



FY23 GPS partner investments and incentives

Portfolio Overview



Microsoft partner mission

Build and sell Microsoft Cloud applications, services and devices with partners, empowering people and organizations to achieve more



Microsoft + partners deliver better customer outcomes



Scale



Innovation



Tech differentiation

Unique value Microsoft delivers to partners

- The platform for transformation and growth (business, ethics, trust)
- Global GTM through marketplace, co-sell, worldwide field sales teams and local experts serving customers in every market

- Innovation across cloud and edge, delivering trusted, world class platform and product innovation
- Most comprehensive end-to-end tech stack, providing opportunity for partners to build solutions

- Diverse portfolio, durable business models, and differentiated technology stack across the cloud and edge
- Cross company engineering platform extensibility for partners

Unique value that partners deliver to Microsoft

- Deep customer engagement driving distribution at scale through co-develop, co-market and co-sell motions with us

- Industry relevant solutions and services that complement our portfolio
- Customer influence

- Technology and solution innovation built on our platform
- Deep engineering engagement improves our and partner solutions

How customers buy Microsoft products

New Commerce CSP



Small corporate and SMB customers

Typical customer traits:

- Small corporate and SMB
- Fewer roles making purchasing decisions
- Low or no IT; greater need for partner expertise and services
- No unique licensing needs beyond price negotiation

How they usually buy:

From a partner in the Cloud Solution Provider (CSP) program

Microsoft Customer Agreement-Enterprise



Enterprise and large corporate customers

Typical customer traits:

- Complex organizations – usually multi-national, multi-affiliate, and multi-tenant
- Executives, ITDMs, BDMs make purchasing decisions
- Strong central IT & procurement practices
- Complex licensing needs that require a high level of Microsoft engagement

How they usually buy:

From a Microsoft account team

Buy Online



Individual and ad-hoc departmental customers

Typical customer traits:

- Individual or departmental purchases by customers in any segment
- Individual or BDM knows what they need to buy and can self-serve online
- IT managed centrally or by partner
- No unique licensing needs

How they usually buy:

Online

Purchasing principles

Customer needs and expectation will determine the purchasing motion used

The purchasing motion will determine the partner opportunity

Purchasing motions will be defined by business policies and processes

Purchasing motions are aligned to support different customer needs and expectations. **Customers will always retain the choice on how they buy**

For more information: Visit our [customer purchasing motions overview blog post by Dan Truax](#)

Partner earning opportunity across purchasing motions

Designed to reward partners who deliver exceptional results for customers across the solution lifecycle



Predictability:

Disclose program changes early and often



Simplicity:

Offer easy to understand incentive programs



Differentiation:

