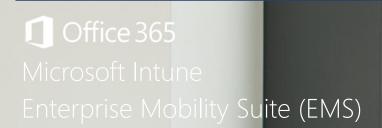


# Cloud Solution Provider (CSP) Program: Program Overview





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- Partner opportunity
- Microsoft Cloud Services in the CSP program
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- Partner resources



## Market opportunity



### A changing world

75% 49%

10K

40%



40% growth in global data generated / year

62% can't use info for effective decisionmaking!

<sup>&</sup>lt;sup>¥</sup> Computing Technology Industry Association's (CompTIA) 2nd annual Trends in Enterprise Mobility study from February 2013.

<sup>\*</sup>The Future of Corporate IT 2013-2017

<sup>\*\*</sup> CEB Survey of 165,000 employees †2012 Survey on Self-Service BI and Analytics, Unisphere Research

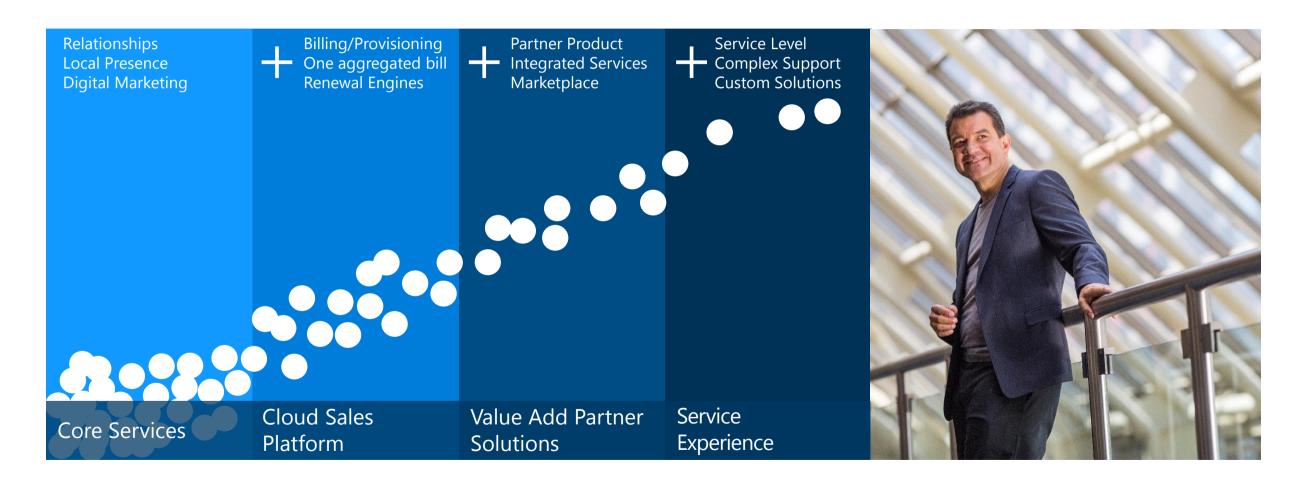
### Changing customer preferences

67% 84%

\$107 Billion 59%



### Changing partner channel



# Cloud Solution Provider program overview



### What partners want



Own the customer relationship



Service the complete customer lifecycle



Attach Partner services



### Cloud Solution Provider



Offer monthly billing



Provision and manage subscriptions



Provide technical support

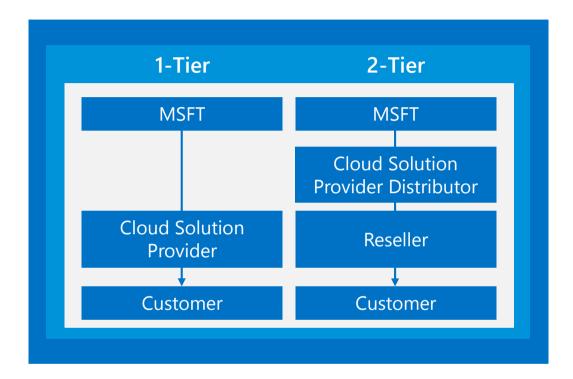


## CSP enables partners to sell bundled solutions Microsoft Cloud Services in CSP: Office 365, Microsoft Intune, Enterprise Mobility Suite (EMS)



A high capability bar and a strong services business model is required to be a successful partner in CSP

### Cloud Solution Provider business models



	Cloud Solution Prov	Cloud Solution Provider (CSP) program		
	CSP 1-Tier	CSP 2-Tier		
Compensation				
Margin	20%*	Margin %*		
Core Incentives (50% Rebate / 50% CoOp)	N/A	Rebate %		

