



THE WAR FOR THE ENTERPRISE AGENT OS

Navigating the \$200B **divergence** between
OpenAI Frontier and Microsoft Agent 365



perspectives.plus

Executive Summary

The era of the exclusive partnership is over; the era of “competitive collaboration” has begun.

01

The Divorce

The exclusive partnership is dead. OpenAI and Microsoft are now direct competitors.

OpenAI's “Frontier” (launched Feb 5, 2026) positions itself as a neutral neutral semantic layer, challenging Microsoft's “Agent 365” (announced Nov 2025), which aims to be the ecosystem control plane.

02

The Ambition

This is a battle for the “operating system” of the enterprise, a market estimated at \$180–200 billion by 2033.

The objective has shifted from “copilots” (human assistance) to “agents” (autonomous action).

03

The Reality Gap

Despite the hype, buyer confidence in autonomous agents has dropped from 43% (2024) to 22% (2025).

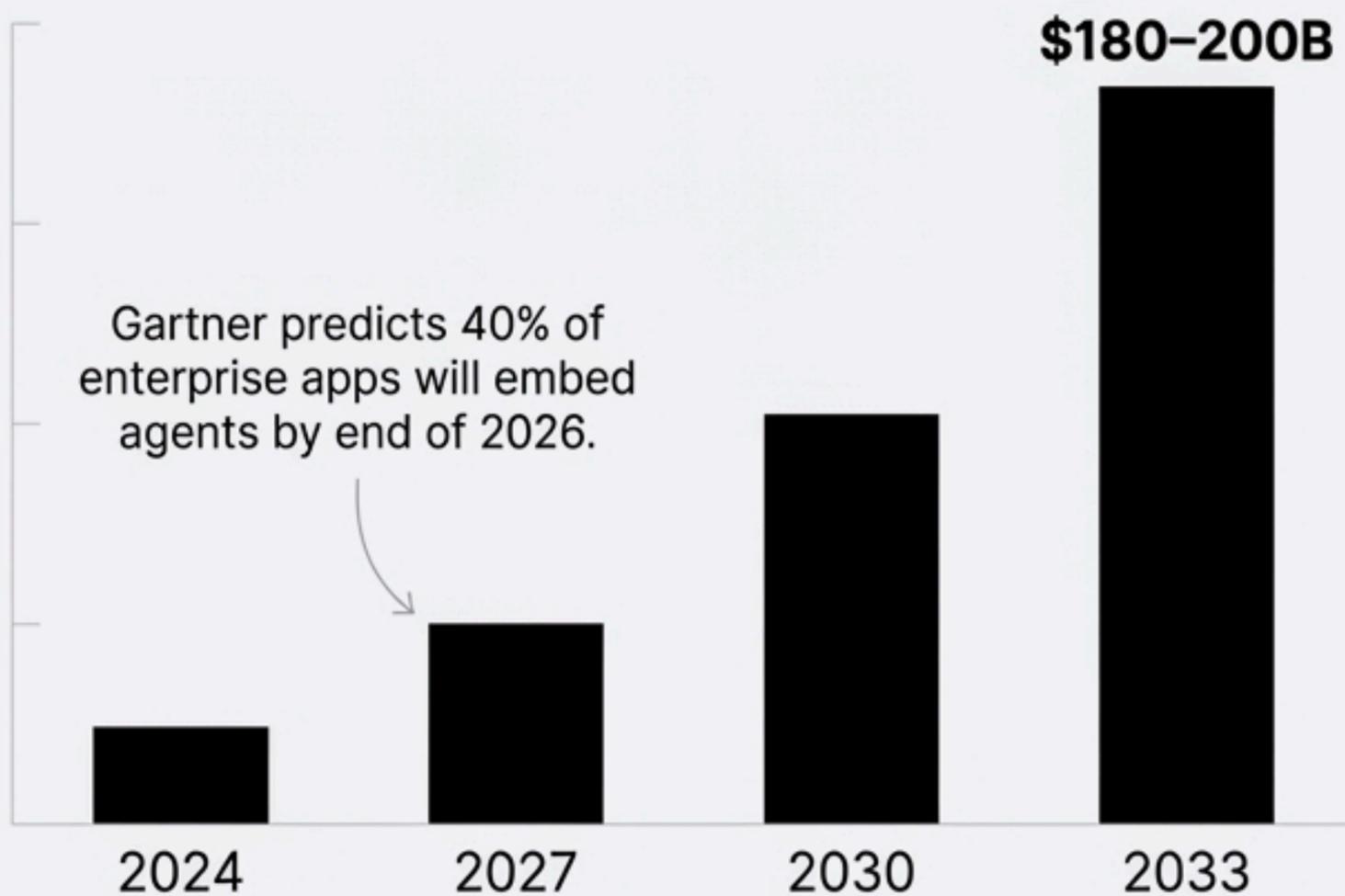
Neither platform has public pricing or general availability.

