NEGOTIATION PREP BRIEFING | MICROSOFT AZURE MACC AND ACD

Azure MACC Negotiation: Talking Points, Call Scripts, and Negotiation Prep

A three call playbook for sourcing teams: word for word scripts for the first, second, and third call, the mechanics behind Microsoft's side of the table, and prompts to customize every line | 27 August 2026

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READ THIS BEFORE YOU DIAL

An Azure commitment is not one negotiation. It is a chip inside the whole Microsoft relationship, and it is the chip Microsoft wants most. The account team's largest number is Azure consumed revenue, which changes the physics in two ways. First, a commitment you do not burn helps nobody, so funding, credits, capacity, and deployment help flow all term to accelerate consumption; extract all of it. Second, the MACC signature buys flexibility across the Microsoft estate, so Azure is never negotiated in isolation and never given away before the rest of the deal lands.

The mechanics reward the prepared: shortfall is payable, so the commit sizes below your forecast; named service rates and hybrid benefit engineering matter more than the headline discount; and Marketplace purchases burn the commitment at full value, which changes what commit you can safely sign. Three structured calls, timed to Microsoft's June year end, are how all of it gets extracted.

1. THE 2026 REALITY: FOUR SHIFTS THAT CHANGE YOUR SCRIPT

- **Consumption is their quota; the commitment is just the wrapper.** Unlike a bookings driven vendor, Microsoft needs you to actually consume, all term long. That makes underconsumption a standing mid term lever: every review where the burn lags is a moment where funding, credits, and engineering help get topped up to close the gap.
- **The MACC is a chip in the bigger deal.** Azure growth is what unlocks the desk on Microsoft 365 economics, support caps, and everything else in the enterprise agreement. Sequence accordingly: the commitment signature lands in the same motion as the rest, never before it.
- **Licensing is half the price.** Hybrid benefit on Windows Server and SQL routinely saves more on those workloads than any negotiated discount, and it is engineering, not negotiation. Model it before sizing anything, and know the same licensing rules that make Azure cheap for Microsoft workloads also make leaving expensive; that fact belongs in your file, not their pitch.
- **Marketplace burns commit at full value.** Eligible ISV purchases routed through the Azure Marketplace decrement the commitment fully, and private offers bring your negotiated ISV pricing with them. A mapped ISV spend changes the safe commit size before the first call.

2. BEFORE CALL 1: WHAT YOU ASSEMBLE

- **Their calendar, not yours.** Microsoft's fiscal year ends 30 June; quarters end 30 September, 31 December, 31 March, 30 June. June is the deepest close in enterprise software, December second. Your fallback of consuming without a commitment means every date in this deal is theirs.
- **The optimized baseline with hybrid benefit modeled.** Twelve months of spend after rightsizing, reservations, and hybrid benefit applied to every eligible Windows and SQL workload. The commit is sized from this number, and it is built by you.
- **The service mix map.** Your top spend lines by service, because named ACD rates get requested against them, not against the catalog.
- **The Marketplace map.** Every ISV subscription that could route through Marketplace, priced, with the full value decrement counted into your commit math.
- **The cross trade list.** What you want on the rest of the Microsoft estate: renewal economics, caps, support. The Azure signature pays for items on this list, so the list exists before the signature is ever discussed.
- **One voice.** Route everything commercial through sourcing. Cloud solution architects cultivate engineering directly, and architecture decisions become commercial facts; every side conversation reprices your deal.

CALL 1: THE FRAMING CALL

T MINUS 6 TO 9 MONTHS

Goal: control the process, extract the structure in writing, and establish two frames early: the commit is sized from your baseline, and the Azure signature closes with the wider Microsoft deal, not before it. You are not negotiating on this call.

