The Essential Guide to
Licensing Microsoft Azure
Microsoft Azure is an agile, flexible and open global cloud platform, offering infrastructure, data and app services at a breadth and quality rivaling popular incumbents. In fact, it is the fastest growing enterprise cloud solution on the market today.

In order to bring it into the enterprise, you have decisions to make. Not only do you need to select from an expansive list of services and products, covering all corners of the data center. You also have three vastly different options to buy with, numerous price nuances and a bevy of processes needed to get the task done.

While Azure may seem confusing and complex to purchase, it doesn’t have to be.

The Softchoice team has taken our combined knowledge and experience in Microsoft licensing, scoured the web’s best sources, and put together this entry guide into the world of Azure licensing. This resource contains the most recent information and best practices available today.

In this guide, you’ll get a crash course in the licensing Microsoft Azure. You’ll also learn five tips and tricks everyone in the enterprise should know as they consider moving to Microsoft’s cloud services.

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Microsoft Azure is available for purchase in 141 countries around the world, with support for over 40 currencies. With a focus on flexibility, Microsoft offers three distinct ways to purchase Azure – each with its own set of benefits, and use cases.

**Option #1: Pay-As-You-Go Subscriptions**
The most popular and flexible payment plan. There are no minimum purchases or commitments and you can cancel anytime. You may pay by credit-card, or by invoice.

**Option #2: Open Licensing**
You may now purchase Azure directly from partners like Softchoice with an Open License key. A strategic option, especially for clients that have a value-add partner like Softchoice who will assist in the planning, delivery and ongoing maintenance of a cloud project.

**Option #3: Enterprise Agreements**
Large organizations may purchase Azure directly through their Microsoft Enterprise Agreement (EA) and benefit from significant discounts. Make an upfront usage commitment to earn additional benefits—including flexible billing options and the best prices available.

**Tip #1:**
Three Ways to Buy Microsoft Azure

Pro Tip for existing EA clients:
Azure may be added to an EA at any time. But the anniversary or expiration date of an existing EA is an ideal time to evaluate your going forward strategy with the cloud.
Not all payment options will be right for all types of organizations. It’s crucial you understand which offers you the most value, while providing you with the flexibility and access required to fully leverage the cloud.

There is only one sure-fire way to ensure you make the right choice – work directly with a non-biased expert to analyze your options. In the meantime, there are a few major pointers to get you started in the right direction.

**Ask yourself these four questions:**

- **Will your demand for Azure services experience heavy spikes?**
  - If so, you might consider a fixed plan so you can be confident you won’t drastically blow the budget.

- **How far along are you in your cloud journey?**
  - Are you just beginning? Tinkering around is a good way to get cozy in the cloud, with things like Test and Dev. You will likely want Pay as You Go for this.

- **Are you already purchasing Azure via an Enterprise Agreement?**
  - The path of least resistance is often the best. Discuss with your licensing partner how you might get access to huge discounts via EA pricing. Many organizations already pay for Azure – and aren’t using it.

- **What size business are you?**
  - Smaller organizations are not eligible for an EA, so an Open Licensing option may be the best bet – especially if you are still in need of third-party consulting services to get the most of the cloud.

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**Tip #2: Picking the Right Plan when Licensing Azure**

With Pay as You Go, as the price fluxes, so your costs do too. With an EA, it’s a long term commitment to price – giving you a static price sheet for the year. The choice is yours.
Often the true value Microsoft Azure comes not from the hard costs, but a combination of those with the soft costs. It’s these soft costs that are regularly ignored - things like time savings, maintenance simplification, and heating and cooling for your data center.

Without a firm understanding of the hard costs from the start, you have no foundation on which to build your business plan. The information below helps grasp what those hard costs are.

**Pricing Features:**
- No upfront costs
- Pay only for what you use
- No termination fees
- Per minute billing

**Azure Product Costs:**
Azure is not a single product, but a collection of numerous apps, services and resources that live in the cloud. These span across all aspects of the data center. Pricing differs between each product so planning can get complicated depending on the complexity of your solution and the number of needed components to build it.

As a high level example taken from the Microsoft Trust Center, a Virtual Machine starts at around $13 USD/month, while an individual SQL Database would be $4.99 USD/month. Websites from Azure can start as low as Free on a monthly basis.

You can find detailed pricing info for each service here when you are ready.

