

# VMware Customer Purchasing Program

## Program overview

The VMware Customer Purchasing Program™ provides incremental, tier-based discounts<sup>1</sup> for VMware customers. The Customer Purchasing Program also offers an online tool that customers and partners can use to calculate discount eligibility.

### Key features

- No need to enroll in a program, remember a membership number or track prior purchases.
- Qualifying purchases are calculated in the form of points for each transaction.
- Discount tiers are earned automatically based on purchase volumes.

### Key benefits

- Get higher discounts when you purchase eligible VMware license products in volume.
- Simplify the acquisition of VMware software through a standardized purchasing program.
- Easily understand discount calculations based on each purchase volume.

Table 1. Discount tiers<sup>2</sup>

TIER	POINT RANGE	DISCOUNT <sup>3</sup>
T1	250–599	5%
T2	600–999	7%
T3	1,000+	10%

1. U.S. federal customers are eligible to receive volume discounts using their current program.

2. Customer Purchasing Program points are assigned as a calculated value and vary by product. The point value of a given product is the same across all geographies.

3. Discounts are calculated off VMware published, then-current, local MSRP prices.

Table 2. Summary of features

TRANSACTION AMOUNT	
Entry Threshold	250 points minimum (equivalent of USD \$25,000)
DISCOUNTS	
Discount Tiers	Three discount tiers ranging from 5–10% for point values ranging from 250–1,000+
Discounts Available On	License only
ELIGIBILITY	
Customers Who Can Participate	All customers <sup>4</sup>
Partners Who Can Participate	Advanced and Principal partners
Products That Contribute to Point Totals	Most VMware products and services, except renewals
MEMBERSHIP INFO	
Membership	No membership is required to receive the benefits
Affiliate Benefits	Affiliates are treated as standalone customers to earn discounts individually
ONLINE TOOLS	
Configurator	This online tool helps a customer or partner determine eligible discounts and the appropriate Customer Purchasing Program–eligible products to use on a PO

4. U.S. federal customers are eligible to receive volume discounts using their current program. Academic SKUs are not eligible for the Customer Purchasing Program.

## Program definitions

### Customer eligibility

All VMware customers are eligible to participate in the Customer Purchasing Program as long as they place eligible orders.

### Partner eligibility

Provided they are in good standing and purchasing VMware-branded products through a VMware Authorized Distributor, the following partner types may offer their eligible customers the benefits of the Customer Purchasing Program: Advanced and Principal.

The Customer Purchasing Program is for end customers only. Distributors and resellers are restricted from using the Customer Purchasing Program to order products for internal consumption.

### Product eligibility

Most VMware license and support and subscription (SnS) products, except renewals, contribute toward customer qualification in the Customer Purchasing Program. However, Customer Purchasing Program discounts are only applied to the license portion of a customer's purchase. Services and SnS renewals are excluded from discounting under the program.

### Points

VMware has established and maintains a Customer Purchasing Program point value for each available and eligible VMware product. For most products, one Customer Purchasing Program point is roughly worth USD \$100 or a similar amount in local currency. Point values may vary. The list of products and points can be found using the Customer Purchasing Program configurator. Points cannot be redeemed for VMware products or services.

The point value of a given product is the same across all geographies. Points are rounded up to the nearest whole point. Points may deviate from our guideline for promotions.

For example, VMware vRealize® Suite 2018 Standard is worth 39 Customer Purchasing Program points no matter where, or in what currency, the product was purchased.

### Minimum purchase requirements

To qualify for a Customer Purchasing Program discount, a minimum purchase of 250 points or greater is required for each purchase.

### Discounts

Discounts are only offered for the license portion of the purchase. There are three discount tiers for which Customer Purchasing Program customers may qualify. As illustrated in Table 1, tier 1 (T1) represents the entry-tier discount, with tier 3 (T3) representing the highest tier of discount offered in the Customer Purchasing Program.

### How points translate to discounts

To qualify for discounts, a Customer Purchasing Program customer must submit a PO worth 250 points or more. The points earned on this order will determine the Customer Purchasing Program discount tier for which the customer is eligible, as shown in Table 3.

There are no accumulations of past purchases in the Customer Purchasing Program. All discounts are determined by the current purchase volume.

**Table 3. Example of discount tier eligibility**

PURCHASE DATE	POINTS	DISCOUNT TIER
Feb. 5, 2020	500	T1
Aug. 4, 2020	600	T2

### Affiliates

Customer Purchasing Program customers may not add their affiliates to their purchase to earn a discount tier. Each customer and their affiliate are treated as standalone customers and receive their Customer Purchasing Program benefits individually.

### Migration from the old VPP to the new Customer Purchasing Program

All former Volume Purchasing Program (VPP) customers have the option to continue to use the VPP and accumulate points until May 5, 2019. Starting May 6, 2019, all former VPP customers' current point accumulation will be frozen, and the points roll-off will continue while they still have the option to use the VPP. The new Customer Purchasing Program will be the only option for all VPP L1 to L3 customers starting on February 1, 2020 and for all VPP L4 customers starting on February 1, 2021.

### Customer Purchasing Program SKUs

A SKU is a number or string of alpha and numeric characters that uniquely identifies a product. VMware provides Customer Purchasing Program SKUs to our channel partners that will facilitate the PO process when using the Customer Purchasing Program. Customer Purchasing Program SKUs are available for most VMware license products and must be used on a PO to qualify for Customer Purchasing Program discounts when ordering VMware license products. Partners and customers can use the Customer Purchasing Program configurator tool to determine the appropriate SKUs for a given customer's order.

## Discount flow

VMware does not set final prices or payment terms for licenses acquired through its resellers. Final prices and payment terms are determined by an agreement between the customer and its reseller. VMware is not accountable if a reseller chooses not to pass on the Customer Purchasing Program discount. VMware is not accountable if an order is submitted incorrectly and a customer does not receive the appropriate points. VMware reserves the rights to change the terms and benefits of the Customer Purchasing Program at any time, for any reason.

## Tools

**Configurator** – This online tool calculates points from a new purchase (as submitted by the user) to determine eligible discounts and the appropriate Customer Purchasing Program SKUs to use on a PO. The configurator is accessible via VMware Partner Connect as well as at [vmware.com/go/configurator](https://vmware.com/go/configurator).

## Policies

### Purchase order requirements

To expedite Customer Purchasing Program orders, Customer Purchasing Program license SKUs (if applicable) at the correct discount tier are required to be present on the PO.

### Minimum purchase requirements

To qualify for a Customer Purchasing Program discount, a minimum purchase of 250 points or greater is required for each purchase.

## For more information

To find out more about the Customer Purchasing Program, please visit [vmware.com/go/cpp](https://vmware.com/go/cpp) or locate an authorized VMware partner near you at [partnerlocator.vmware.com](https://partnerlocator.vmware.com).

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