The market is currently in a “vision selling” phase characterized by opacity.

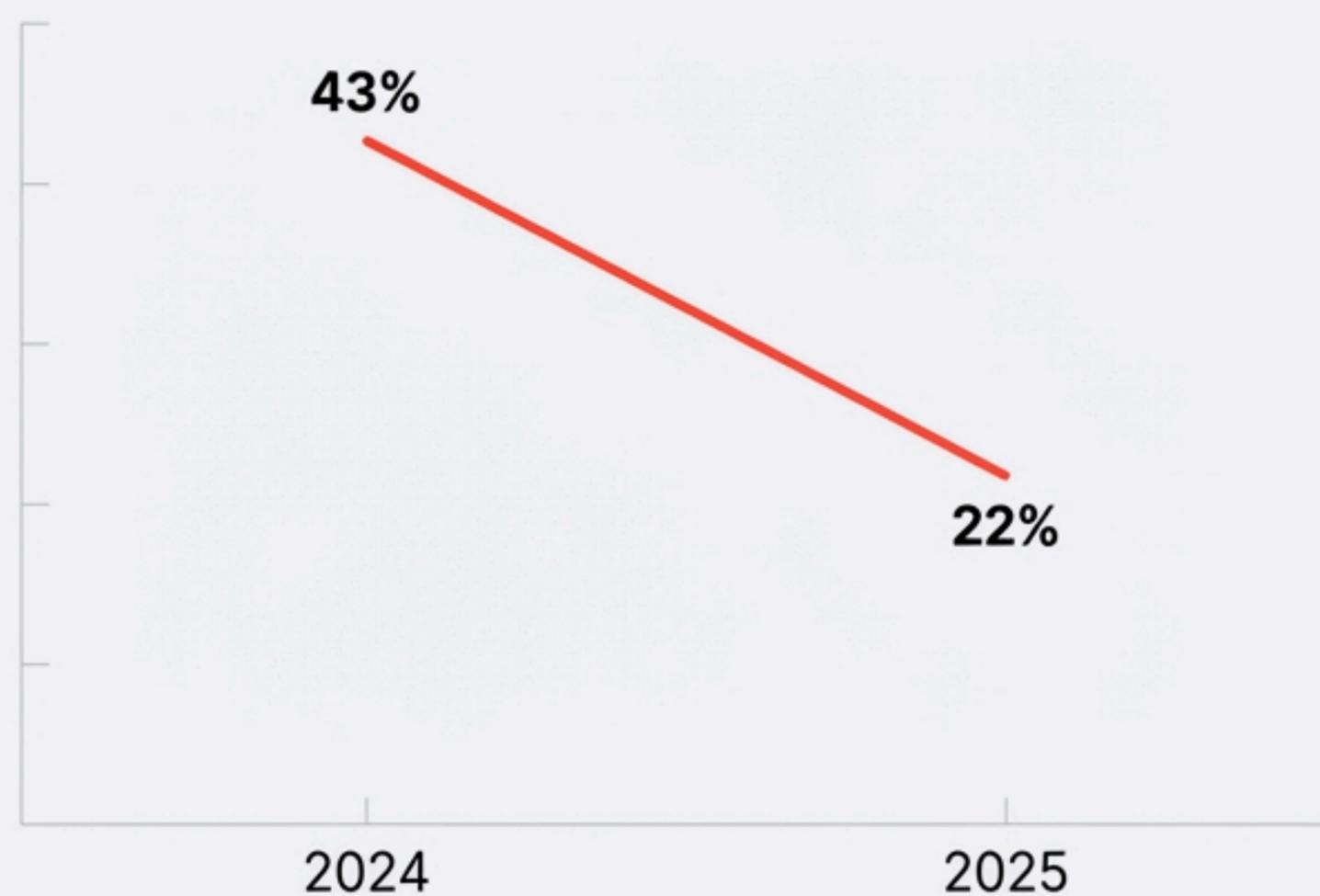
The Paradox: Market Potential vs. Buyer Trust

Everyone wants the promise of agents, but few trust the product.