Create a distinct, holistic incentive portfolio



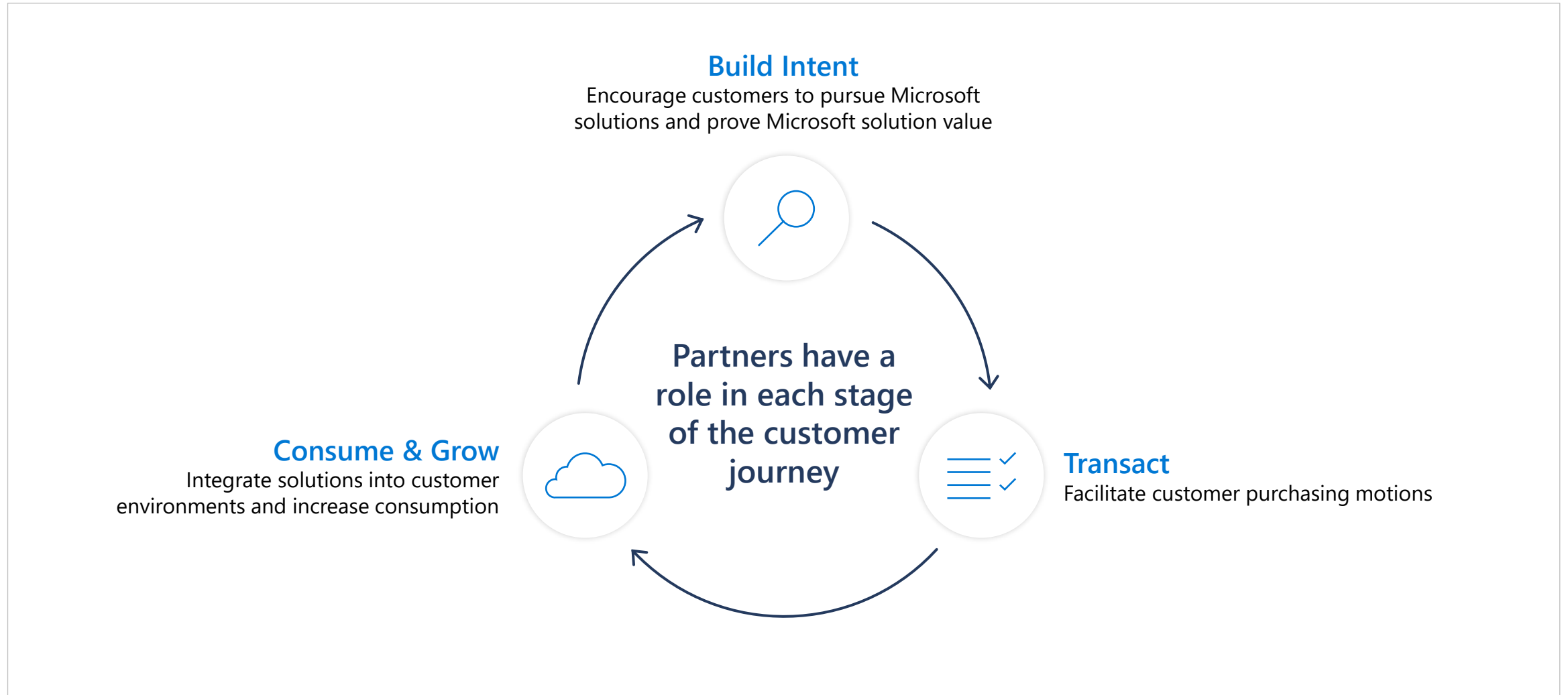
Agility:

Introduce precise agility with time limited custom programs

	New Commerce CSP	MCA – Enterprise	Buy Online
Build Intent with prospective customers to explore Microsoft-based solutions	◆	◆	◆
Transact customer purchasing and facilitate licensing opportunity	◆	◆	◆
Consume & Grow Microsoft-based solutions and encourage customer growth	◆	◆	◆

