published to Azure Marketplace. Azure Marketplace purchases of transactable offers that are enrolled in this program contribute towards an organization's Microsoft Azure Consumption Commitment.

Requirements for an offer to be enrolled in MACC

An offer must meet the following requirements to be enrolled in the MACC program:

- Transactable with a pricing plan greater than \$0

Note

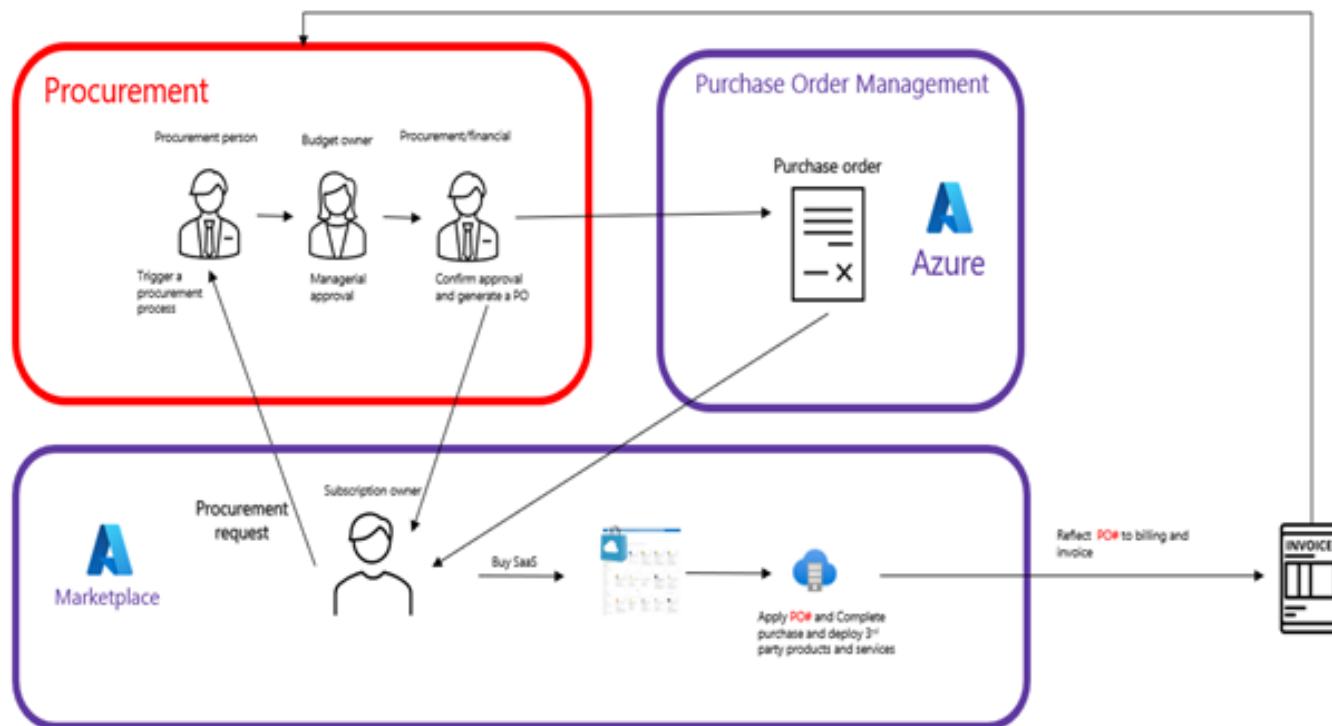
Free and BYOL (bring your own license) offers are NOT considered transactable.

- Azure IP Co-sell Incentivized
- Published live in Azure Marketplace

Marketplace purchase may contribute towards the MACC!

Why Azure Marketplace & Procurement?

Procurement system integration (in design)



Lots of interest
- or even demand -
already today,
especially from our
largest customers

If you need a recap 😊

https://www.linkedin.com/pulse/azure-marketplace-start-simple-now-anders-bonde/

Home My Network Jobs Messaging Notifications Me

Azure Marketplace - Start Simple but Start Now!

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1 Not in Marketplace
2 "Contact Me"
3 Public Offer
4 Private Offer
5 Integrated Offer

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41 articles

[\(99+\) Azure Marketplace - Start Simple but Start Now! | LinkedIn](#)

Jeroen Unger • 1st
Global Cloud Sales
3h • 🌐

[Feedback fra en ISV](#)

"You're not going to see it until you get it.". That's the quote by football legend Johan Crujff.

We've been embarking on a journey to leverage the Azure Marketplace transactional capabilities for a couple of months now and in case you are looking at the opportunity for your company I highly recommend this article of [Anders Bonde](#). The team at Microsoft is great [Nico Brandt Dick Dijkstra](#) [Roberta Massa](#) helping you start from scratch all the way. Thanks for your support! And I am sure you will regularly revisit this article. [#microsoft](#) [#azure](#) https://lnkd.in/ea92_UDt

Anders Bonde • You
2mo • 🌐

Azure Marketplace is ready for business and all Azure SaaS ISVs should be present there asap. In this article, I have documented my "How to Start Simple but Start Now" approach as well as how to avoid that technology becomes a blocker for this important business transformation! My article is reusing the amazing "Mastering the Marketplace" material, that describes the Azure Marketplace journey "as simple as possible but not simpler". Last, but not least: If you are an Azure SaaS ISV and have a customer that wants to buy your product on Azure Marketplace and you need any help, we are here to help! [#Azure](#) [#AzureMarketplace](#) [#AzureSaaSISV](#) [#MasteringTheMarketplace](#) [#DontOverEngineer](#)

4 Private Offer
5 Integrated Offer

The Five Steps to Azure Marketplace

Start Simple but Start Now!

If you are an ISV with a SaaS solution in Azure and not yet on Azure Marketplace, you should get there now! If you do your "homework" (as described below in the Preparation part), it will take 1-2 weeks or even less.

Don't over-engineer the Azure Marketplace journey

Using Azure Marketplace as a fully integrated (and automated) sales and delivery engine will be a game changer for all SaaS ISVs, but it will require significant investments in technology and especially in changing your organization - so start simple and grow as your organization learns how to sell on Marketplace.

Find the customer first

By experience, we know that your Marketplace journey will be much easier if you have a customer who is ready to buy your solution on Marketplace as it will be much more concrete, especially for the critical Finance and Legal part. Start with your existing customers or with customers with a **MACC**.

Focus on Private Offer's

For most ISVs, the Azure Marketplace journey will start with custom deals (pricing, terms etc.) to individual customers. Consider using the "Private Offer Shortcut", described later, if you primarily expect to use custom deals.

Don't let technology block you

This article will give you most of the technical details you need, but if you have a customer that wants to buy your product on Azure Marketplace and you need **any** help, reach out to your Microsoft contact - or to me - and we will help!

<https://www.linkedin.com/pulse/azure-marketplace-start-simple-now-anders-bonde/>

in Search Home My Network Jobs Messaging Notifications Me

Azure Marketplace - Start Simple but Start Now!

Published on July 28, 2022 | [Edit article](#) | [View stats](#)

The diagram illustrates the 'Azure Marketplace Maturity Model' as a large blue arrow pointing to the right. Inside the arrow, five numbered steps are listed: 1. Not in Marketplace, 2. "Contact Me", 3. Public Offer, 4. Private Offer, and 5. Integrated Offer. A blue box at the top of the arrow contains the text 'Azure Marketplace Maturity Model'.

Anders Bonde
Director | ISV Tech Pursuit Lead | Partners Solutions Western Europe | Dad & Granddad
41 articles

Extract from

[Azure Marketplace - Start Simple but Start Now! | LinkedIn](#)

Terminology

Offer (Product)

A single unit representing an offer in Azure Marketplace. There's one offer per listing page in Azure Marketplace.

