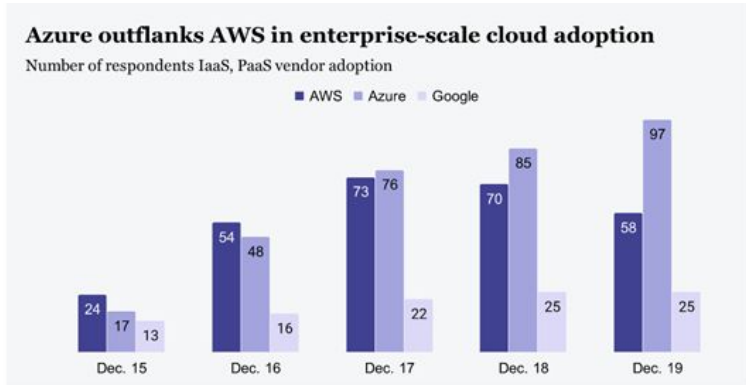




Everything You Need To Know Before Deploying Your Application on the Azure Marketplace

One of Azure's key differentiators in the cloud landscape is that it's incredibly enterprise-oriented. According to a recent Goldman Sachs report, **more executives expect their companies to be using Azure than any other cloud by 2022**, and it has already outpaced AWS for the top spot in existing cloud deployments.[1]

With revenue growth up 62% compared to this time last year, big spenders include giants such as Verizon, CenturyLink, Adobe, Intel, and Wikimedia, to name just a few.[2]



Naomi Eide/CIO Dive, Goldman Sachs

If you're a company with an application already on Azure, but you're not yet deployed on the marketplace, you're missing a serious opportunity. All of these companies and more are ready to spend on the right software solutions, and they use the Azure marketplace as the platform on which to browse.

Without utilizing the Azure Marketplace, you're cloaking the value that you could be providing, making it harder for the right buyers to see what you have to offer. **If you're not yet on Azure, and you're considering deploying your solution on Azure in the near future, what are you waiting for?** This is an audience you could leverage for your own business growth, as anything from a service or solutions provider, to a consulting partner. All you need is a solution that's built on, or for Azure, for IT professionals or developers to benefit from.

Becoming an Independent Software Vendor (ISV) with the Azure Marketplace has a number of huge benefits for your business:

Audience reach: Find new customers quickly and easily, from a pre-existing pool of **4 million monthly users**, many of whom are already perfect for your use case. Discover new leads and close sales quicker, with the Microsoft stamp of approval adding legitimacy from the start.

Microsoft support: Benefit from in-built Azure tools, such as analytics on how your listing is being received, and how your campaigns are doing, in real-time. You also get access to technical support, such as application and architecture design, and more than 3,500 global security experts.

Marketing shortcuts: Leverage the Azure name to get your solution in front of the right customers, packaging your solution for specific industry scenarios. You will also benefit from Go-to-Market Launch Fundamentals that help you promote your solution.

Taking this Further with Co-Sell Status

To get the best out of being on the Azure Marketplace, you want to reach what's known as co-sell status. On top of the benefits of the commercial marketplace, co-sell ready solutions will be **exposed to Microsoft field sellers**, so that **they can sell on your behalf**, in a similar way to channel partners. If you can reach the coveted Azure IP (Intellectual Property) co-sell incentivized status, (which has added requirements, see marketplace deployment, below) these field sellers will work in collaboration with Microsoft sales teams, and will be given incentives to sell your solution.

Additional Benefits of Co-Sell Include:

- A reduction of the marketplace service fee to Azure, down to 10% from an original 20%.
- CSPs will be given a 10% incentive to sell your SaaS or IaaS offering, helping them sell on your behalf.
- Enterprises will be able to buy 100% of your solution using their existing Azure consumption commitments.
- A 'preferred solutions' badge will appear on your offering on the storefront, providing that additional Azure seal of approval.

Deploying your solution on the Azure Marketplace is a no-brainer, as from day one, you'll be exposed to new customers and opportunities, and get a lot of help and support from Azure at the earliest stages of your growth as a business. On top of this, co-sell ready status should be something you're aiming for, too, and IP co-sell status, where applicable.