<sup>\*</sup>Office 365, Microsoft Intune, and Enterprise Mobility Suite (EMS) products. Future products will set their own wholesale pricing



Enterprise Mobility Suite

We expect the majority of partners will participate in the CSP program as 2-Tier resellers

### Partner capabilities comparison

Partner capability	Advisor	Open	Hosting	Cloud Solution Provider	Cloud Distributors
Value Added Services	Recommended	Recommended	Recommended	Recommended	
Support	Recommended	Recommended			
Manage	Recommended	Recommended			
Provision	Recommended	Recommended			
Bill	N/A				
Sell					

Cloud Distributor determines reseller offers

### Program comparison FY15

	Cloud Services	Software & SA	Primary customer benefit	Tag
EA <sup>1</sup>	<b>√</b>	<b>✓</b>	<ul> <li>Best value for standardizing across organizations with 250+ users or devices</li> <li>Most flexible</li> </ul>	Hero Annuity Offer
MPSA <sup>1</sup>	<b>✓</b>	<b>✓</b>	<ul> <li>One-stop for transactional purchasing with 250+ users or devices</li> <li>Simple agreement and license management</li> </ul>	Transactional offer of SW and OLS (>250)
Open	<b>✓</b>	<b>✓</b>	<ul><li>Transactional purchasing for less than 250 users</li><li>Best suited to single organizations</li></ul>	Simple and easy to transact <250
CSP	✓		<ul> <li>Great for customers who want to purchase a partner solution with Microsoft Cloud Services</li> </ul>	Managed Cloud Services
MOSP	<b>✓</b>		Simple way of purchasing Cloud Services directly from Microsoft (Partner received Advisor Sell Incentives)	Advisor

1) EA and MPSA only available to LSPs

CSP is optimized for SMB and CTM

# Partner capability requirements



### CSP partner capability requirements

1-Tier Cloud Solution Provider (1/2)

Program requirements		1-Tier Cloud Solution Provider	
Marketing			
Significant local reach (customer reach)		•	
Lead generation engines		•	
Sales			
Cloud Competency, Certifications, & Sales Training		•	
Pre-sales support resources		•	
Annual business plan		•	
Pipeline visibility mechanism		•	
Billing & Provisioning			
Provide Tax/VAT ID and pass Microsoft credit and anti-corruption chec	ks	•	
Billing infrastructure and operations		•	

### CSP partner capability requirements

1-Tier Cloud Solution Provider (2/2)

Program requirements		1-Tier Cloud Solution Provider	
Deployment, Enhancements and Solutions			
Deployment capability to deploy Microsoft Cloud Services		•	
Support			
24/7 end-customer support (billing & technical)		•	
Premier Support for Partners (PSfP)		Recommended	
Service Experience			
CLM processes to drive usage and adoption, up/cross-sell (CRM)		•	
Microsoft Relationship			
Managed partner		•	
Partner C-level executive sponsor		•	
Microsoft Cloud Solution Provider Agreement		•	

### CSP performance requirements

Demonstrated 1-Tier partner performance within first year of onboarding to the program

Program requirements	1-Tier Cloud Solution Provider
Net paid seat adds in year one (Mature/Emerging)	Office 365 OR Enterprise Mobility Suite (EMS): 5k/2.5k* (Mature/Emerging)
Incident Reports (IR) to Microsoft per month (1 IR per 2500 seats)	•

<sup>\*</sup> Local Microsoft subsidiary can increase these levels based on local market requirements

### CSP partner capability requirements

2-Tier Cloud Solution Provider (1/2)

Program requirements	Solution Provider	
Marketing		
Significant local reach (partner reach)	•	
Lead generation engines	•	
Reseller profiling, recruitment and enablement	•	
Sales		
Cloud Competency, Certifications, & Sales Training	•	
Pre-sales support resources	•	
Annual business plan	•	
Pipeline visibility mechanism	•	
Billing & Provisioning		
Provide Tax/VAT ID and pass Microsoft credit and anti-corruption checks	•	
Billing infrastructure and operations	•	
Billing aggregation capabilities with advanced ERP/ordering systems	•	
Commerce API integration capabilities	•	

2-Tier Cloud

### ifecvcle

### CSP partner capability requirements

2-Tier Cloud Solution Provider (2/2)

Program requirements	2-Tier Cloud Solution Provider	
Deployment, Enhancements and Solutions		
Deployment capability to deploy Microsoft Cloud Services	Reseller SLA	
Demonstrated capability to support resellers on workload selling/Workload competencies	Reseller SLA	
Support		
24/7 end-customer support (billing & technical)	•	
Premier Support for Partners (PSfP)	Recommended	
Service Experience		
CLM processes to drive usage and adoption, up/cross-sell (CRM)	•	
Microsoft Relationship		
Managed partner	•	
Partner C-level executive sponsor	•	
Microsoft Cloud Solution Provider Agreement	•	
Microsoft Cloud Distributor Agreement	•	