Projected Market Size (Billions USD)



Confidence in Fully Autonomous Agents



Insight: Enterprises want the promise but don't yet trust the product. This gap defines the competitive landscape.

Two Opposing Architectures for the Agentic Control Plane

OPENAI FRONTIER

The 'Android' Model



Philosophy: Vendor Neutrality



Promise: A 'Semantic Layer' above the cloud



Integration: Connects heterogeneous systems (Salesforce, Zendesk, Snowflake, Workday)



Goal: Own the orchestration, not the application

MICROSOFT AGENT 365

The 'iOS' Model



Philosophy: Ecosystem Depth



Promise: A 'Control Plane' embedded in the suite



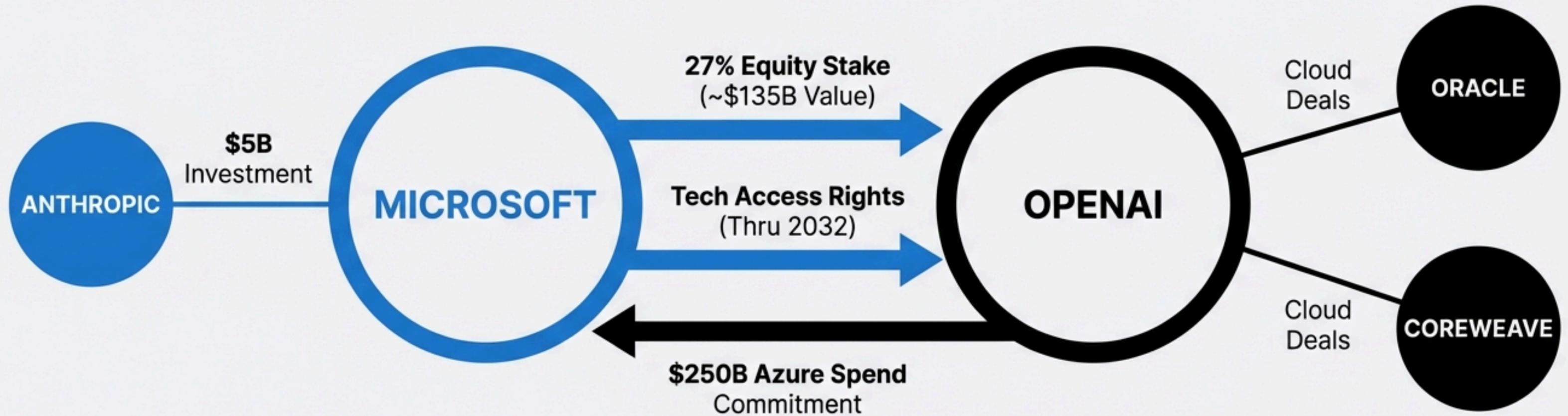
Integration: Unrivaled access to M365, Teams, Entra ID, and Defender