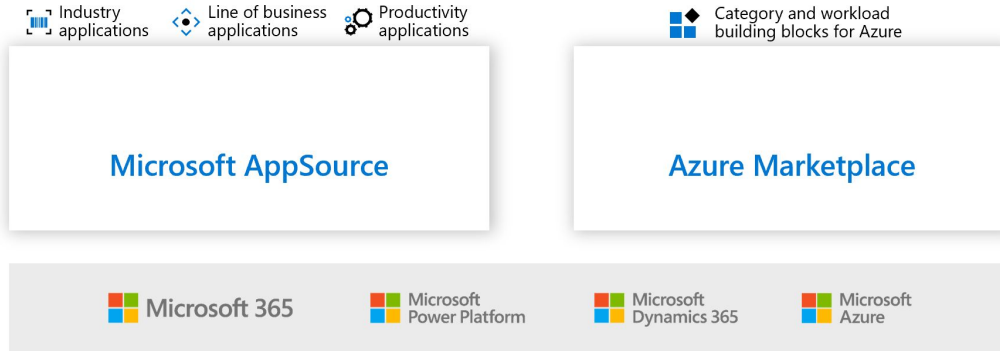
However, making this happen is about checking a whole lot of boxes, and meeting milestones in terms of architecture, transaction totals, documentation and more. First, let's understand the Azure Marketplace ecosystem.

Understanding the Marketplace Offerings from Microsoft Azure

First, think about the kind of solution that you are looking to deploy. There are a number of categories of solutions that Microsoft will accept. The most common is SaaS applications, but the options range from VMs and container image solutions, to Edge modules, managed and consulting services, and 365 apps and add-ins or PowerApps.

There are two marketplaces, the Azure Marketplace, and Microsoft AppSource. The former is built for industry and line of business or productivity applications, and the latter is categorized as holding workload and category building blocks for use on Azure. While some solutions will only fit to only one of these marketplaces, others can be deployed on either, or both. **For example**, Virtual Machines can only be deployed to the Azure Marketplace, while PowerApps will only be considered for Microsoft AppSource. In contrast, SaaS applications could go on either, or perhaps both.

The final decision as to which marketplace your solution is deployed on will be down to Microsoft, but the right partner can help you to target your solution the way you would ideally prefer.



(Picture Source: Microsoft)

The other consideration that you need to take under advisement is whether you would like to be a **Listed solution** on the marketplace, or a **Transactable** one. At the moment, only VMs, Azure Apps, SaaS Apps and M365 Apps can be Transactable, but we are personally working with a container client who would like to become Transactable, and Microsoft has suggested that all other marketplace options will see this change, coming soon.

A **Listed** solution is like being included in a phone book. Buyers will be able to see your solution as an option in the right category, and they can then visit your external website to interact with you or to purchase your offering. You can also offer a Trial solution, and a BYOL solution, both of which have no fee attached, and will require you to complete the financial transaction outside of Azure. In contrast, a **Transactable** solution means that users can buy your offering directly from the Azure Marketplace, with no need for legal or procurement process. Users pay directly to Microsoft, who they already have an agreement with, and Microsoft forward the payment to you (minus 10%- 20%).

While a Listed offering won't cost you a percentage of your earnings, you will also lose the option for co-sell or IP co-sell benefits, such as Microsoft pushing the solution on your behalf. You will be required to go through legal, and won't get the extra benefit of users with Azure credits from their subscriptions burning a hole in their pockets, eager to find Azure-ready co-sell marketplace solutions on which they can spend. This is as easy as downloading any other app, like downloading 365 or any certified Microsoft solution, and gives you a seriously competitive edge.

Remember, both of these options will require the same efforts, so the right partner will be able to help you to make a smart decision in line with your own unique business strategy.

What Will Microsoft Need From My Business?

The benefits of being on either of the Azure Marketplaces are huge, especially if you achieve co-sell status. One of the biggest benefits is the credibility that comes with the Microsoft Azure stamp of approval. As a result, Azure needs to be certain that your solution is suitable for placement. Let's break down the process of getting certified, step by step.

1 Step One: The Marketing Element

First off, you'll need to tell Azure all about you and your solution. There are specific marketing materials and documentation that Microsoft needs, for example a customer one-pager that is created in line with one of its own templates, and a customer presentation that explains your value proposition. While these two assets are required, there are other optional pieces of collateral that could be extremely helpful in getting you through this initial process.

We often work with customers on this essential stage of the process, including important steps such as working on their reference architecture diagrams to make sure that they are up to scratch. We become a trusted advisor, utilizing our own best-practices that have been tried and tested, proven to get results. As Azure managed partners, we can support our customers in going even deeper. While by default, customers will get an alert when a threshold is exceeded, this can be adapted intelligently by using action groups.

2 Step Two: The Verification Process

Some of this marketing material will also lay a foundation for the next stage of the process, Azure's verification process. Azure has high standards in terms of security, availability, latency, and redundancy, to name just a few. Your reference architecture diagram can show them immediately that you are taking their process seriously, and should include elements such as the cloud services that host and communicate with your solution, the data services and connections you consume, which services you use to control authentication and security for users and for data, and your integrations more widely, whether that's hybrid or on-premises.