### CSP performance requirements

Demonstrated 2-Tier partner performance within first year of onboarding to the program

Program requirements	2-Tier Cloud Solution Provider
Net paid seat adds in year one (Mature/Emerging)	Office 365 OR Enterprise Mobility Suite (EMS): 25k/10k* (Mature/Emerging)
Incident Reports (IR) to Microsoft per month (1 IR per 2500 seats)	•

<sup>\*</sup> Local Microsoft subsidiary can increase these levels based on local market requirements

# Availability



### CSP geographies

		Countries		
Australia	Denmark	Israel	Mexico	Singapore
Austria	Estonia	Italy	Monaco	Slovakia
Belgium	Finland	Japan	Netherlands	Slovenia
Brazil	France	Korea	New Zealand	Spain
Bulgaria	Germany	Latvia	Norway	Sweden
Canada	Greece	Liechtenstein	Poland	Switzerland
Chile	Hungary	Lithuania	Portugal	United Kingdom
Croatia	Iceland	Luxembourg	Puerto Rico	United States
Cyprus	India	Malaysia	Romania	
Czech Republic	Ireland	Malta	Russia	

## Partner opportunity



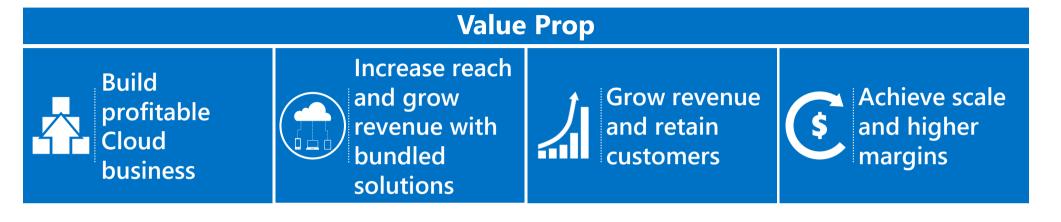
### Partners are evolving their business models



Partners are shifting to high-margin services offerings

### CSP Value Prop





Partner-type agnostic

Partner Services to drive partner profitability

Value-driven model

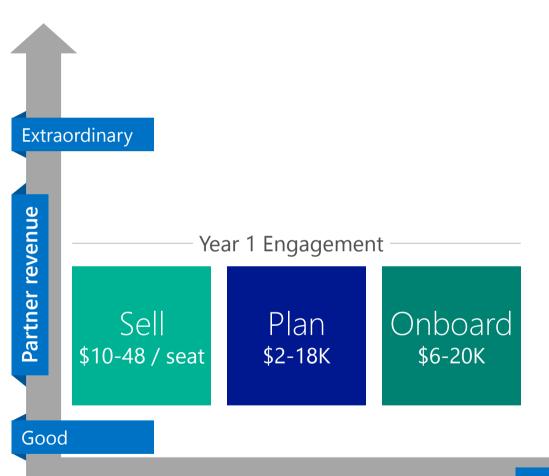
# Microsoft Cloud Services in the CSP program



# Office 365 and Microsoft Intune in the CSP program



### Stages of opportunity with Office 365





**Stage of Opportunity** 

Note: Estimates based on partner interviews so actual numbers will differ from market to market. All revenue streams are recurring except for 'Plan' and 'Onboard' which are one-time events