Tim Says

You can’t contextualize the value Azure will have until you know thyself. Part of that is knowing not only the soft costs, but the total savings too. Too many customers ignore this.
There are plenty of situations where organizations simply don’t know how or where to begin with a solution such as Microsoft Azure. Sure, the promises are compelling, but the time to innovate never seems to arrive. Perhaps you are one of the many organizations we see all too often that already own Azure credits, and simply aren’t using it.

Or maybe you’re just beginning to toy around with the idea now, and would like some easy wins to lift off. Either way, picking the starting point is a strategic necessity – one that affects buy in from leadership and end users alike, and one that defines the eventual implementation of the cloud in your organization in the future.

Do You Start Easy?
Call it low hanging fruit, or easy wins, but many organizations prefer to jumpstart their Azure adoption with a non-risky proposition. Whether it be Test & Dev or backing up non-mission critical data, there are a number of these opportunities to instill trust and confidence in the Microsoft cloud. From this experience you can build the foundation for a richer cloud initiative in the future.

Or Do You Start Boldly?
It’s not unheard of. It’s not even rare. More and more, organizations are putting their chips “all in” on the idea of cloud. For many organizations, Microsoft Azure is seen as the key to jumping ahead of the competition. Perhaps there is simply no time to wait. No time to build and develop the costly infrastructure in house. Whatever it is, Microsoft Azure should be viewed as a strategic weapon – a safe, dependable solution that comes with 99.9% uptime SLAs and a robust security and compliance foundation.

Going all in may be a solid option for organizations with a bold vision for tackling the future.

Common Starting Out Scenarios for Microsoft Azure

• SharePoint on Azure: run customized SharePoint apps in the cloud in no time
• ERP Systems on Azure: Certified by industry leaders like SAP and Oracle, Azure gives best in class architecture to run your ERP in full Cloud or Hybrid
• Hybrid Identity Management: single sign on for all apps, including thousands of Internet apps
• Data and BI – Big Data: Unload big data computations to the cloud
• Storage/ Disaster Recovery/ Backup: Reduce your total cost of ownership by 60%-80%
• Custom Websites on Azure: create highly scalable websites for immediate campaigns

Tip #4:
Where to start when you’re ready to license Azure

Tim Says
I think technologists want to play with this stuff when they get a chance. They want to kick it around a bit before they bring it to the whole organizations. A good technologist is like a good chef, tasting food before sending it out.
Whenever there is complexity, there is also risk. Whether you are an EA client, or paying as you go, the number of options at your disposal are nearly endless. Making sense of it all is a daunting task.

Deciding on the right partner to help manage your cloud investments is crucial.

The right technology partner will have your best interests in mind. They should:

• Be non-biased: you want someone to suggest the right solutions, no matter what the logo is on the box
• Be experienced: certified, knowledgeable and all encompassing. They should be able to deliver expertise on all areas of the data center, and your business
• Be dependable. This doesn’t just mean picking up your phone calls. This means having the service and know how to craft, deliver and maintain the solution you decide on.
Azure offers your business tremendous opportunity for growth and competitive leadership in the years ahead. Making sure your path to the cloud is the right one, at the right pace, is paramount to unlocking those benefits.

Softchoice offers a unique value for helping organizations choose the best technology, with a focus on saving costs upfront and for the long run, as well as a dedicated team of licensing experts, solution architects and customer service excellence. Going to the cloud can be difficult. Ensure you have the right partner to see you there.

Most businesses see Azure’s value. They just don’t know where to begin. Jumpstart the process with the Softchoice IaaS Accelerator+ for Azure.

• Streamline your planning phase
• Get a clearly-defined strategic road map
• Understand the total costs and opportunities

Get Started by asking for an IaaS Accelerator + for Azure
About Us

Softchoice is a leading technology solutions provider in North America, offering professional services, procurement and architecture excellence in all areas of the data center. With a deep bench of Microsoft technical experts, we are the leading Enterprise Agreement retailer in the United States and Canada, and we offer a series of non-biased data-driven assessments to help our customers chart the best path for their unique business needs.

Cloud Services Expertise: Softchoice is a leader among technology solutions partners for providing insight, and hands on experience in the planning, delivery and maintenance of large-scale business cloud projects. From our online SaaS management platform, to our accelerator programs, to our knowledgeable and resourceful purchasing and licensing pros, we give you everything you need to create success in the cloud.

Related Resources:
• Softchoice Cloud
• Softchoice Office 365 Hub
• Softchoice IaaS Accelerator Program for Azure (pdf)

Other Guides in this Series:
• The Essential Guide to Azure Security
• The Essential Guide to Azure Compliance