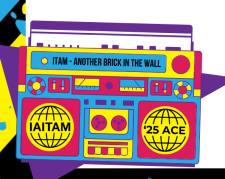
# IAITAM ACE 2025

ITAM - Another Brick In The Wall

# 2) ata

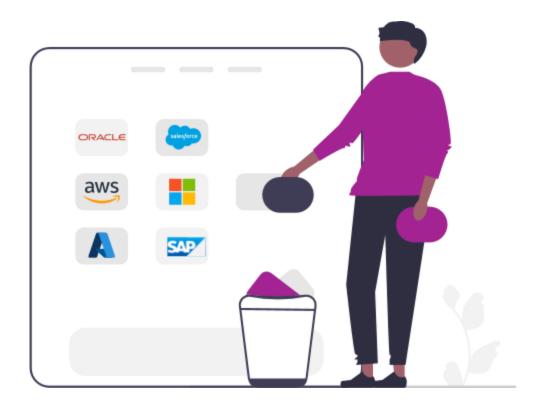
How to Define Microsoft Optimisation & Build Up the Negotiation Strategy?

IAITAM ACE – 22 April 2025









# Software Licensing Specialists.

"Our Mission as an INDEPENDENT Software Advisor is to guide you through the Complex World of Software Procurement, Management and Optimization. Equipping you with the Data and Strategy to ensure your Microsoft, SAP, Salesforce and Oracle Software Contracts are Best-in-Class and Optimized"



42%

CIOs says: optimize cloud is a top challenge

Source: Zesty

32%

Organizations are overspending 32% on Cloud Subscriptions

Source: Flexera

By failing to prepare, you're preparing to fail

Benjamin Franklin

# LICENSING IS COMPLEX

Negotiating a high discount results in appreciation but doesn't give the best result. Focus on buying what you use and maximizing the value from your investment gives a better outcome.







#### M365 E5

- Security- and identity officers are choosing 3rd party products.
- Only 2/5% in only fully utilizing M365 E5.
- Power-Bi is not used by the whole organization.
- Phone System is not something we see heavily used in EU.



#### **COMMERCIAL & AMENDMENTS**

- Other more cost-effective procurement options.
- Shared cloud (devices) licenses.
- · Exceptions for shift workers 1 license





#### M365 F underrated

- Too little attention for persona mapping.
- There is a lot of value in the F-Type license.
- There is a € 600,- per license, per year to save. That's 600k on 1.000 users and 6M on 10.000 users.



#### **Dynamics**

- Teams is a very underrated license. It can do more than view only. You can't create, but you can FILL data.
- Microsoft has a tough compete with SalesForce. There is lot of room for optimisation.
- · Higher discounts than other products.
- There are more cost-effective contract types for Dynamics.



# Azure, Windows- and SQL Server

- BYOL, RIs, DEV/TEST\*, Savings Plans.
- Zombie, Oversized, VM Optimisation.
- Windows ESU Azure Arc different licensing model.
- SQL private cloud, Azure benefits with Enterprise you bring 2 cores and receive 4.



#### **Power Platform**

- Usage analysis is mostly not being done. We find a lot of unused Premium licenses.
- Deployment of Power-Bi across the organization with Premium.
- Power platform and SharePoint dataverse and storage management.



#### **Governance: Health Check**

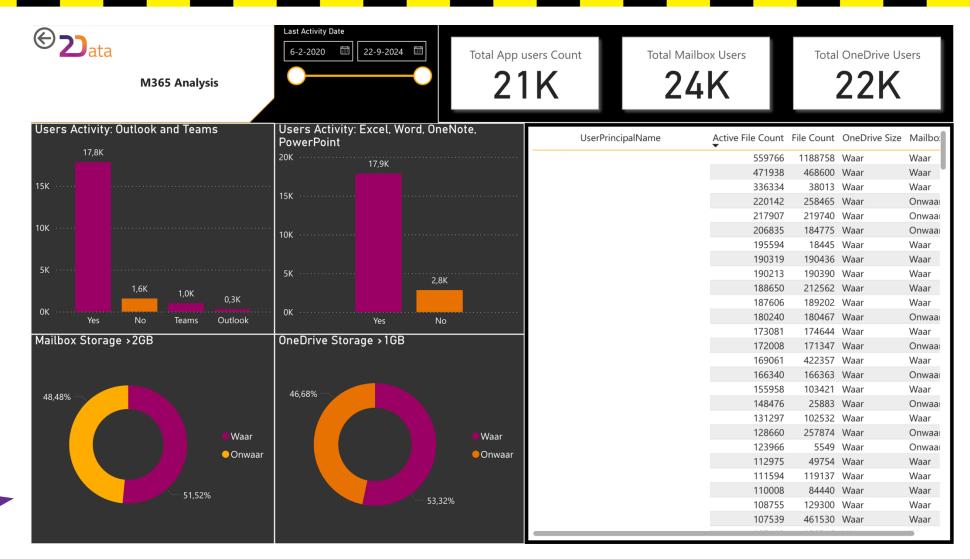
- Unused licenses & Apps.
- Disabled licenses (leavers).
- · License overlap.
- Full licenses attached to meeting rooms, admins, externals, shared accounts.



#### At anniversary

- True-Down
- Ramped contracts:
  Reservations stay the same pricing.
- Make reservations after the 2<sup>nd</sup> of the month.
- Make bulk reservations to find your flexibility to cancel or procure.
- Added new products mid-term without discount.