### CSP Office 365 Potential Sales Scenarios

LSP VAR **HSP** OC ISV Disti

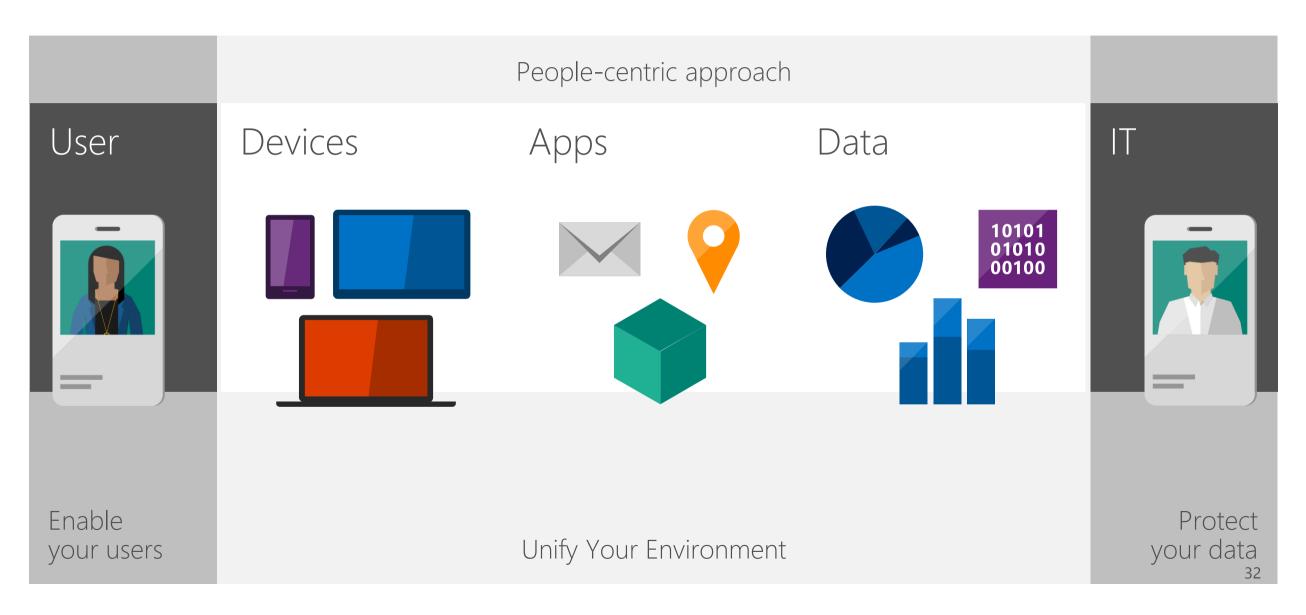
### **Potential Selling Scenarios**

- Offer Systems Integration, Migrations & Deployment of O365 & Intune
- Bundle Managed services with Office 365 and Intune
- Upsell/Attach: Office ProPlus, Lync Online, Intune
- Offer end-user training and support services
- Integrate SaaS ISVs Apps, Private/Hybrid Cloud solutions
- Bundle Fixed/mobile connectivity + Office 365 or OneDrive for Business
- Attach to Phone/Tablet device, with Office 365 and Intune
- Resell standalone sales of Office 365 suites, Exchange Online, OneDrive for Business, Office ProPlus, and Intune
- Increase penetration in the whitespace to transition customers to Cloud
- Offer Project financing & management

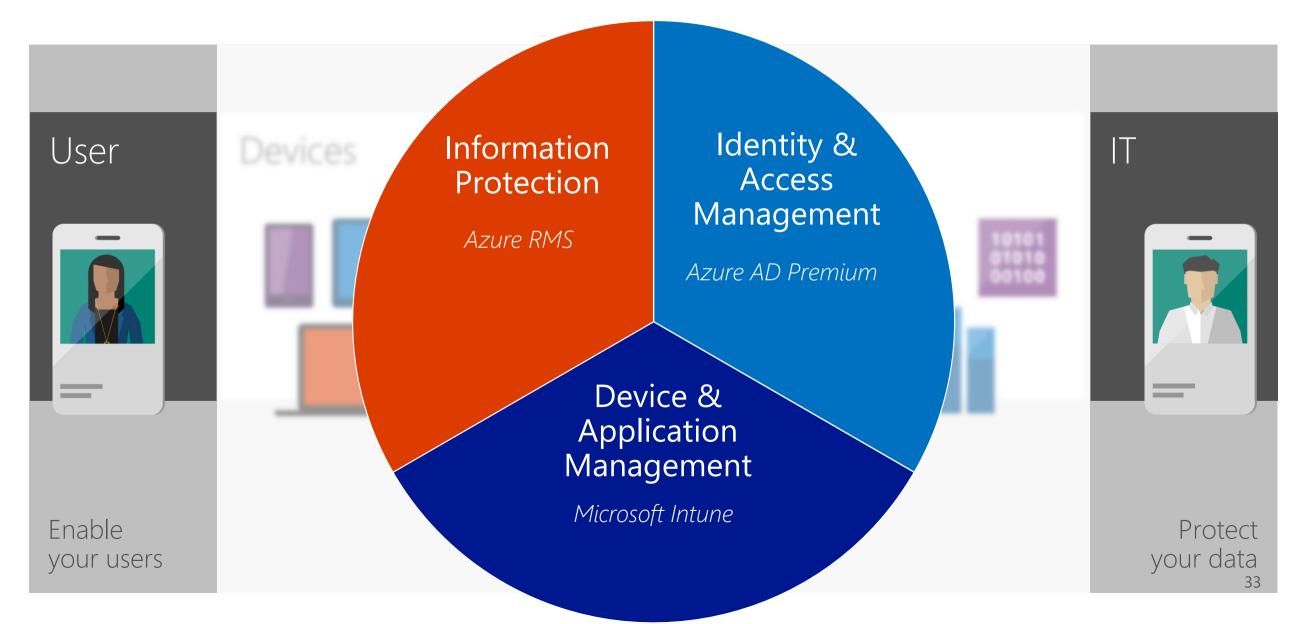
# Enterprise Mobility Suite (EMS) in the CSP program

