

# Introduction to Microsoft Azure and its Licensing

Get  
Licensing  
Ready

## WHAT IS MICROSOFT AZURE?

It's Microsoft's cloud platform: a growing collection of integrated services that help customers move faster, do more, and save money. Azure services cover areas such as:

- ▶ Virtual machines
- ▶ Storage and backup
- ▶ Mobile applications
- ▶ Artificial Intelligence (AI)
- ▶ Internet of Things (IoT)



## BUYING MICROSOFT AZURE

Customers can buy the Azure services in the following ways:

- ▶ Via a partner through the Cloud Solution Provider program
- ▶ Through a Volume Licensing agreement
- ▶ Direct from Microsoft via an internal salesperson
- ▶ Direct from Microsoft via the website (often called Web Direct)

## AZURE SUBSCRIPTIONS

An Azure Subscription must be set up before a customer can use the consumption based Azure services because as virtual machines are created (for example) they must be assigned to a Subscription. When the Subscription is initially set up, there is no commitment to paying for anything at that point, it's only when the resources start to be used that charges start to be incurred.

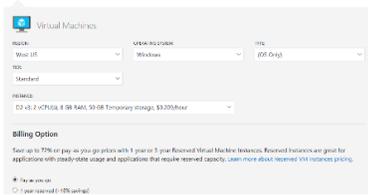
*All Azure Subscriptions are tied to a payment mechanism, be that an EA, a credit card (for Web Direct customers) or a CSP customer account.*

*Customers may have multiple Azure Subscriptions on their tenant so that they can track spend by different departments or projects, for example.*

## THE AZURE PRICING CALCULATOR

The Azure Pricing Calculator is a great way for both customers and partners to estimate pricing for all the Azure consumption services. Find it here: <http://bit.ly/AzurePricingCalculator>

Customers and partners may log in to the calculator to see customized pricing. For example, EA customers will see particular pricing for them, and Direct CSP Partners will see CSP to-partner pricing.



## MANAGING AZURE RESOURCES

Azure resources (such as virtual machines) are created and assigned to Subscriptions in the Azure Management Portal (<https://portal.azure.com>). This portal is used by all customers as below:

### Volume Licensing

Used directly by customers purchasing through all Volume Licensing agreements

### Direct from Microsoft

Used directly by customers purchasing through the website or from a Microsoft salesperson

### CSP

Either used by partners on behalf of customers, or access is granted to customers

## TYPES OF AZURE SERVICES

The Azure services are sold in the ways shown below:

### CONSUMPTION SERVICES

**For example:**  
Virtual Machines: \$/hour  
Storage: \$/GB & \$/transaction  
Databases: \$/GB  
Artificial Intelligence: \$/transaction



### USER LICENSED SERVICES

**For example:**  
Azure Active Directory  
Azure Information Protection  
Azure Advanced Threat Protection for Users



### MARKETPLACE SOLUTIONS

**For example:**



## CONSUMPTION SERVICES

Services such as virtual machines are billed on a consumption basis where customers pay only for the services when they are in use. There are some examples of these services and how they are charged in the diagram above. Consumption services are paid for in one of two ways: either with a Monetary Commitment or monthly in arrears, dependent on the way the customer buys the Azure services.

### Monetary Commitment

- ▶ A customer pays an amount of money upfront, and as services are used, this amount decreases
- ▶ Monetary Commitment is used in Volume Licensing Agreements such as the Enterprise Agreement or an Open Value agreement

### Monthly in Arrears

- ▶ Invoices are issued monthly in arrears for the services that the customer has used
- ▶ This method of payment is used when customers buy direct from Microsoft, or through CSP

## USER LICENSED SERVICES

Some services are bought as User Subscription Licenses (User SLs) on a per user per month basis, where the user may use the service as required with no additional charges based on the amount of usage. Azure User SLs behave in the same way as other User SLs such as Office 365 or Microsoft 365. They are typically paid for upfront annually when purchased through a Volume Licensing agreement and either annually or monthly when purchased through the Microsoft website or through CSP.

## MARKETPLACE SOLUTIONS

The Azure Marketplace allows partners, and Microsoft, to offer solutions built on Azure for customers to buy. These solutions are either licensed and paid for monthly on a consumption basis, or as a monthly or annual license for use of the service.