Plan (Pricing Model)

A single version of a particular offer.

There can be multiple plans for a given offer with different levels of pricing and/or terms.

Private offer (“Deal”)

A custom deal with a specific customer with customized terms and pricing for one or more plans in Azure Marketplace.

Marketing

Product Information

Media

Category, Industry

Additional services
(Implementation,
Support, Consultancy ...)

Pricing

Flat rate
(Annual/Monthly)

Public/Private Plan
(Pricing/availability)

Customer Meters
(Billing Dimensions)

Markets
(Currency, VAT, Tax)

Procurement Experience
(MACC – One Invoice)

Private Offer

Legal

Microsoft Standard T&C's

Custom T&C's

Technical

1%!

Landing page
(customer configuration)

Webhook
(customer events)

AD Integration

Publisher Portal

Custom Meter Billing
(if used)

(much more for
Integrated Offer)

SaaS Pricing Models

Offer + Plan



Pricing is per plan

May be flat rate or per user

May be monthly or annual

Usage based pricing (metered)

Billing terms	Payment options		
	Per month	Annual	One-time payment
1 month	Same as 1 time payment	N/A	1 month paid upfront
1 year	12 equal payments	Same as 1 time payment	1 year paid upfront
2 years	24 equal payments	2 equal payments	2 years paid upfront
3 years	36 equal payments	3 equal payments	3 years paid upfront

Offer – Plan availability (Markets)

Microsoft Partner Center

Home > Marketplace offers > Contoso SaaS > Plan overview

Plan listing

Pricing and availability

Plan A | Price

Incomplete and

This account is

Define the markets.

Markets

Your plan will be available in the following markets:

[Edit markets](#)

Note: * Australia is a Microsoft Managed Country for sales through all customer purchase scenarios except the Enterprise Agreement customer purchase scenario.

Search

Select all **Select only Microsoft Tax Remitted** Unselect all

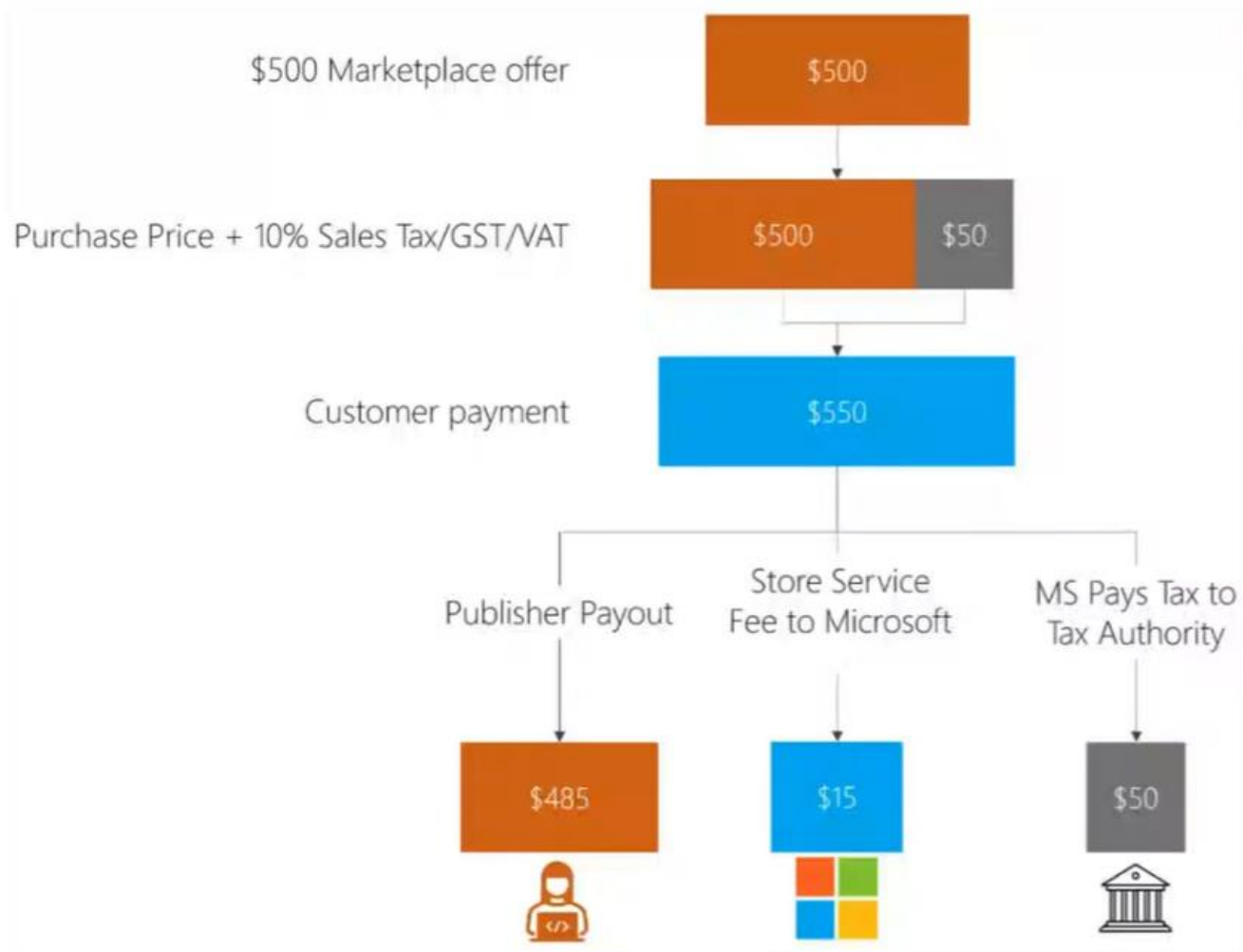
<input type="checkbox"/> Afghanistan	<input type="checkbox"/> Albania	<input type="checkbox"/> Algeria
<input type="checkbox"/> Andorra	<input type="checkbox"/> Angola	<input type="checkbox"/> Argentina
<input checked="" type="checkbox"/> Armenia	<input type="checkbox"/> Australia	<input checked="" type="checkbox"/> Austria
<input type="checkbox"/> Azerbaijan	<input type="checkbox"/> Bahrain	<input type="checkbox"/> Bangladesh
<input type="checkbox"/> Barbados	<input checked="" type="checkbox"/> Belarus	<input checked="" type="checkbox"/> Belgium
<input type="checkbox"/> Belize	<input type="checkbox"/> Bermuda	<input type="checkbox"/> Bolivia
<input type="checkbox"/> Bosnia and Herzegovina	<input type="checkbox"/> Botswana	<input type="checkbox"/> Brazil
<input type="checkbox"/> Brunei	<input checked="" type="checkbox"/> Bulgaria	<input type="checkbox"/> Cabo Verde
<input type="checkbox"/> Cameroon	<input checked="" type="checkbox"/> Canada	<input type="checkbox"/> Cayman Islands
<input checked="" type="checkbox"/> Chile	<input checked="" type="checkbox"/> Colombia	<input type="checkbox"/> Costa Rica
<input type="checkbox"/> Côte d'Ivoire	<input checked="" type="checkbox"/> Croatia	<input type="checkbox"/> Curaçao
<input checked="" type="checkbox"/> Cyprus	<input checked="" type="checkbox"/> Czechia	<input checked="" type="checkbox"/> Denmark

Microsoft will handle "VAT and tax" in 55 markets (of 141)

Account Tax Scenario

Commercial Marketplace payout scenarios – End Customer Taxation

➤ **Scenario two: Customer in a Microsoft-managed country purchases an offer (Publisher country irrelevant)**