## What is EMS?

### Empowering Enterprise Mobility



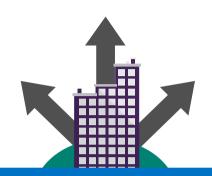
### Empowering Enterprise Mobility

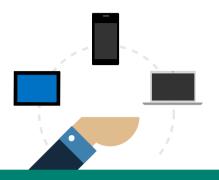


### What is the Enterprise Mobility Suite?

Microsoft Azure Active Directory Premium Identity & Self-service password security reports, and Connection between Access audit reports, multireset and group **Active Directory and** Management factor authentication Azure Active Directory management Microsoft Intune Mobile device Selective wipe Mobile device settings Mobile application management management management Microsoft Azure Rights Management Service Information Information protection Connection to on-Bring your own key protection premises assets

### Why Microsoft for Enterprise Mobility?







### Massive User Base

1 in 4 enterprises use Office 365

93% of the Fortune 1000 use Active Directory

66% of enterprise seats covered with System Center

**430B**+ Microsoft Azure Active Directory authentications

**1,200 SaaS apps managed** by Azure Active Directory, a component of EMS

### Single Vendor for Enterprise Mobility

Comprehensive portfolio enables **end-to-end enterprise mobility** across devices and applications

**Cross-selling opportunities** broaden enterprise mobility and increase deal size

**Flexible and seamless solutions** extend across cloud & hybrid models

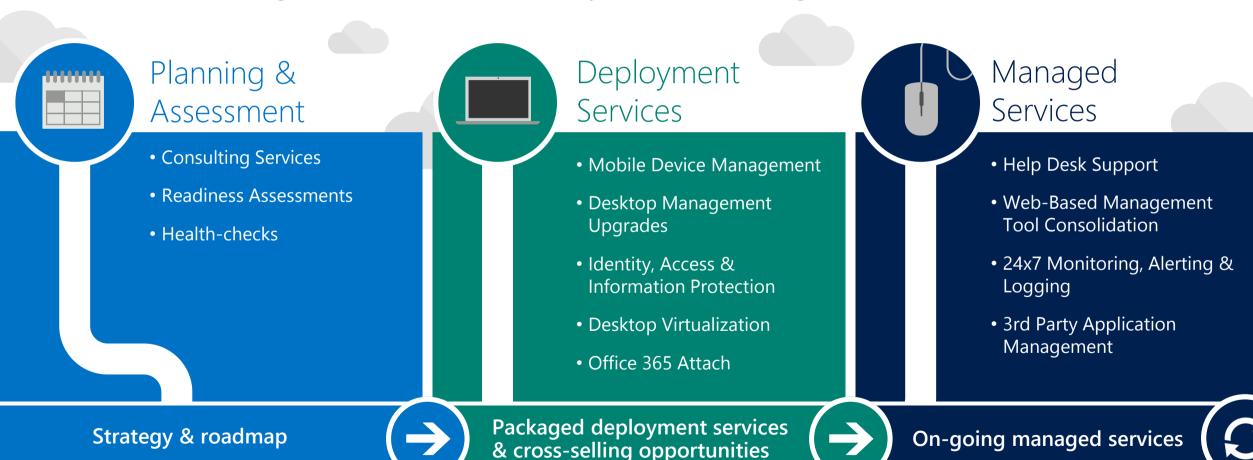
### Investments in Partners

More than 1,000 people and over \$300M in investments for Cloud OS programs\*

<sup>\*</sup> Not including channel incentives

## Enterprise Mobility for Every Business, Every Device Enable end users to access applications, data and resources from anywhere, on any device with