OPEN WITH THIS

"Thanks for making time. We are running this as a formal sourcing event, alongside a cost optimization and hybrid benefit program, and the Azure commitment will be decided together with the rest of our Microsoft relationship, not separately. All commercial communication routes through me. **[engineering owner]** *owns the architecture, not commercials. Today I need three things: the discount structure by commit level in writing, exactly what decrements the commitment, and how shortfall is handled."*

Ask these five questions, in this order

1. "Send me the commitment and discount structure in writing: ACD by service and by commit level, term options, and eligible services."
2. "What decrements the MACC: Marketplace purchases at what value, which offer types, and what does not count?"
3. "What shortfall flexibility is available: carry forward, term extension, commitment rollover into renewal?"
4. "Which funding programs apply to us this cycle: migration funding, skilling funds, credits, AI capacity programs?"
5. "When does your fiscal quarter close relative to our decision window?"

INSIDER NOTE

Saying "the Azure commitment will be decided together with the rest of our Microsoft relationship" in the first minute is the highest value sentence in this playbook. Azure consumed revenue is the account team's defining number, and a MACC that might not sign until the whole deal works gives you the one thing Microsoft negotiations rarely offer: something they need more than you do. Never let the chip leave your hand early, and never let Azure be carved into a separate, earlier close.

Deflect these, word for word

- They present a consumption growth model for your account: "Your model is noted. The commit is sized from our optimized baseline, which we will provide when it is ready."
- They propose closing Azure ahead of the EA: "One motion, one close. The commitment signs when the whole relationship works."
- They ask about AI or workload roadmaps: "Our road map is part of any negotiation, not context for it."
- They propose an architecture session with your engineers: "After commercials are framed. Design conversations are not pricing conversations."

CLOSE WITH THIS

"Action items: the structure, the decrement rules, and the shortfall options, in writing, within three weeks. Our next commercial call is **[date]***. Anything sent to anyone else in this company comes back to me unanswered."*

CALL 2: THE DECONSTRUCTION CALL

AFTER THE FIRST PROPOSAL, T MINUS 3 TO 4 MONTHS

Goal: resize the commit to your baseline, convert the headline discount into named rates and stacked funding, and put the cross trade explicitly on the table. Never react to numbers in the meeting where you receive them: acknowledge, schedule this call, respond on your clock.

OPEN WITH THIS

"We have reviewed the proposal. Before we discuss the percentage, we align on the commit. Your model assumes **[X]** *per year. Our optimized baseline, with hybrid benefit applied, is* **[Y]***, and the commit will be ramped from* **[Z]***. Now walk me through the structure at that number, one line at a time."*

The six moves of Call 2

- **Size from your baseline.** "The commit reflects spend we are certain of, ramped by tranche. Growth beyond it still lands in your consumed revenue; it does not need to sit in our contract."

- **Name the rates.** "On top of the headline discount, we need ACD on **[top services]** specifically. That is where our spend sits, and where this deal is decided."
- **Turn the cliff into a corridor.** "Shortfall converts to carry forward or a term extension, in the agreement. A commitment with no flexibility is priced as risk, and we price risk against the percentage."
- **Make the burn work for you.** "Our ISV spend of **[amount]** routes through Marketplace as private offers, decrementing at full value, and the funding programs are itemized in writing alongside the discount, not instead of it. Different budgets; we will take both."
- **Put the cross trade on the table.** "The commitment signature is available in the same motion as **[EA renewal economics, support cap, named asks]**. One deal, one close, one scoreboard."
- **Summon the desk.** "For the next call, bring whoever owns pricing across the relationship. I do not run final rounds with people who cannot approve both sides."

> **CLOSE WITH THIS, AND ONLY THIS**
>
> *"No counteroffer today. If the commit lands at our number with the named rates attached, and the relationship items land beside it, this signs in your quarter. You now know the order of operations."*

HOW THE OTHER SIDE OF THE CALL IS PAID, AND WHY IT IS YOUR LEVERAGE

Azure consumed revenue is the number that defines the account team's year, and it is a consumption metric, not a bookings metric. A commitment alone does not pay them, your burn does, which is why funding, credits, and engineering help flow before signature to win the workload and after it to accelerate it. Underconsumption mid term is not embarrassment; it is a standing invitation to have the funding topped up.