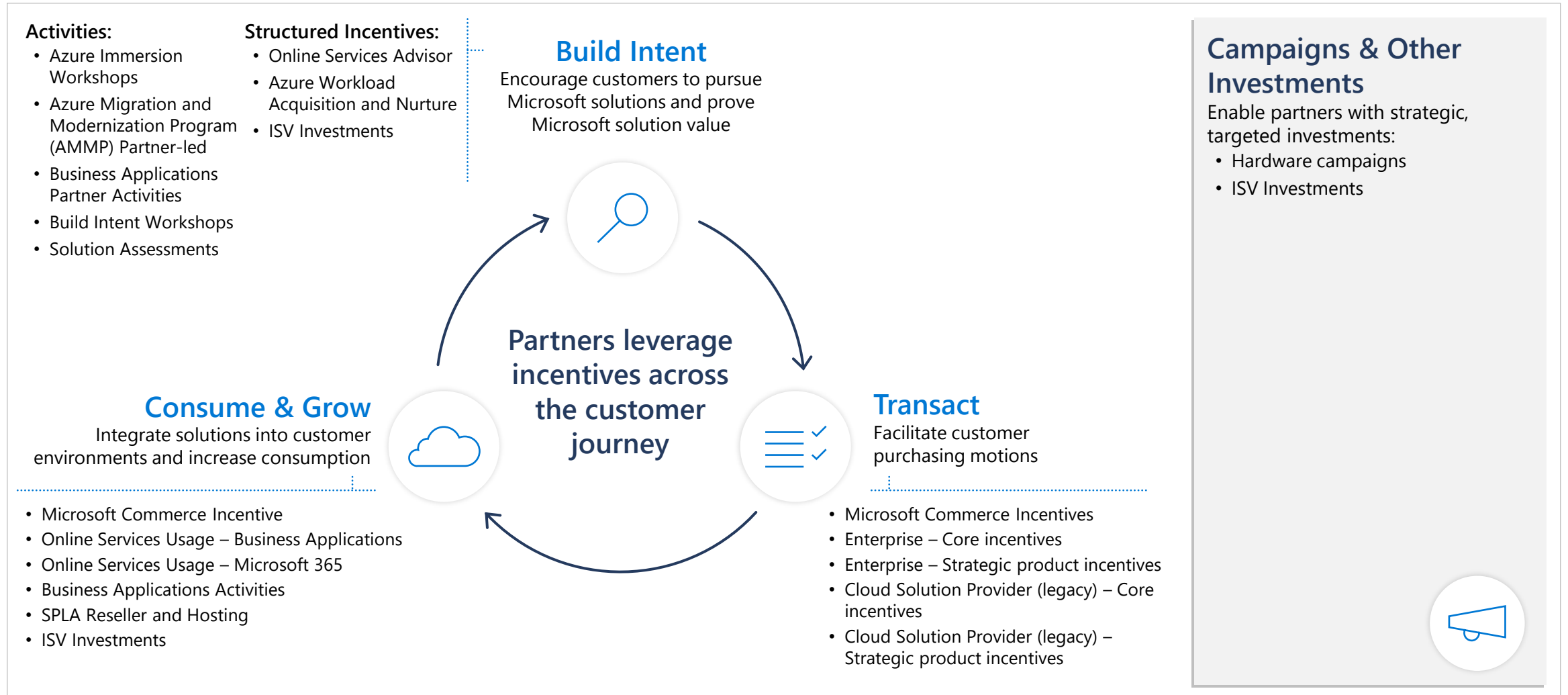
Partner investments & incentives

Partner opportunity across the purchasing lifecycle



Partner investments & incentives




Partner opportunity across the purchasing lifecycle



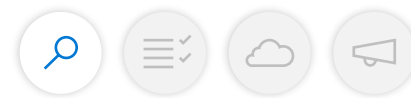
Partner investments & incentives

Purchasing Lifecycle stage

Solution Area

	Build Intent 	Transact 	Consume 
Azure Infrastructure, App Innovation, Data & AI	<ul style="list-style-type: none"> • Activities: Azure Immersion Workshops • Activities: Azure Migration and Modernization Program (AMMP) Partner-led • Activities: Solution Assessments • Azure Workload Acquisition and Nurture 	<ul style="list-style-type: none"> • Enterprise • Microsoft Commerce Incentives • ISV: Marketplace Transact 	<ul style="list-style-type: none"> • Microsoft Commerce Incentives • SPLA Reseller / Hosting • Azure Workload Acquisition and Nurture • ISV: GISV End-Customer Migration Accelerator • ISV: Azure Specialist for ISVs
Security, Compliance, and Identity	<ul style="list-style-type: none"> • Activities: Build Intent Workshops 	<ul style="list-style-type: none"> • Enterprise • Cloud Solution Provider (legacy) • Microsoft Commerce Incentives 	<ul style="list-style-type: none"> • Online Services Usage – Microsoft 365
Modern Work	<ul style="list-style-type: none"> • Activities: Build Intent Workshops 	<ul style="list-style-type: none"> • Enterprise • Cloud Solution Provider (legacy) • Microsoft Commerce Incentives 	<ul style="list-style-type: none"> • Online Services Usage – Microsoft 365
Business Applications	<ul style="list-style-type: none"> • Activities: Business Applications Partner Activities • Online Services Advisor 	<ul style="list-style-type: none"> • Enterprise • Cloud Solution Provider (legacy) • Microsoft Commerce Incentives 	<ul style="list-style-type: none"> • Online Services Usage – Business Applications • Business Applications Activities

*Visit the [Microsoft partner network](#) for detailed information on incentive and investment programs