An Azure Marketplace manager alongside Azure engineers will test your environment against security and latency requirements, to ensure that it's built to standards. Is it robust and resilient enough to earn a place on the marketplace? Will it give a fantastic user experience, and of course, not cause any problems?

Remember, the credibility of Microsoft is at stake, so certain choices that you make early on in your build and architecture stages could cause a stumbling block here. We've seen customers fail at the verification stage because of legacy infrastructure or application dependencies, and so we work as a partner to help customers to use cutting-edge solutions such as Kubernetes clusters and microservices.

3 Step Three: The Committee Sign-off

Part of the process of getting certified onto the Azure Marketplace is having an architect that can answer questions for the committee. Azure engineers or marketplace stakeholders may have queries, or need you to make changes or provide fixes to elements of your solution. As managed partners, you can pass this work over to 2bcloud, who can address any issues on your behalf. In some cases, the committee will speak to both the customer and the partner, asking questions about anything from the architecture, to the product requirements and features, and more.

As a Gold-certified Azure ISV specialist and a Gold-certified Microsoft partner in Azure advanced specialization and modernization of web applications, we are uniquely placed to create innovative and advanced Azure solutions. In fact, we have been known to build customer environments that solve new challenges for Azure, such as making a solution clickable, and augmenting what Microsoft could offer natively!

You will need to give time to the Committee stage of the process, as you don't want to end up failing at this critical juncture. A strong and experienced partner can help to accelerate this process, and give you valuable advice and consultation on how to approach it best.



4 Step Four: The Marketplace Deployment

Once your solution has been approved by the committee, you are ready to be listed on the Azure Marketplace or on Microsoft AppSource. In order to achieve co-sell status, there are a few more elements to consider.

To be co-sell ready, you will need to check a certain amount of boxes, including consuming \$8,000 a month on Azure, holding active Gold Cloud Competency in the Microsoft Partner Network, being listed in the OCP Catalog, (complete with all the relevant materials) and having at least 3 customer success stories that are verifiable in the relevant locations in which you would like to have the co-sell status.

You'll also need to make sure that you have a sales contact for the relevant geographies, and that you've activated the relevant lead sharing channels within Azure, such as Partner Sales Connect, and Refer and Track.

An IP co-sell ready solution offers more benefits, and therefore requires even more verification. Think of this like a more standard app that can be bought from a traditional app store. On top of the regular co-sell requirements above, IP co-sell solutions need to be already listed in AppSource or on the Azure marketplace, fully packaged as a third-party solution, and designed to be sold with an SKU or set of SKUs. Your solution will need to include more than 50% repeatable IP code running on either Microsoft Azure or Microsoft Dynamics on the ISV Cloud Embed program. The offering will go through a thorough technical validation approval process from a local partner's technical team, in order to get approval for the current fiscal year.

The 2bcloud Approach

At 2bcloud, we do more than just check the boxes when the need arises, we are a true partner in your marketplace deployment from day one. Some of our customers are moving their solution from a different cloud provider, or from their data center on-premises, and need to reinvent that environment on Azure. We work side by side with these ISVs, B2B SaaS startups of all sizes, to handle differences between vendor solutions, and to make the move cost-effective and smooth.

Other customers might want to build their environment from scratch on Azure, and this is our exact raison d'etre. We are Azure Expert MSPs, with more experience and expertise than you could hope to gain in-house. This means that we can guide you in thinking about all the necessary elements of deploying on the marketplace and achieving co-sell status ahead of time, building it the right way from the start, compatible with best-practices, so that you don't need to restructure in order to be eligible for the program. We can also introduce your business to the right people at Azure, connecting you to the ISP recruit, the vertical recruit, or the co-sell recruit, ahead of time, even before your company is spending the \$8,000 a month minimum eligibility consumption for co-sell status, for example.'

Rather than try to force your already-built solution into the right format for marketplace success and growth after the fact, once you already have customers and have invested resources, we get you on the right path from day one, accelerating the journey on your behalf.

Of course, this isn't a 'set it and forget it' kind of process. In fact, Azure closely manages any version changes and new releases, and so you will also need this kind of support moving forward, every time you want to release a new version of your offering onto the marketplace, and have it verified.

As managed partners, we work with our clients, taking them through the steps for each element of the journey, thinking together with them on exactly what they want, and how can we help them get there, giving them both advice, our connections, and the tools they need to get the best value out of the Azure cloud.

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[1]
<https://www.forbes.com/sites/sergeiklebnikov/2020/01/07/microsoft-is-winning-the-cloud-war-against-amazon-report/?sh=6c7397cd3bec>

[2]
<https://www.microsoft.com/en-us/Investor/earnings/FY-2020-Q2/press-release-webcast>