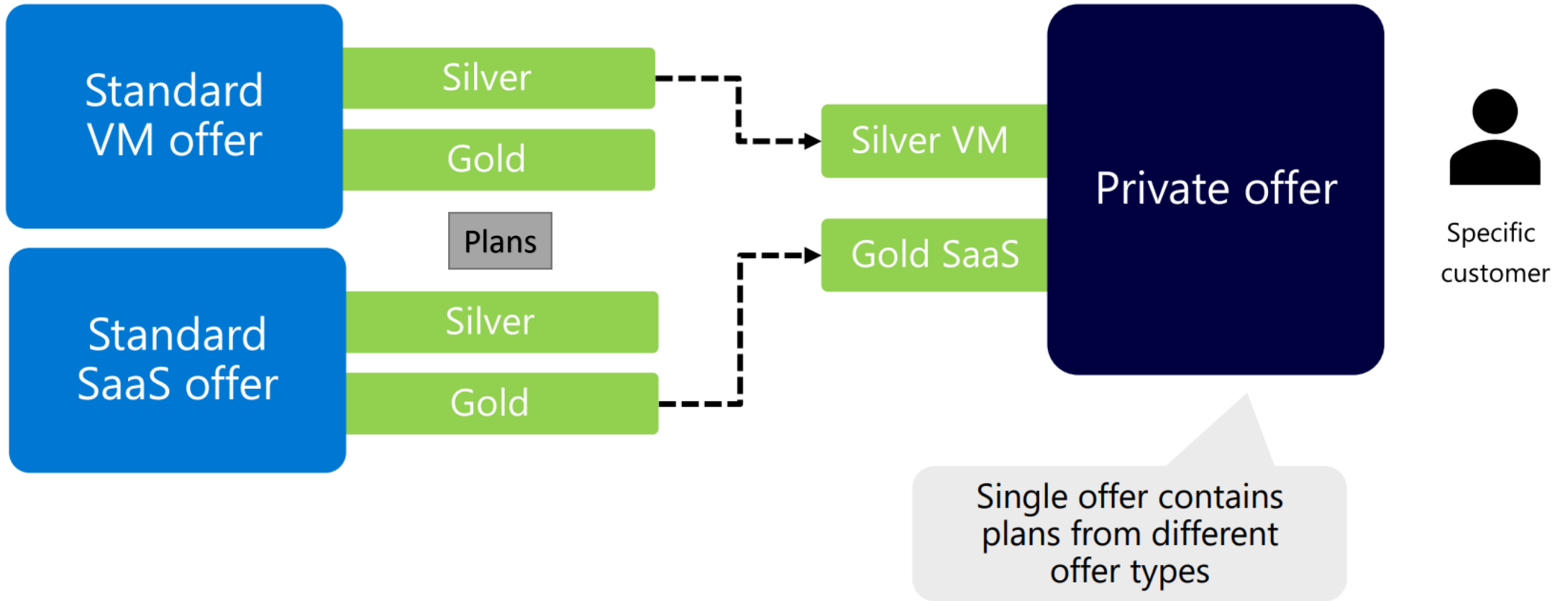
Microsoft-managed countries

Countries	Countries (cont.)	Countries (cont.)	Countries (cont.)
Armenia	France	Monaco	South Korea
Austria	Germany	Netherlands	Spain
Barbados	Greece	New Zealand	Sweden
Belarus	Hungary	Nigeria	Switzerland
Bulgaria	Iceland	Norway	Taiwan
Belgium	India	Poland	Thailand
Canada	Indonesia	Portugal	Turkey
Chile	Ireland	Romania	United Arab Emirates
Colombia	Italy	Russia	United Kingdom
Croatia	Latvia	Saudi Arabia	United States including Puerto Rico
Cyprus	Liechtenstein	Serbia	
Czechia	Lithuania	Singapore	
Denmark	Luxembourg	Slovakia	
Estonia	Malaysia	Slovenia	
Finland	Malta	South Africa	

➤ Resource: [Tax details for Microsoft commercial marketplace - Partner Center | Microsoft Docs](#)

Multiple Plans from Multiple Offer Types

Private Offer



The Private Offer Shortcut

Reduce the time/effort if you only expect to transact through Private Offers.

The Minimal Public Offer

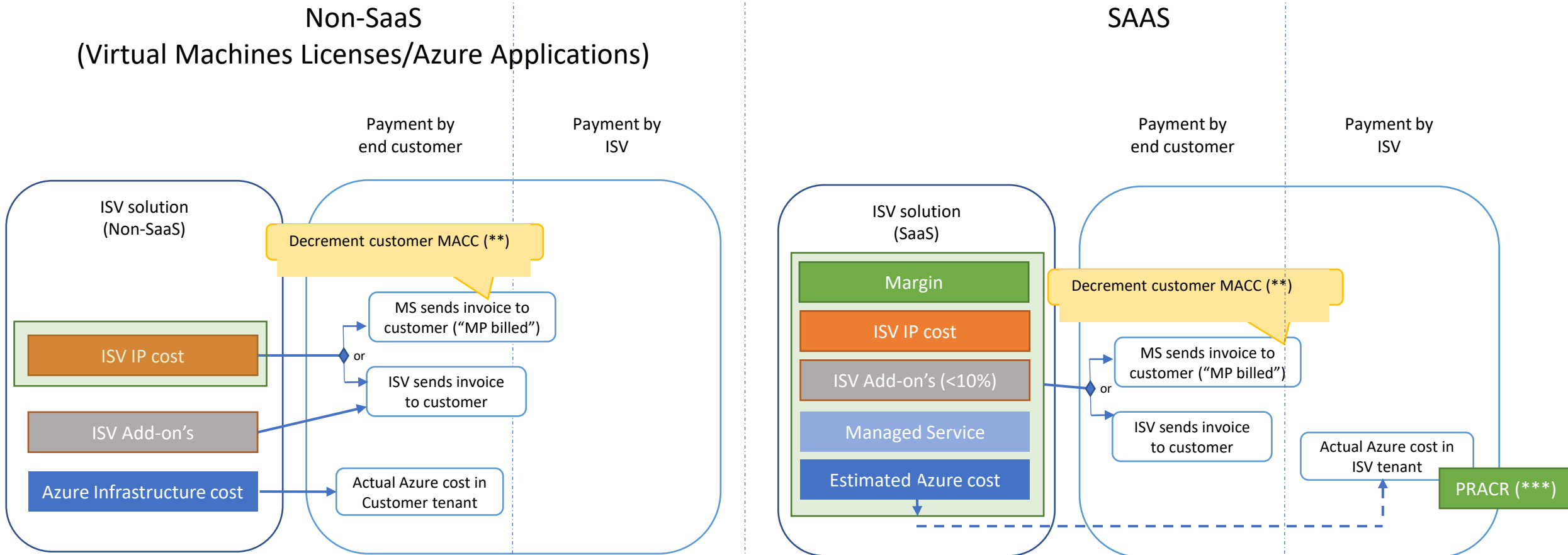
- Marketing Shortcut
 - Focus on 'Must have' sections and minimize time/effort on "Nice to have".
- Legal Shortcut
 - Minimize time/effort on Legal section, maybe use Microsoft Standard T&C's.
- Pricing Shortcut
 - Focus on getting the right structure in the Public Plan (=Pricing model); i.e.
 - Flat rate/user based
 - Potential custom meters
 - Market/currency
- Technology Shortcut
 - Start Small, but Start Now
 - Landing page + Webhook