Build intent – drill down

Program	Solution Area	Purchase Motion	Partner Activity	Earning Opportunity
Azure Immersion Workshops	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP	Drive demand for Azure solutions through facilitation of customer workshops	\$1,000 per event delivery
Azure Migration and Modernization Program (AMMP) Partner-Led	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP Buy Online	Accelerate customers' cloud journey with a mix of best practice guidance, resources, and expert help	Fixed amount based on the sized of the customer project, up to \$50,000
Solution Assessments	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP	Drive consumption and usage by delivering business cases and migration roadmaps to customers	Fixed amount based on customer location, opportunity complexity, and assessment location
Azure Workload Acquisition and Nurture	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP	Accelerate Azure customer adoption and consumption	Up to \$75,000 per partner, per customer, per workload
Build Intent Workshops	Modern Work, Security	MCA-Enterprise New Commerce CSP Buy Online	Conduct workshop to drive customer demand for Modern Work and Security	\$3,500 or \$5,000 for single workshop delivery, based on market location
Business Applications Partner Activities	Business Applications	MCA-Enterprise New Commerce CSP	Pre-sales activities designed to drive the platform sale of Dynamics 365, Power Apps, and Power Automate	\$2,000-\$100,000 based on opportunity size
Online Services Advisor	Business Applications	MCA-Enterprise Buy Online	Influence purchase of Dynamics 365 solutions	30% D365 Finance & Operations and 15% D365 Customer Engagement, 10% Power Apps & Power Automate

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Transact – drill down

	Enterprise	Cloud Solution Provider
Overview	Rewards partners for driving Enterprise Agreement revenue through the adoption of strategic products	Rewards CSP Partners for driving CSP revenue, adding customers and selling strategic products
Purchasing Motion	MCA-Enterprise	New Commerce CSP
Rebate Incentive	<p>Core:</p> <ul style="list-style-type: none"> • Up to 6% on Modern Work & Security Cloud Standard • Up to 1.5% on Strategic Server • Up to 1.25% on Core <p>Strategic:</p> <ul style="list-style-type: none"> • Up to 12% on Modern Work & Security Cloud Premium • Additional incentives by product and opportunity 	<p>Core:</p> <ul style="list-style-type: none"> • Azure billed revenue: 4% • Modern Work & Security billed revenue: 4% • Business Applications billed revenue: 4.75% <p>Strategic:</p> <ul style="list-style-type: none"> • Strategic product accelerators of 5% and 10% • Additional Customer Add accelerators by solution area
Additional Earning Opportunity	<ul style="list-style-type: none"> • Azure Consumption Revenue: <ul style="list-style-type: none"> – Direct Agreement: 1.0% – Indirect Agreement: 1.5% • Collaborative Selling (Co-sell) • Additional discretionary Market Development Funds & End Customer Investment Funds 	<ul style="list-style-type: none"> • Azure Reservation Consumption: up to 10% • Subscription software: up to 6% • Collaborative Selling (Co-sell) • Discretionary Market Development Funds & End Customer Investment Funds

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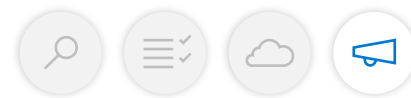


Consume – drill down

Program	Solution Area	Purchase Motion	Partner Activity	Earning Opportunity
Microsoft Commerce Incentive (MCI)	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP	Drive Azure Consumption and growth through value-added services	Quarterly growth-based model calculation up to 5% on QoQ growth Additional incentives for specialization partner and workload accelerators
Online Services Usage – Business Applications	Business Applications	MCA-Enterprise New Commerce CSP	Increase Dynamics 365 Usage in customer portfolio	Quarterly growth-based model calculation with applicable rate card value up for Monthly Active Usage (MAU) growth by tenant and offer
Online Services Usage – M365	Modern Work	MCA-Enterprise New Commerce CSP	Accelerate Modern Workplace Usage	Up to \$7,500 upon achievement of usage milestones
Service Provider License Agreement (Hosting)	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise	Promote deeper market penetration and deployment through third-party hosting	Up to 4% Accelerators available for strategic products
Service Provider License Agreement (Resellers)	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise	Support Hosters through recruiting, onboarding, activating, and licensing	Up to 5% Accelerators available for strategic products
Business Applications Partner Activities	Business Applications	MCA-Enterprise	Grow Dynamics 365 usage through custom engagement	Up to \$100,000 per engagement
Azure Workload Acquisition and Nurture	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP	Accelerate Azure customer adds and revenue	Up to \$75,000 per eligible customer

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ISV and hardware investments – drill down