April 22-24, 2025 | The M Resort Spa Casino | Las Vegas, NV





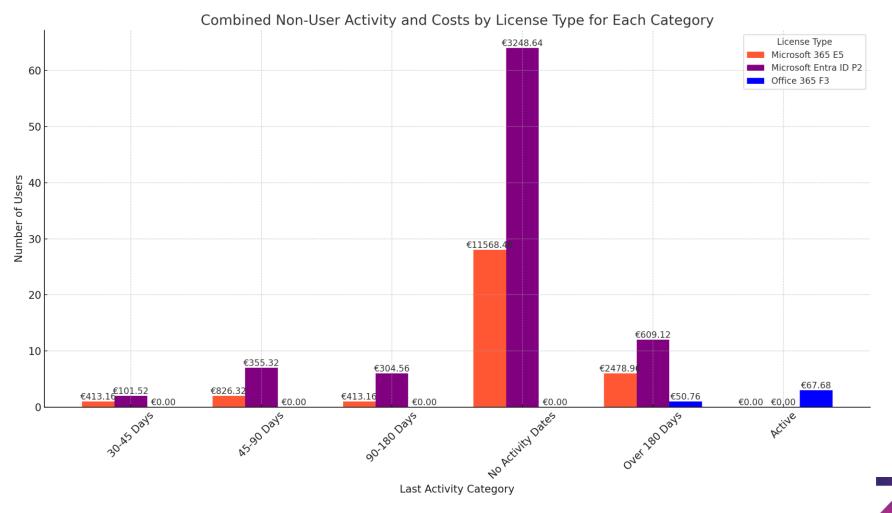
# Unused Apps per job title / Department





# Unused non-user accounts





April 22-24, 2025 | The M Resort Spa Casino | Las Vegas, NV

# "By failing to prepare, you're preparing to fail. GET PREPARED"!







- Get along with your internal stakeholders "CUSTOMERS".
- Licensing is not their favorite topic.
- Their budget is probably 100 times more than the license to optimize. It's less relevant for them.
- Sell the opportunity to your internal stakeholders.





- Governance
- Secure budget
- Steerco
- Bi-monthly's/weekly's
- Timeline & Milestones



- Resources
- In- or External specialists
- Which tooling to use or manual approach



#### **Current Estate Analysis**

- Historical Pricing **Analysis**
- Licensing Entitlements **Analysis**
- Server & Cloud Estate **Analysis**
- User subscription alocation analysis

#### **Business Needs Analysis**

- Workplace: User Profiling, Solution alignment
- Power Platform
- Server & Azure: Demand & Strategy

#### Requirement Assessment

- 3-5 Year's Outlook
- Technology requirement
- > Software Assurance Requirements

#### **Pricing Models**

- Optimized Bill of Material
- > 3 License Scenarios
- 3-5 Year Modelling
- > Minimum Price BATNA
- Multi Region Pricing

#### **Contract Review & Benchmarking**

- Concessions Benchmarking
- Contract review MCA vs EA(s) vs CSP vs MPSA
- Discount Benchmarking Global Pricing

#### Tax & Billing **Optimization**

- Tax Implications
- **Currency Effects**
- Internal Overhead

#### **Negotiation** Support

- Develop & **Execute Strategy**
- > Lead or Support
- **Discount Target**
- Conditions Review



PHASE 1 OPTIMAL LICENSING SOLUTION



PHASE 2 OPTIMAL CONTRACTUAL SOLUTION



## 1. Microsoft Customer Agreement

- Direct; exit LSP
- Limited SKU options (No FromSA, No Defender Step-Up, etc.)
- No Price levels
- No SA offerings
- Exchange Rate Risk basd on the USD
- Azure; Exchange rate, different type of contracts, benefits from
   3rd party.

# 2. Unified Support

- How to negotiate
- Third-party and CSP



## 3. Copilot

- No difference in price across the different EA Price levels
- Standard offerings to all customers.
- Indirect market more attractive (CSP)

# 4. Commercial Optimization

- Built your strategy based on DATA & Provide business outcomes
- Microsoft Price Harmonization Strategy
- Know the hidden more cost effective SKUs.
- Not to Exceed: fixed increased discount after contract expiration.
- Built a stong strategy for you MACC Agreement:
- Analyze AWS Compute Cost
- Combine CSP (15%) with Support Cost (7/8%)

Program	Spend list	Discount	Spend discounted	Support (%)	Support Cost	Financial Risk			
CSP	\$50 Mio	15%	\$42,5 Mio	included	\$0,-	\$2.500.000,-			
Azure	\$100 Mio	20%	\$80 Mio	7,28%	\$7.000.000,-	\$52.000.000,-			
Needed discount	\$7.000.000,- minus \$2.500.000,- = \$4.500.000,- = 4,5% + 20% = 24,5%								

4,5% additional discount equals the value of the CSP Agreement, without the additional financial risk we take.



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Cloud provider	Instance type	Price (hour)	Price (Day)	Price (Year)	Total Price (1000 vm's)
AWS	t4g.xlarge	\$0,1344	\$3,2256	\$1.177,34	\$1.177.340,-
Azure	B4ms	\$0,166	\$3,984	\$1.454,16	\$1.454.160,-



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# Connect with Me!



+31 (0)6 23 85 60 29



cvanderzwan@2-data.com