The Private Offer Shortcut

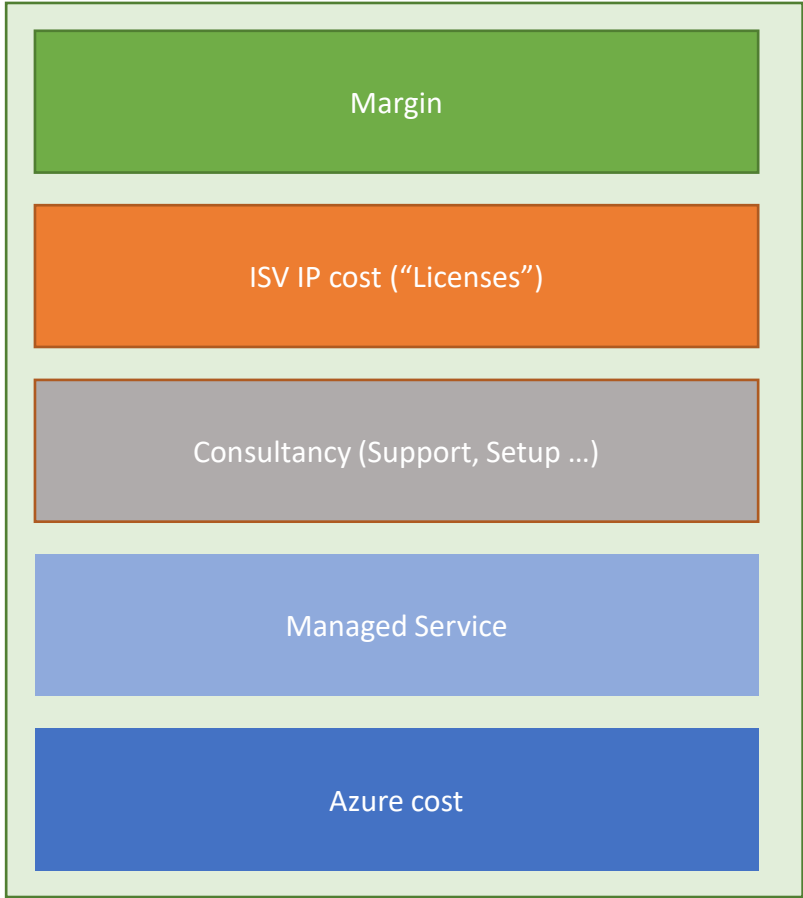
- Marketing
 - The Private Offer will likely be sold 'outside' Azure Marketplace
- Legal
 - The Private Offer will have custom T&C's, agreed with the specific customer
- Pricing
 - The Private Offer will have custom prices, agreed with the specific customer
 - Recommendation:
 - Use ZERO prices in your Public Plan!
- Technology
 - Don't over-engineer
 - You can

“ACR(*)”

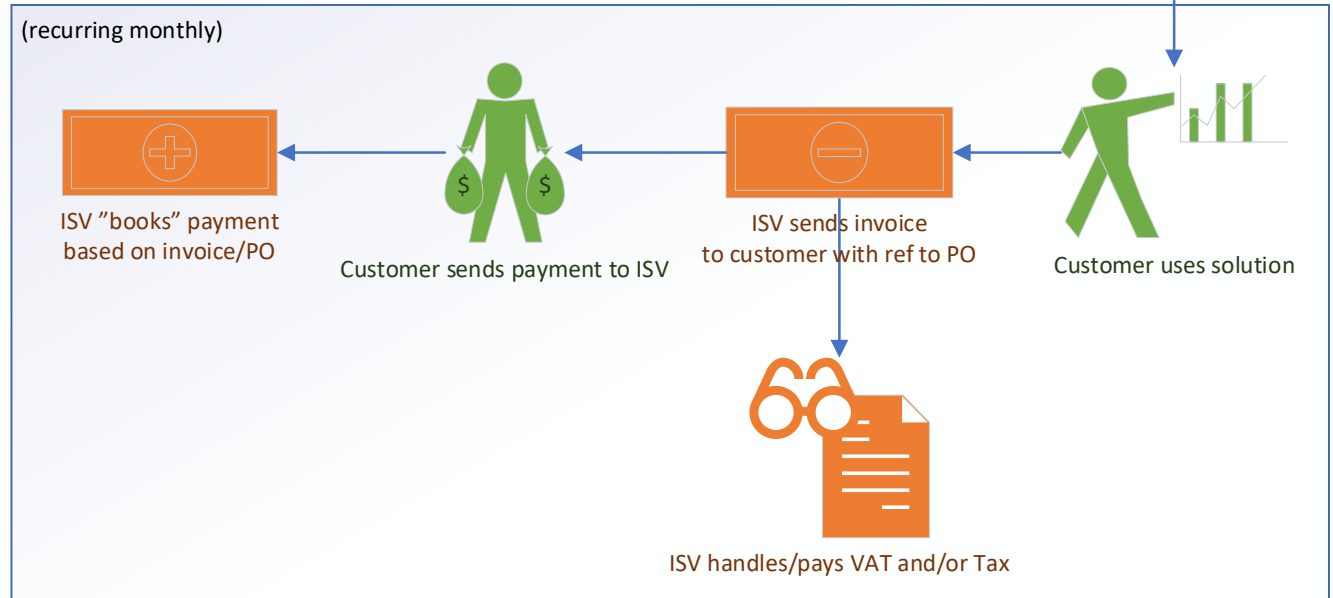
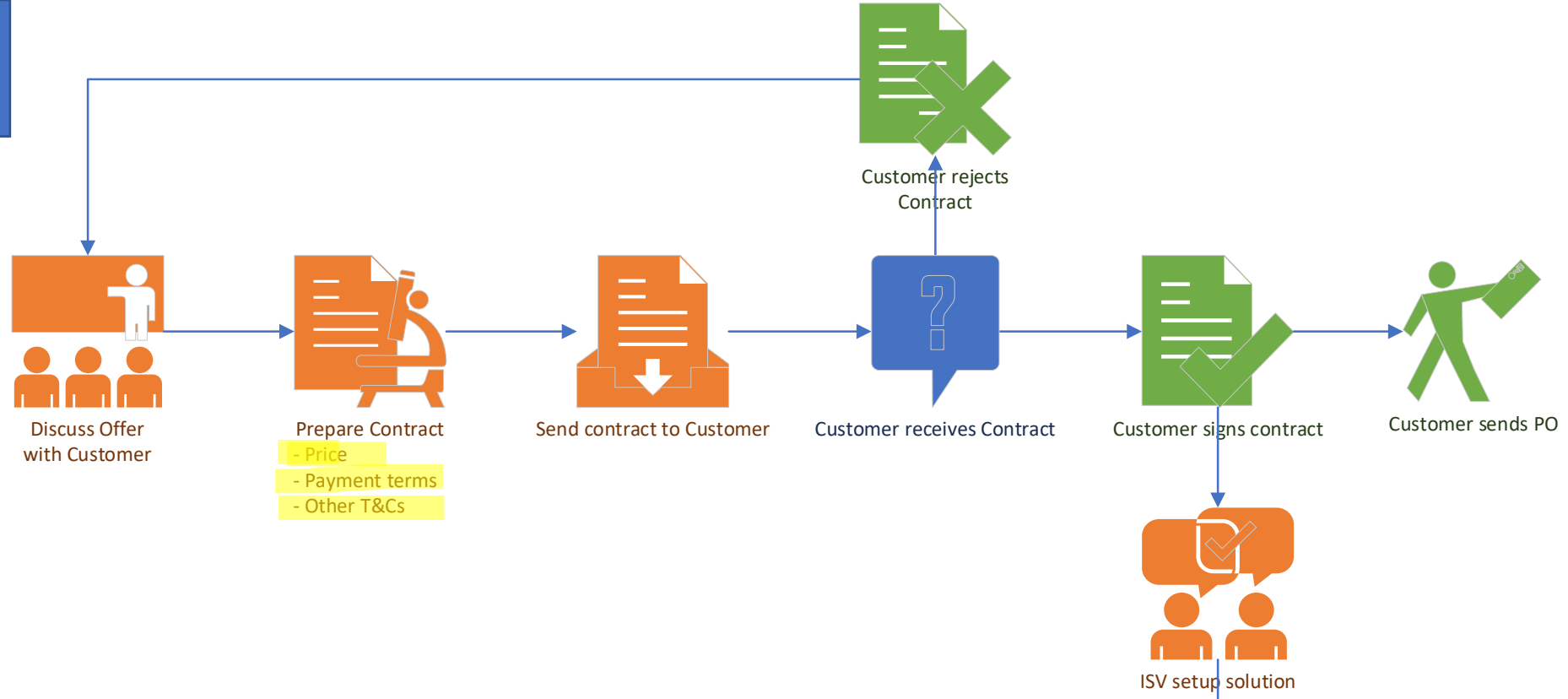
ISV Solutions from an ACR & MACC perspective Non-Marketplace & Marketplace



