

COMPANY PROFILE TEMPLATE:

MBA NAME: Lorenzo Montanari **Date:** 19-12-2024

COMPANY: Microsoft

CEO Name: Satya Nadella **CXO Name:** Amy Hood (per MBA Track)

Stock Price: 437

Market Cap: 3.2 T

P&L – YoY:

Revenue (\$): \$245B Net Income (\$): \$88B

Business Model (Main Product(s):

- 1) **Value Proposition:** Microsoft offers a comprehensive suite of software, hardware, and cloud services designed to enhance productivity, collaboration, and digital transformation for individuals and organizations worldwide.
- 2) **Customers Segments:** Microsoft serves a diverse customer base, including individual consumers, small and medium-sized businesses, large enterprises, educational institutions, and government agencies.
- 3) **Competitive Advantage(s):** Microsoft's competitive advantages include a robust ecosystem of integrated products and services, a strong presence in cloud computing with Azure, a vast global customer base, and continuous innovation in AI and other emerging technologies.
- 4) **Revenue Streams:** Microsoft generates revenue through the sale of software licenses (e.g., Windows, Office), cloud services (Azure), hardware products (Surface devices, Xbox), enterprise services, and advertising.

Strategy:

- 1) **Markets – Where are they active?** Microsoft operates globally, with significant markets in the Americas, Europe, Asia-Pacific, and other regions.
- 2) **Growth – Where/How are they driving it?** Microsoft drives growth through strategic investments in AI and cloud infrastructure, expanding its product and service offerings, and pursuing acquisitions to enhance its technological capabilities and market reach.
- 3) **Differentiators – How do they win?** Microsoft differentiates itself through a comprehensive and integrated product ecosystem, strong brand reputation, continuous innovation, and strategic partnerships.
- 4) **Economic Logic – How do they make money?** Microsoft's revenue model is diversified across software licensing, cloud services, hardware sales, enterprise solutions, and advertising, enabling multiple income streams and financial stability.

Key Competitors (if any):

- 1) Apple Inc. 2) Alphabet Inc. (Google) 3) Amazon.com Inc.

Key Risks to Business:

Intense competition in the technology sector.

Rapid technological changes requiring continuous innovation.

Regulatory challenges and compliance requirements across different regions.

Cybersecurity threats and data privacy concerns.

News:

- 1) **Trends:** Microsoft's significant investments in AI are yielding substantial returns, with quarterly sales surpassing Wall Street predictions by growing 16% to \$65.6 billion.
- 2) **Other:** Microsoft announced a 10% increase in its dividend and approved a \$60 billion share repurchase program, reflecting strong financial performance and confidence in future growth.

Culture/ Values:

- 1) Published Values ("The Talk") Microsoft emphasizes innovation, integrity, accountability, and a growth mindset, aiming to empower every person and organization on the planet to achieve more.
- 2) Real Values ("The Walk") Under Satya Nadella's leadership, Microsoft has fostered a culture of collaboration, inclusivity, and continuous learning, driving the company's transformation and growth.

Alum at the Firm (Name, Email, and Role):

- 1) Glenn Davalos 2) N/A 3) PMM