mobile device management and secure identity & access management



## Empower Enterprise Mobility

Build long-term, value-added services for enterprise mobility

#### Why Microsoft:

Extensive partner opportunities with Microsoft's massive customer base

Single vendor for end-to-end enterprise mobility

Continuous investments in partner businesses

131%

**Identity & Access** Management growth over the next 3 years<sup>1</sup>

#### Planning & Assessment

**Consulting Services** 

**Readiness Assessments** 

Health-checks

#### Deployment Services

Mobile Device Management

\$25K1

Initial Revenue

**Desktop Management** Upgrades

Identity, Access & Information Protection

**Desktop Virtualization** 

Office 365 Attach

3.6x

greater revenue per 3-year deal with managed services<sup>1</sup>

#### Managed Services

Help Desk Support

Web-Based Management Tool Consolidation

24x7 Monitoring, Alerting & Logging

Maintenance

3<sup>rd</sup> Party Application Management

# Revenue Initial

#### Source:

1: Microsoft Cloud OS Partner Economics Research: 2014



Windows Intune

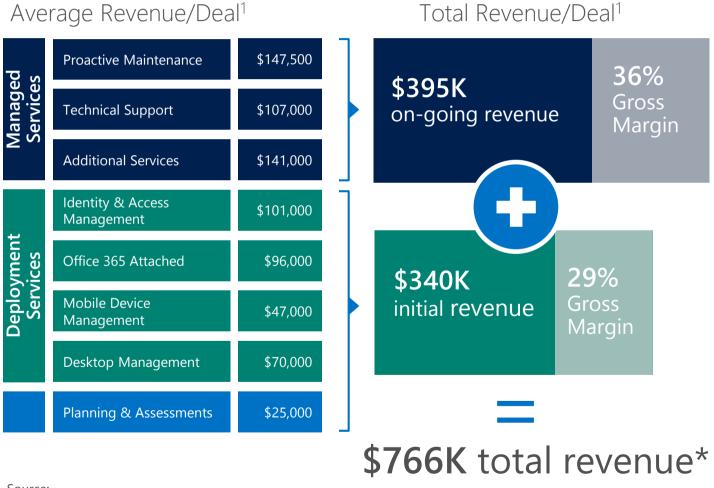
Enterprise Mobility Suite

\$395K per year<sup>1</sup> Revenue On-going

## Capitalize on Enterprise Mobility Opportunities

(per deal/year, including incentives)

Managed services: largest contributor to revenue, highest gross margins



Aggregated Growth Rate Over 3 Years<sup>1</sup> **Proactive Maintenance** 90% 82% **Technical Support Additional Services** Top 3 Growth Areas Identity & Access Management 131% 109% Office 365 Attached 102% Mobile Device Management 76% **Desktop Management** Planning & Assessments 20% 40% 80% 100% 140%

Source:

<sup>1:</sup> Microsoft Internal Research 2014: Partner Survey

# EMS in CSP

## Enterprise Mobility Suite in Cloud Solution Provider

Partner Opportunity through CSP: Upsell Existing Office 365 customers with EMS

What's the (as Office 365)

Partner capability requirements

Support policies

Performance metrics

**Business** model and margins

Geo availability

same?

SKU line up:



Available now

- Microsoft Intune
- Azure RMS Standalone

Available in March 2015

- AD Basic
- AD Premium
- Enterprise Mobility Suite (EMS) (RMS, Intune, AADP)

What's different?

AD Premium and EMS include rights to System Center Config Manager and Forefront Identity Manager

## Important: limited multi-partner support in March

#### Can I sell EMS to a customer who bought Office 365 from another CSP partner?

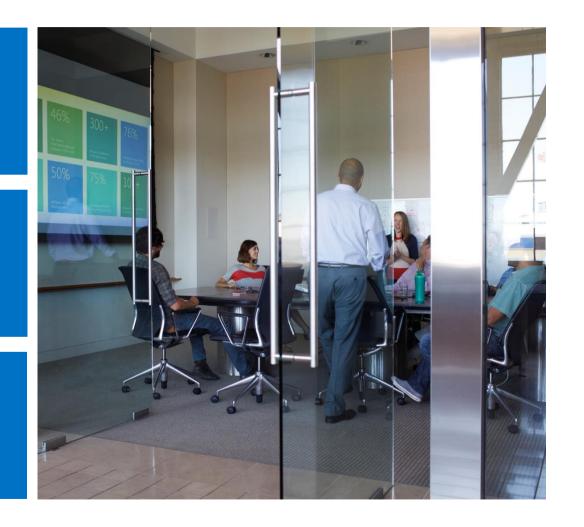
- At the time of launch, partners can only sell EMS to their existing Office 365 customers or brand new customers (who haven't had a tenant created through another channel (Direct, Open, EA, Syndication))
- In the same timeframe as EMS availability in CSP (but to be confirmed), we are also planning to enable what we call "Multi Channel" functionality.
  - This will enable a CSP partner to sell EMS to a customer who has bought Office 365 from Direct, Open or EA. Please note, it does not enable a CSP partner to sell EMS to a customer tenant who was sold Office 365 by another CSP partner or a syndication partner
- In the Northern Hemisphere summer, we are planning to enable what we call full "multi-partner" support. This will enable multiple CSP partners to sell CSP services to the same customer tenant created by other CSP partners. This will also enable multiple partners to be delegated administrative capabilities inside the same CSP customer tenant. We will share more details how this will work and its implications over the next few months.
  - Please note that customer tenants created by syndication partners will remain separate and not be enabled for multi-channel or multi-partner support.

