

# MICROSOFT COMMERCIALIZATION

## Strategic Improvements to Microsoft Azure Promotions

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**Microsoft's** cloud-first, mobile-first initiative has increased the productivity of people and organizations across the globe. Microsoft Azure, their expanding set of cloud services, enables organizations to build, manage, and deploy applications across a global network. With the increasing prevalence of cloud services in the Global IT market, Microsoft has had to modernize its commercial platform to simplify the commerce experience and better serve its customers.

As part of this modern commerce initiative, Microsoft must evolve its Azure promotions' strategy. The current Azure promotions strategy is limited by operational constraints that exist in Microsoft's legacy platforms. Due to these constraints and the lack of a cohesive strategy, Azure business planners have not been able to realize the full potential of promotions.

The Tauber team developed a strategy outlining how business planners should approach future Azure promotions. After first defining a promotion, a timebound price incentive on a service or set of services that seeks to drive certain customer behaviors, the team researched and analyzed the potential costs and benefits of launching promotions. The team then interviewed several business planners to map out the current state of Azure promotions and identify the main intentions and pain points of past promotions. Through these conversations, the team developed a set of strategic scenarios in which promotions could benefit Azure's long-term growth. Lastly, the team collaborated with business planners to develop a framework with the key steps and decisions that business planners need to consider when planning future promotions. The foundation of the framework came from a set of testable hypotheses the team developed using marketing literature on the outcomes of different promotions' strategies. The framework describes in detail the ways that business planners can select the promotion's type, price and terms, and duration. It also provides insights on how business planners can measure the effectiveness of promotions to learn and improve future promotions.

The promotions framework the team developed provides structure around a previously ad hoc process. Business planners can now analyze tradeoffs during the promotional planning stage and make more informed decisions. The framework, paired with the teams' recommendations, enables Microsoft to build the necessary tools to strategically plan and launch wide-scale promotions that can drive Azure usage.