Program	Solution Area	Purchase Motion	Partner Activity	Earning Opportunity
ISV: Azure Specialist for ISVs	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP Buy Online	Migrate independent software vendor applications to Azure	\$7,500 per eligible application
GISV End-Customer Migration Accelerator	Azure Infrastructure, App Innovation, Data & AI	MCA-Enterprise New Commerce CSP Buy Online	Migrate on-premises install base to SaaS offerings built on Azure	\$5,000 per customer migration
Mixed Reality	Mixed Reality	N/A	Drive growth for Microsoft Mixed Reality	Up to 5%
Surface PC and Surface Hub	Surface	N/A	Drive growth for Microsoft Surface PC and Surface Hub	Up to 4% Additional rebates for accessories

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Partner calls to action

Put customer needs first



Engage deeply with customers to recommend solutions best aligned to support customer needs and expectations

Support customers in every motion



Drive value-added services across the customer journey, regardless of a customer's size, segment, or unique use case

Build trust and collaboration

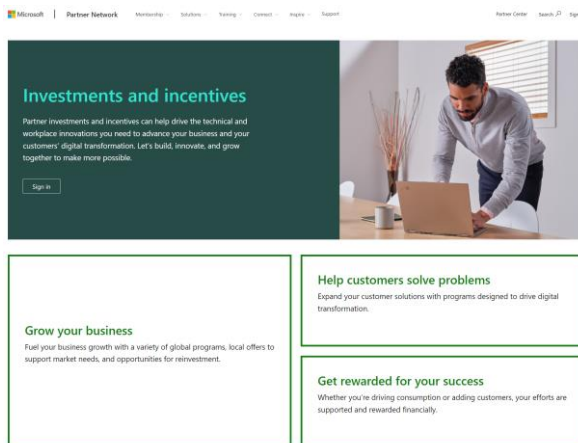


Collaborate with Microsoft to support customer needs, leveraging eligible incentive programs across the purchasing lifecycle

Next steps to realize value with Microsoft

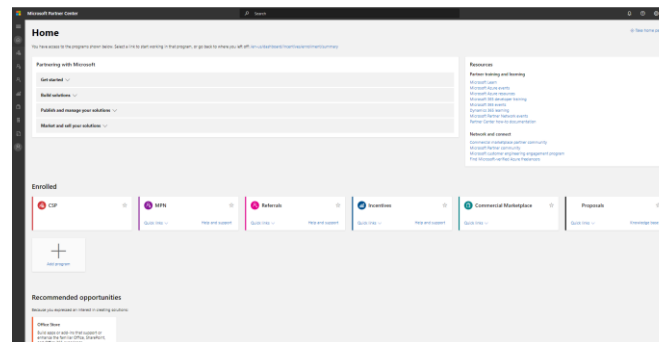
Contact partner support or your assigned PDM for additional information on how you can maximize your earning opportunity

Discover partner incentives



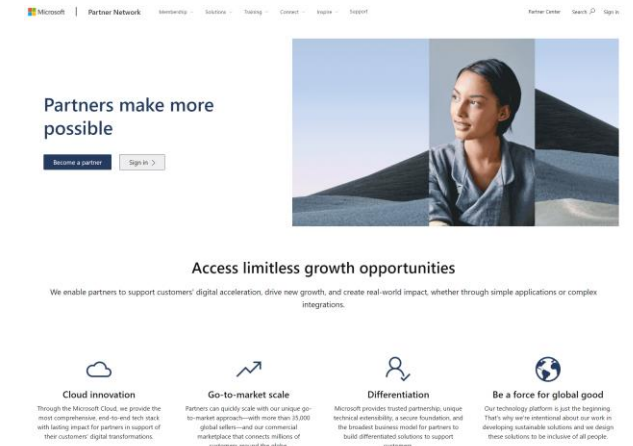
[Microsoft Partner Incentives](#)

Enroll in eligible programs



[Partner Center](#)

Grow your business



[Microsoft Partner Network](#)

Role of partner investments & incentives

Microsoft partner investment and incentive programs are designed to reward partners when they deliver strategic solutions to drive exceptional results for customers

14+

Global programs

Opportunity

to enable partner growth and support customer needs as we increase our overall investment portfolio



Local programs

Amplify

the global incentive programs for innovation or in emerging markets via local campaigns and local accelerators



Cooperative marketing funds

Co-op

for reinvestment focused on activities across demand generation, partner readiness, and market development



Campaigns & custom investments

Enable

partners and strategic growth opportunities with timebound, targeted investments