### Partner calls to action on EMS

Add EMS to your portfolio

Upsell EMS to your Office 365 customers

Attend local readiness events on EMS



# Participating in CSP



## CSP is by invitation only



Choose the appropriate CSP model: 1-Tier or 2-



If 1-Tier model, contact your local Microsoft representative



If a 2-Tier reseller, contact authorized CSP 2-Tier Distributors in your market



# 1-Tier partner nomination process



## 1-Tier partner nomination process

Complete the program application

Submit program application to your MS Contact



Receive a program email invite after application has been approved



Click the unique sign-up link in the email invite to begin onboarding process

Follow instructions in the portal to complete onboarding process

Log in to the Partner Admin Center (PAC) and begin transacting



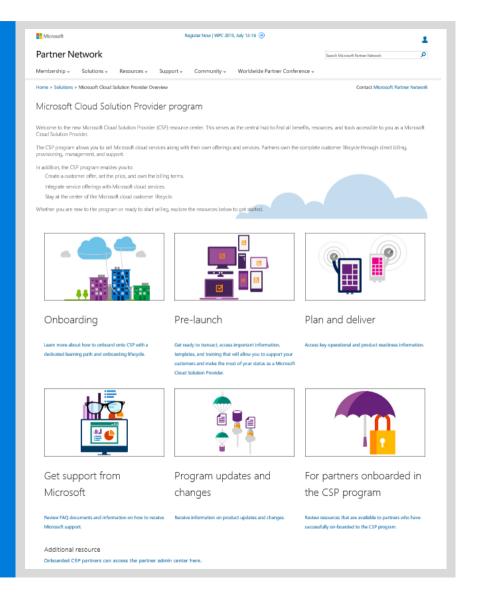
# Partner resources



#### Partner resources

https://mspartner.microsoft.com/en/us/pages/solutions/cloud-reseller-overview.aspx







# Appendix

# EMS offerings

# Introducing the Microsoft Enterprise Cloud Suite Empower users with best-in-class productivity across devices while providing IT security & control

Cloud and hybrid identity management Mobile device management

Information protection

Enterprise **Mobility** Suite

#### **Azure Active Directory Premium** = Azure AD for Office 365 +

- Single Sign on for all cloud apps
- Advanced MFA for all workloads
- Self Service group management and password reset with write back to on prem directory
- Advanced security reports
- FIM (Server + CAL)

#### **Microsoft Intune**

- = MDM for Office 365 +
- PC Management
- Mobile App Management (prevent cut/copy/past/save as from corporate apps to personal apps)
- Secure content viewers
- Certificate Provisioning
- System Center integration

## **Azure Rights Management**

 Protection for on-premises Windows Server file shares

= RMS for Office 365 +



#### **Basic Identity Mgmt via Azure** AD for Office 365:

- Single Sign on for Office 365
- Basic Multifactor Authentication (MFA) for Office 365

#### **Basic Mobile Device Management via MDM for Office** 365

- Device Settings Management
- Conditional Access
- Selective Wipe
- Built into Office 365 Mgmt Console

#### **RMS Protection via RMS for** Office 365

- Protection for content stored in Office (on prem or Office 365)
- Access to RMS SDK
- Bring your own Key

Azure Active Directory Editions

	Features	Free edition	Basic edition	Premium edition
Common features	Directory as a service	✓ Up to 500K objects	✓ No object limit	✓ No object limit
	Provides Single Sign-on (SSO) to more than 2500 SaaS applications	✓ Up to 10 apps per user	✓ Up to 10 apps per user	✓ No app limit
	User-based application access management and provisioning	✓	✓	✓
	Directory synchronization tool – For syncing between on-premises Active Directory and Azure Active Directory	✓	✓	✓
	Standard security reports	✓	✓	✓
Premium and Basic features	High availability SLA uptime (99.9%)		✓	✓
	Group-based application access management and provisioning		✓	✓
	Customization of company logo and colors to the Sign In and Access Panel pages		✓	✓
	Self-service password reset for cloud users		✓	✓
	Application Proxy to publish internal web applications for secure remote access		✓	✓
Premium-only feature	Self-service group management for cloud users			✓
	Self-service password reset with on-premises write-back			✓
	Microsoft Identity Manager (MIM) server licenses – For syncing between on- premises databases and/or directories and Azure Active Directory			✓
	Advanced anomaly security reports (machine learning-based)			✓
	Advanced application usage reporting			✓
	Multi-Factor Authentication service for cloud users			✓
	Multi-Factor Authentication server for on-premises users			<b>√</b> 53