It also explains the cross subsidy. Because Azure is the strategic number, an Azure signature purchases flexibility on renewals, caps, and support that no argument on those items alone would reach. Hold the chip until the board is set, land the complete final ask six weeks before the close, and let June do the compressing. They see your consumption service by service; never bluff usage, and bring a priced portable tier with a real rival quote instead, because logged competitive risk is what their escalation responds to.

Know what is cheap for Microsoft to give: credits and migration funding, skilling funds, capacity access, Marketplace terms, carry forward rights. Know what is expensive: ACD points. Trade cheap things you want for expensive things you need, never the reverse.

CALL 3: THE CLOSE CALL

TIMED TO MICROSOFT'S JUNE OR DECEMBER

Goal: convert leverage into signed paper across the whole relationship at once; the desk honors paper only.

> **OPEN WITH THIS**
>
> *"We are prepared to sign inside your quarter if the remaining items land, on both sides of the relationship. Here is the complete list. Nothing gets added by either side after today, including by us."*

The final asks checklist, read it out loud

1. Commit at **[our number]**, ramped by annual tranche, sized from our baseline and stated in the agreement.
2. ACD schedule with named rates on **[top services]**, alongside the headline discount, in the schedules.
3. Shortfall flexibility in writing: carry forward or term extension, exercisable without renegotiation.
4. Marketplace decrement at full value confirmed, with private offer treatment for our named ISV spend.
5. All funding itemized as signed letters: migration funds, credits, skilling, AI capacity access. Verbal funding does not exist.
6. Support fees capped for the term regardless of Azure growth, in the same close.
7. Renewal protection: the discount holds at renewal on a flat commit, so growth is a choice and not a hostage.
8. The cross trade items, **[EA economics, caps, named asks]**, signed in the same motion. No Azure signature travels alone.

> **TWO TRADING LINES THAT WORK**
>
> *"A migration story on your strategic workloads is worth real money in your account plan. What is that worth across the relationship?"* And when it stalls: *"Consumption continues without a signature. The question is whether the commitment exists in your fiscal year."*

3. THE TIMELINE, END TO END

WHEN	WHO	WHAT HAPPENS
T minus 12 to 9 months	**You**	Optimization and hybrid benefit program run, baseline rebuilt, service mix mapped, Marketplace ISV spend priced, portable tier quoted elsewhere, cross trade list drafted, single voice announced.
T minus 9 to 6	**Call 1**	Framing call. Structure, decrement rules, and shortfall options demanded in writing; one motion one close declared; optimization program announced and logged.
T minus 6 to 4	**Microsoft**	Proposal arrives built on their consumption model, anchored on the headline discount, with an early Azure close suggested. Acknowledge, do not react, decline the early carve out.
T minus 4 to 3	**Call 2**	Deconstruction. Commit resized and ramped, rates named, corridor secured, funding itemized, Marketplace routing agreed, cross trade tabled, desk summoned.
T minus 3 to 2	**You**	Conditional counter in writing at your commit number, both sides of the relationship listed. Optimization results visibly land in the bill; the baseline argues for itself.
Final 6 weeks	**Call 3**	Close aligned to June or December. Complete final list on the table for the whole relationship, nothing new accepted from either side, and no Azure signature ahead of the rest.
Signature	**Both**	Every term in the agreement and schedules. Commit, ramp, rates, decrement rules, funding letters, caps, and cross trade items verified line by line before anyone signs.

4. CUSTOMIZE THE SCRIPT TO YOUR SITUATION

The scripts above are deliberately generic. Adjust them with the rows below, and replace every **[bracketed item]** with your numbers before the call, never during it.