(*) ACR = Azure Consumed Revenue
(**) MACC = Microsoft Azure Customer Commitment
(***) PRACR = Partner Reported ACR

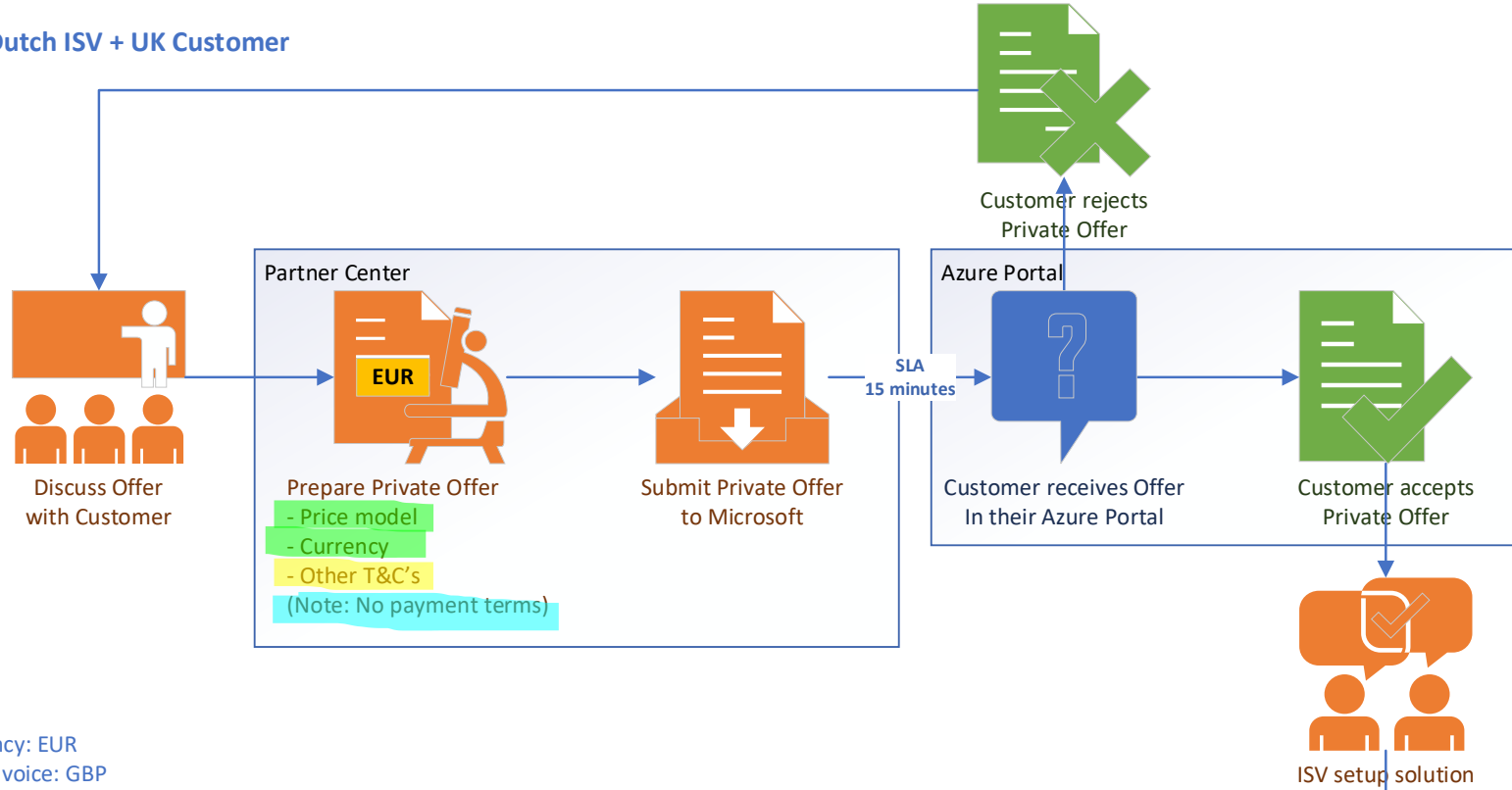


Before



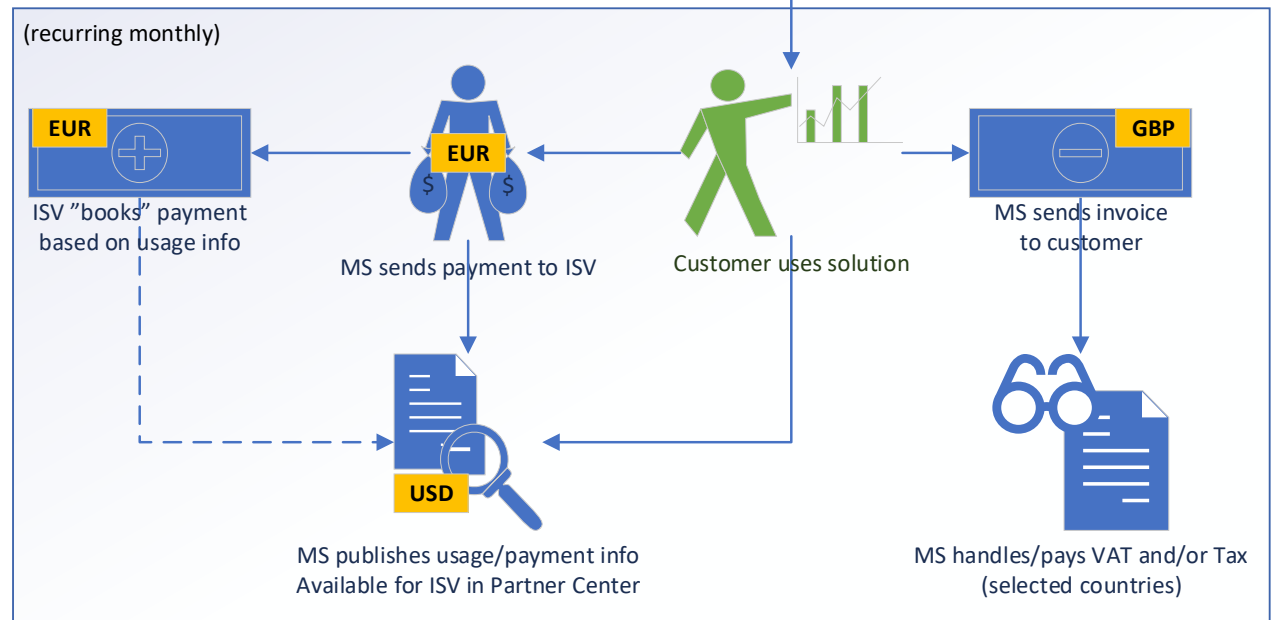
After

Scenario: Dutch ISV + UK Customer

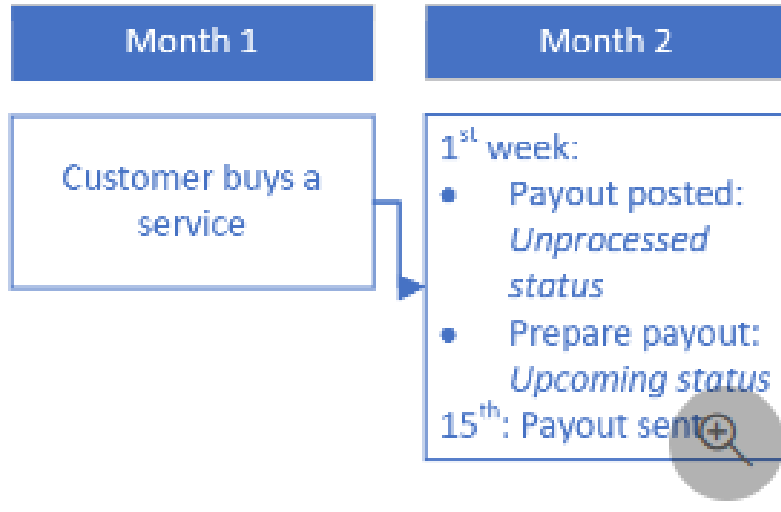


- Currencies**
- Offer currency: EUR
 - Customer invoice: GBP
 - ISV payment: EUR

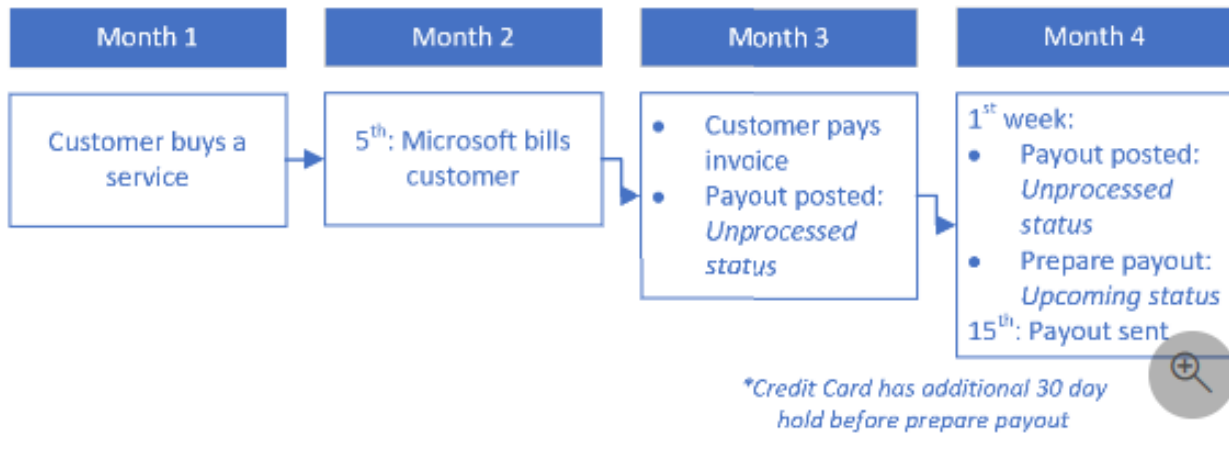
Event	Description	Reporting Visibility	Timing
Month of transaction	Customer buys a service	Order dashboard	Month 1
Transaction reported	Determine store service fee and calculate earnings	Marked <i>Unprocessed</i> in <i>Transaction History</i> in the transaction history	Month 2
Prepare payout	Earnings are prepared for monthly payment	Marked <i>Upcoming</i> in <i>Transaction History</i> in the transaction history	Month 2 (First week)
Payout sent	Payment is sent to publisher	Marked <i>Sent</i> in <i>Transaction History</i> and in the <i>Payments</i> section of the transaction history	Month 2 (no later than the 15th)
Invoice paid by customer	Microsoft collects payment from customer	No change	Month 3 through 12



Enterprise Agreement (EA) Order/Subscription Payment Schedule



Microsoft Customer Agreement (MCA), CSP, GTM Order/Subscription Payment Schedule



Main Takeaway's

- Two main customer arguments for Azure Marketplace
 - Leverage a MACC
 - Improved procurement
- Technology is 1% of the work
 - At least until you get to "Integrated Offer"
- Use the Private Offer Shortcut
 - Most ISVs will always use Private Offers
 - Scale ISVs may use Public Offer
- Consider to position your next opportunity as a Private Offer
 - Your customer will likely be very interested