# Azure MFA Offering Comparison

	MFA for Office 365/Azure Administrators	Windows Azure Multi-Factor Authentication / EMS
Administrators can Enable/Enforce MFA to end-users	<b>⊘</b>	<b>⊘</b>
Use Mobile app (online and OTP) as second authentication factor	<b>⊘</b>	<b>⊘</b>
Use Phone call as second authentication factor	<b>⊘</b>	<b>⊘</b>
Use SMS as second authentication factor	<b>⊘</b>	<b>⊘</b>
Application passwords for non-browser clients (e.g. Outlook, Lync)	<b>⊘</b>	<b>⊘</b>
Default Microsoft greetings during authentication phone calls	<b>⊘</b>	<b>⊘</b>
Custom greetings during authentication phone calls		<b>⊘</b>
Fraud alert		<b>⊘</b>
MFA SDK		<b>⊘</b>
Security Reports		<b>⊘</b>
MFA for on-premises applications/ MFA Server.		<b>⊘</b>
One-Time Bypass		<b>⊘</b>
Block/Unblock Users		<b>⊘</b>
Customizable caller ID for authentication phone calls		<b>⊘</b>
Event Confirmation		<b>⊘</b>

# Azure RMS Offering Comparison

	RMS for Office 365	Azure RMS (EMS)
Consume & Create RMS content with company ID	<b>⊘</b>	<b>⊘</b>
Protection for content stored in Office 365	<b>⊘</b>	<b>⊘</b>
Protection for content stored in on prem Office (Exchange, Sharepoint via RMS Connector)	<b>⊘</b>	<b>⊘</b>
Bring your own Key (Hybrid protection)	<b>⊘</b>	<b>⊘</b>
RMS protection for non office files	<b>⊘</b>	<b>⊘</b>
RMS SDK	<b>Ø</b>	<b>⊘</b>
RMS On Prem Connector for on-premises Windows Server file shares* (via RMS FCI Connector)		<b>⊘</b>

<sup>\*</sup> As of July 1, 2014

Device management feature comparison

Category	Feature	Exchange ActiveSync	MDM for Office 365	Intune
Device configuration	Inventory mobile devices that access corporate applications	<b>⊘</b>	<b>⊘</b>	<b>⊘</b>
	Remote factory reset (full device wipe)	<b>②</b>	<b>②</b>	<b>⊘</b>
	Mobile device configuration settings (PIN length, PIN required, lock time, etc.)	<b>②</b>	<b>②</b>	<b>⊘</b>
	Self-service password reset (Office 365 cloud only users)	<b>②</b>	<b>②</b>	<b>⊘</b>
	Provides reporting on devices that do not meet IT policy		<b>②</b>	<b>⊘</b>
Office 365	Group-based policies and reporting (ability to use groups for targeted device configuration)		<b>②</b>	<b>⊘</b>
	Root cert and jailbreak detection		<b>②</b>	<b>⊘</b>
	Remove Office 365 app data from mobile devices while leaving personal data and apps intact (Selective wipe)		<b>②</b>	<b>⊘</b>
	Prevent access to corporate email and documents based upon device enrollment and compliance policies		<b>②</b>	<b>⊘</b>
Premium mobile device & app management	Self-service Company Portal for users to enroll their own devices and install corporate apps			<b>②</b>
	Deploy certificates, VPN profiles (including app-specific profiles), and Wi-Fi profiles			<b>⊘</b>
	Prevent cut/copy/paste/save as of data from corporate apps to personal apps (Mobile application management)			<b>⊘</b>
	Secure content viewing via Managed browser, PDF viewer, Imager viewer, and AV player apps for Intune			<b>⊘</b>
	Remote device lock via self-service Company Portal and via admin console			<b>②</b>
nt	PC management (e.g. inventory, antimalware, patch, policies, etc.)			<b>②</b>
PC management	OS deployment (via System Center ConfigMgr)			<b>⊘</b>
	PC software management			<b>⊘</b>
	Single management console for PCs and mobile devices (through integration with System Center ConfigMgr)			<b>⊘</b> 56