IF THIS IS YOU	CHANGE THIS IN THE SCRIPT
Heavy Windows Server and SQL estate	Hybrid benefit engineering comes before any negotiation; it routinely outsaves the discount and shrinks the honest baseline. Then use the estate itself as the argument for named rates on those workloads, because Microsoft wants them anchored more than it wants another point of ACD.
First commitment, spend still modest	Do not sign early. Reservations and savings plans capture most of the value without the lock, and consumption without a MACC still pays their quota. Let the account team court you into the bands where the commitment earns its ink.
Renewal with flattening usage	The renewal wants growth; hold the discount on a flat commit, take the carry forward, and let the growth story live in their forecast. Underconsumption during the term was leverage; use its history now.
Heavy AI plans on Azure OpenAI	Capacity access and provisioned throughput are concessions to extract now, in writing; consumption commitments on AI are purchases to make later, after usage baselines exist. Never fold speculative AI growth into the MACC size.
Large ISV software spend	Route it through Marketplace deliberately, as private offers, decrementing at full value. It changes the safe commit size and brings your negotiated ISV pricing inside the burn.
Genuine multi cloud posture	Price the portable tier with rivals and let it be logged, but keep the split honest: commit only the anchored spend. The portable slice is worth most while it stays unsigned, and Microsoft prices logged risk quickly.

5. QUICK REFERENCE: THE ONE PAGE YOU BRING TO EVERY CALL

PRINCIPLE	THE LINE OR THE RULE
One motion, one close	"The commitment signs when the whole relationship works." The MACC is the chip; it never leaves your hand early.
Never react live	Numbers received in a meeting get acknowledged, never answered. Respond on your clock, in writing, days later.
Optimize and license first	Rightsizing plus hybrid benefit builds the baseline. The discount on unoptimized, unlicensed spend is camouflage.
Commit below forecast	Ramped tranches at your conservative number. Growth beyond it still lands in their consumed revenue.
Name the rates	ACD on your top services beats another headline point, and it travels a different approval path.
Burn on your terms	Marketplace private offers decrement at full value; funding and credits stack beside the discount, never against it.
Their calendar	The fiscal year ends 30 June, and June is the deepest close in software. Consumption without a signature runs forever; every date is theirs.
Paper only	The agreement and schedules, funding as signed letters. Account team emails are conversation, not contract.

FIVE SENTENCES THAT REPRICE THE DEAL AGAINST YOU

- "We can sign the Azure piece now and sort the EA later." You just spent your best chip on nothing. One motion, one close.
- "We are all in on Azure." You just deleted the portable tier and every rival quote from their escalation process.
- "Our own forecast says we will double." You just signed their consumption model for them; growth is traded, never disclosed.
- "We will find workloads to burn the commit if we fall behind." Spend acceleration to avoid shortfall is the failure mode of every oversized MACC; say it and you have pre approved it.
- "Engineering already settled the architecture with your cloud architects." You just confirmed the side channel works, and architecture is pricing. Pull it back to one voice immediately.

6. WHAT GOOD LOOKS LIKE AT SIGNATURE

Judge the outcome against these markers, not against the headline percentage. A well run Azure deal commits your conservative baseline, ramped, with shortfall flexibility written in and hybrid benefit already doing the quiet half of the saving. It carries named ACD rates on your heaviest services, funding itemized in signed letters beside the discount, Marketplace decrementing your ISV spend at full value, support capped in the same close, the renewal protected on a flat commit, and every cross trade item from the wider relationship signed in the same motion.

And it delivers the position that compounds: a burn rate that pays their quota on your schedule, a portable tier that stayed portable, and an account team that learned the Azure signature is earned by the whole relationship working. Against the vendor whose biggest number is your consumption, the buyer who controls the pace and holds the chip is the buyer who sets the terms.

USING THIS DOCUMENT

Fill every **[bracketed item]** before the call. Rehearse the openers out loud once; scripted lines only work when they sound like yours. Keep the quick reference table in front of you on every call, and keep this briefing off any screen you share. If the conversation leaves the script, return to the frame: "One motion, one close; let us come back to the commit size first." Nothing in an Azure negotiation is ever lost by slowing it down, and almost everything is lost by speeding it up.

100 percent buyer side. Zero vendor affiliations. No reseller agreements. No referral fees.