 - You will get all the support you need from Microsoft, business wise and technically

Pricing model

Prices input in USD are converted to market-specific currencies using current exchange rates when saved. You can also use price export and import to review and set market specific prices. The pricing model and prices cannot be changed once the offer is published. In addition, all plans for the same

Flat rate

Per User

Billing term Price*

Monthly USD per month

Annual USD per year

Marketplace Metering Service dimensions

Define the dimensions that your service will use to emit usage events to charge customers who exceed the included quantity. Once published, dimensions for a plan cannot be changed. All dimension details except for prices and included quantities are shared across all plans. [Learn more](#)

Enabled	ID*	Display Name*	Unit of Measure*	Price per unit in USD*	Monthly quantity included in base* <input type="text"/>	Annual quantity included in base* <input type="text"/>	
<input checked="" type="checkbox"/>	perunit	add ons	1	1	<input type="text" value="0"/> <input type="checkbox"/> ∞	<input type="text"/>	<input type="checkbox"/> ∞ Remove

[+](#) Add another Dimension (Max 30)

[↓](#) Export pricing data [↑](#) Import pricing data

Select your markets and save your pricing changes to enable export of pricing data.

Free Trial

Free trial cannot be used in combination with custom meter dimensions.

Plan visibility

Public

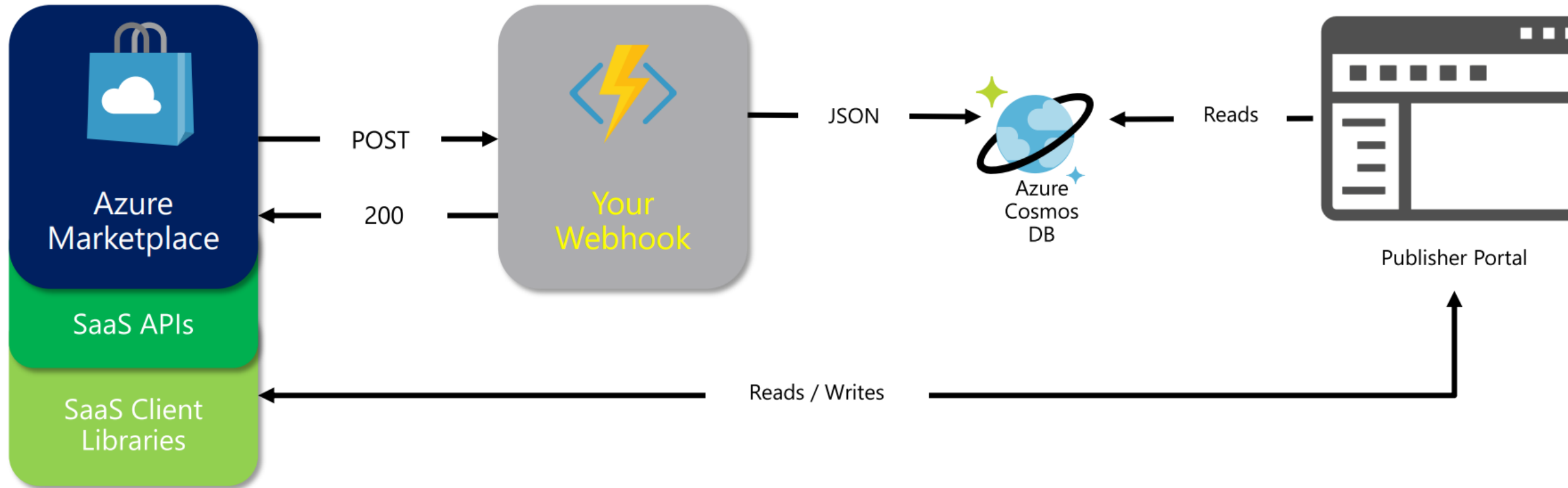
Private

This plan will be available to the audience configured below. Private plans will only be visible in the Azure Portal. Use the import audience option for more than 10 Azure AD tenant IDs. Private plans cannot be extended to partners in the CSP program.

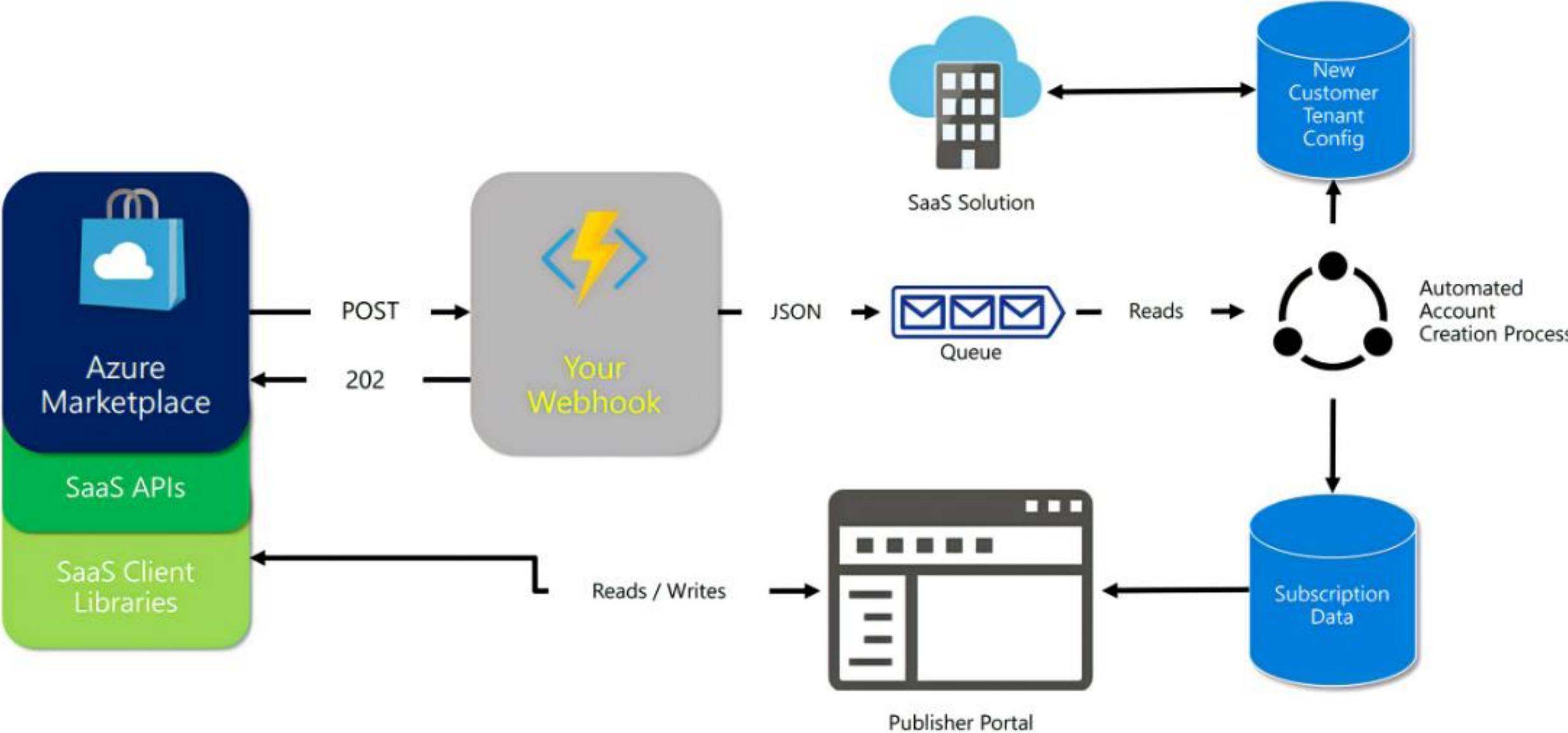
Restricted Audience (Tenant IDs)*

Tenant ID*	Description
<input type="text" value="client1azureid"/>	<input type="text" value="client 1"/>

A **Potential** Webhook Architecture for Manual Fulfillment Scenarios

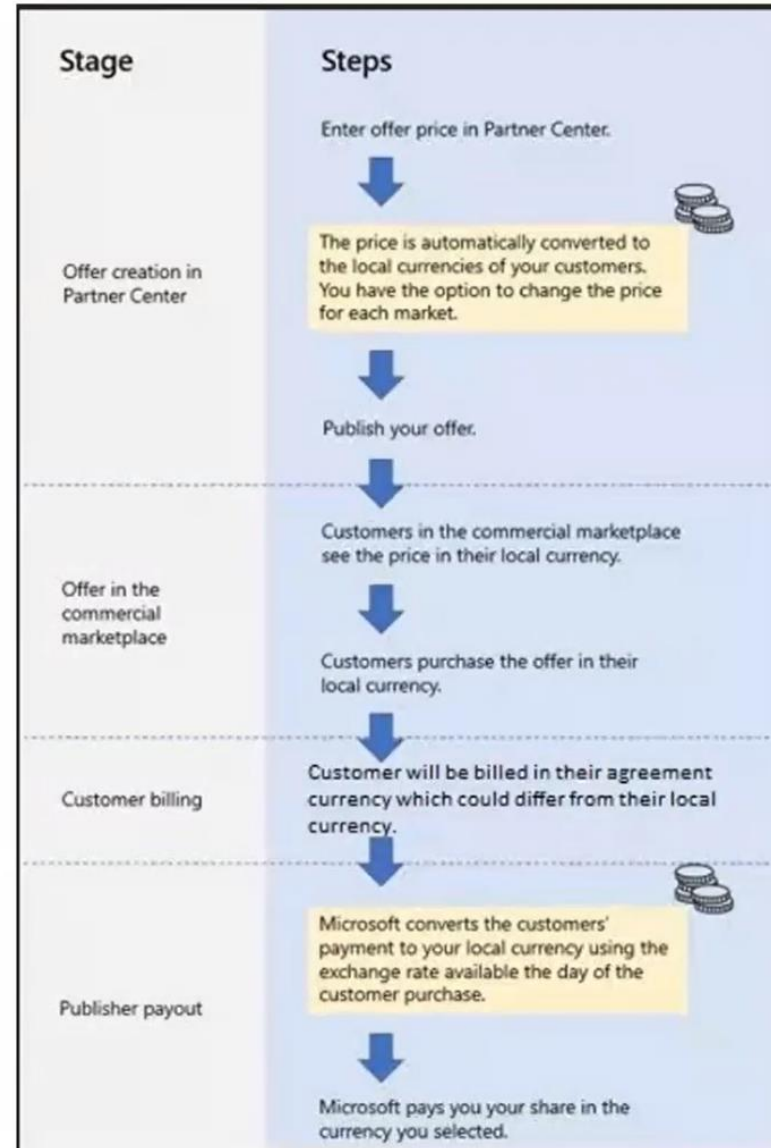


A Potential Webhook Architecture for Automated Fulfillment Scenarios



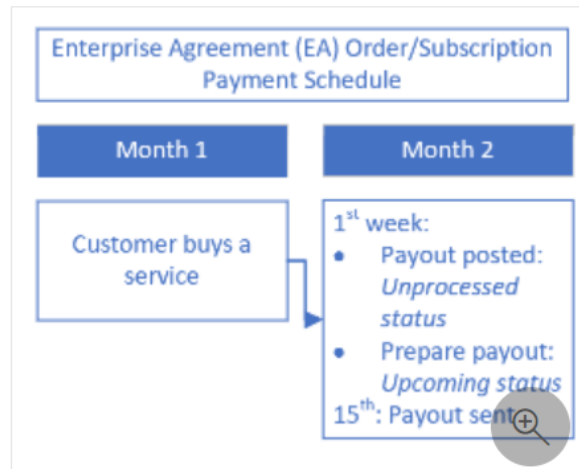
Pricing and Currency

- Commercial marketplace offerings can be purchased in **141 geographies** as defined by the customer's billing address, and transactions can be completed in **17 currencies**
- Prices set in United States Dollars (USD) are **converted into the local currency** of all selected markets using the current exchange rates when saved. ISV can upload prices in local currency as well
- Customer will see the **listing price in their local currency** based on their billing address whenever they view or purchase the offer. This price shown to the customer doesn't change.
- Customer will be **billed in their agreement billing currency** which could differ from their local currency. Listing price in local currency will be converted into billing currency using the exchange rate of the transaction month
- ISVs will **receive the payment in currency selected** in Partner Center, which will be the transaction amount billed to the customer in customer billing currency – agency fee, converted to ISV payout currency using the exchange rate of the transaction month



EA transactions for orders/subscriptions.

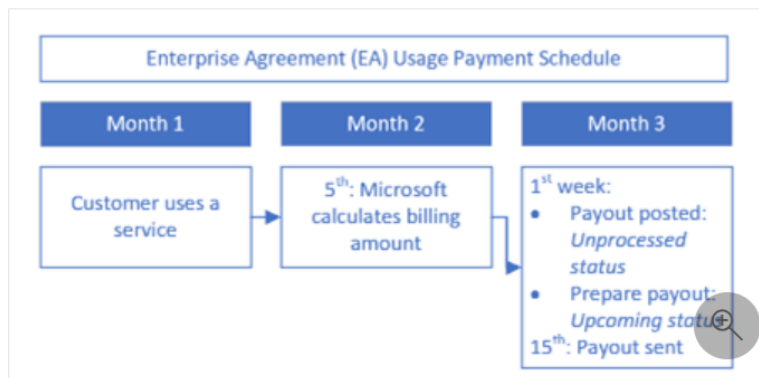
Event	Description	Reporting Visibility	Timing
Month of transaction	Customer buys a service	Order dashboard	Month 1
Transaction reported	Determine store service fee and calculate earnings	Marked <i>Unprocessed</i> in <i>Transaction History</i> in the <i>transaction history</i>	Month 2
Prepare payout	Earnings are prepared for monthly payment	Marked <i>Upcoming</i> in <i>Transaction History</i> in the <i>transaction history</i>	Month 2 (First week)
Payout sent	Payment is sent to publisher	Marked <i>Sent</i> in <i>Transaction History</i> and in the <i>Payments</i> section of the <i>transaction history</i>	Month 2 (no later than the 15th)
Invoice paid by customer	Microsoft collects payment from customer	No change	Month 3 through 12



EA transactions for usage

Event	Description	Reporting Visibility	Timing
Usage	Customer uses a service.	Usage dashboard	Month 1
Microsoft calculates billing amount	Determine total usage over previous month period.*	Usage dashboard	Month 2
Transaction reported	Determine agency fee and payout earnings.	Marked <i>Unprocessed</i> in <i>Transaction History</i> in the <i>transaction history</i> .	Month 3 (First week)
Prepare payout	Earnings are prepared for monthly payment.	Marked <i>Upcoming</i> in <i>Transaction History</i> in the <i>transaction history</i> .	Month 3 (First week)
Payout sent	Payment is sent to publisher.	Marked <i>Sent</i> in <i>Transaction History</i> and in the <i>Payments</i> section of the <i>transaction history</i> .	Month 3 (no later than the 15th)
Invoice paid by customer	Microsoft collects payment from customer.	No change	Months 4 through 12

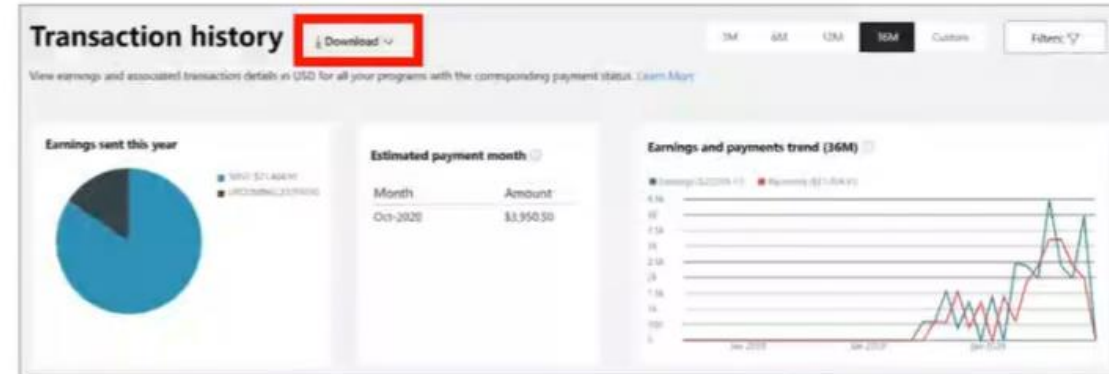
* Usage date in reporting shows as beginning of the month in which the usage occurred (for example, 10/1 for usage that occurred anytime in October). The payout date is in Pacific Standard Time (PST).



Reporting

Partner Center payments page also shows **transactions at a line-item** level:

- The **Transaction history** page allows filtering that enables ISVs to display certain transactions in the UI or export in a spreadsheet
- **Payout Statuses** in Partner Center reporting:
 - **Unprocessed** = Transaction(s) not included in a payout
 - **Upcoming** = Transaction(s) included in a payout that are in process; still awaiting validation and approval
 - **Reprocessing** = Transaction(s) that were previously in an Upcoming state, but are now being re-evaluated
 - **Sent** = Transaction(s) included in a payout that have been disbursed
- **Estimated Payout month** is provided in this report for each transaction



The screenshot shows a detailed view of the 'Transaction history' table. The table has the following columns: 'Earned date', 'Earning type', 'Total Amount', 'Status', and 'Estimated payment month'. The table contains several rows of transaction data, including dates, earning types (e.g., 'Sell'), total amounts, and statuses (e.g., 'Upcoming', 'Sent').

Earned date	Earning type	Total Amount	Status	Estimated payment month
08/24/2020	Sell Azure Marketplace, United States (SELLER)	+\$400.00	Upcoming	Oct-2020
08/19/2020	Sell Azure Marketplace, United States (SELLER)	+\$297.00	Upcoming	Oct-2020
08/19/2020	Sell Azure Marketplace, United States (SELLER)	+\$450.00	Upcoming	Oct-2020
08/19/2020	Sell Azure Marketplace, United States (SELLER)	+\$1,237.50	Upcoming	Oct-2020
08/15/2020	Sell Azure Marketplace, United States (SELLER)	+\$1,566.00	Upcoming	Oct-2020
07/19/2020	Sell Azure Marketplace, United States (SELLER)	+\$450.00	Sent	Not applicable