Goal: Make the agent an extension of the corporate OS

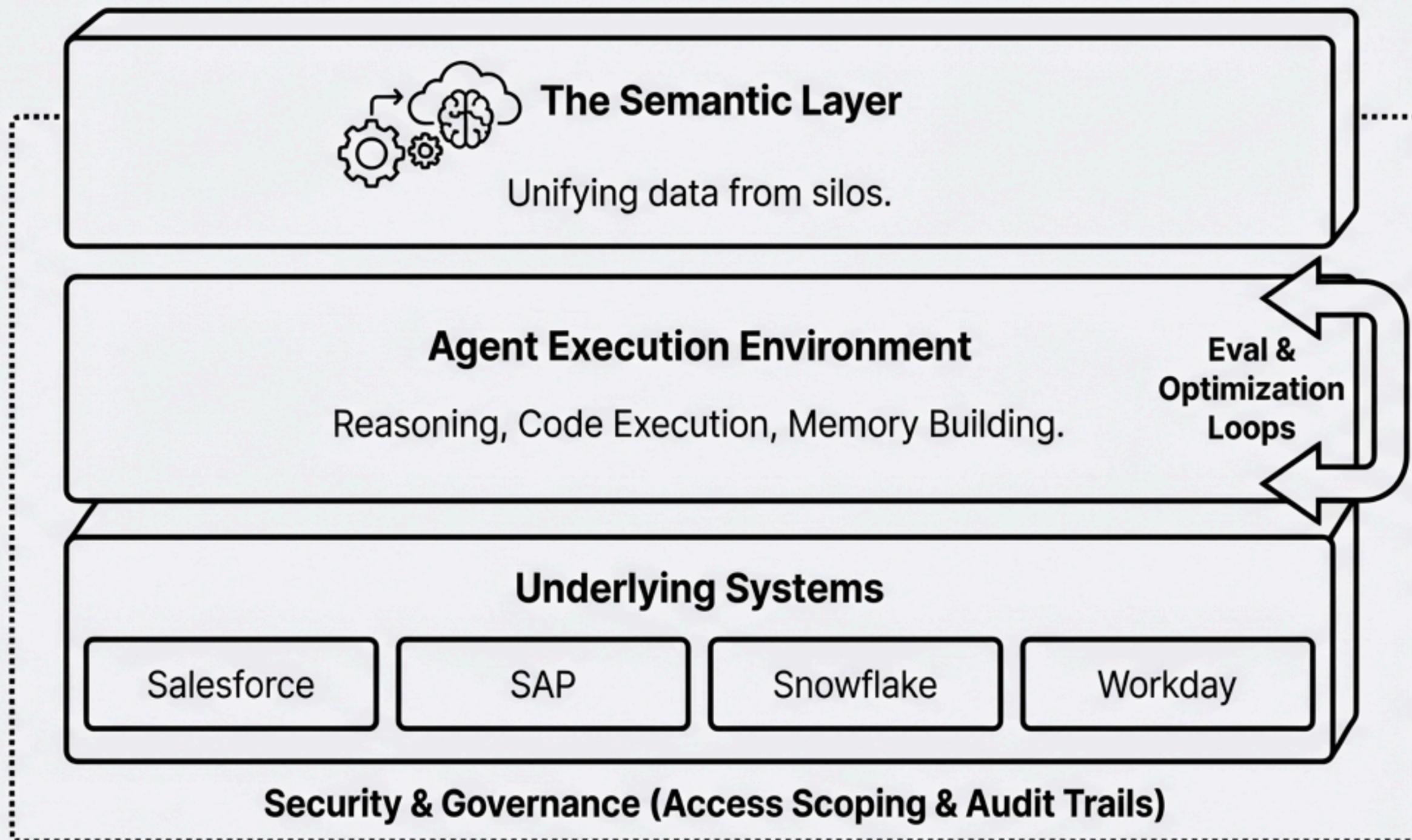
The Financial Reality of “Competitive Collaboration”

Rivals remain entangled through 2032.



Analyst Note:
DA Davidson estimates only 6% of Azure revenue is directly tied to reselling OpenAI models. The financial dependency is real, but not existential for Microsoft.

OpenAI Frontier: The Institutional Memory of the Enterprise



Strategic Shift:
Moving from API provider to Platform Company.

Differentiation:
Vendor Neutrality
(Manages Google/Anthropic agents)

Frontier Traction: Strategic Beachheads

Launch Customers



intuit.

ORACLE



ThermoFisher
SCIENTIFIC

Uber

Pilots: BBVA, Cisco, T-Mobile

Key Partnerships

- **Snowflake:** \$200M multi-year deal
- **ServiceNow:** 3-year agreement integrating GPT-5.2

Implementation Model

The 'Palantir' Playbook

Forward Deployed
Engineers sent to work side-by-side with customers.

THE MISSING PIECES: No Public Pricing | No BAA/FedRAMP Confirmed | Limited Availability

Microsoft Agent 365: Governance as the Moat



Core Functions

- 1. Registry
- 2. Access Control
- 3. Visualization
- 4. Interoperability
- 5. Security

Status Check

Announced: Nov 2025

Sales Dev Agent: Arrived 1 month late (Jan 2026)

CLI Status: --prerelease

Shadow Agent Defense: Included in runtime

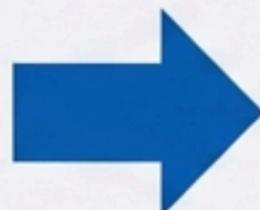
The Pivot: From 'Per Seat' to 'Per Agent' Monetization

Past Model: M365 Copilot

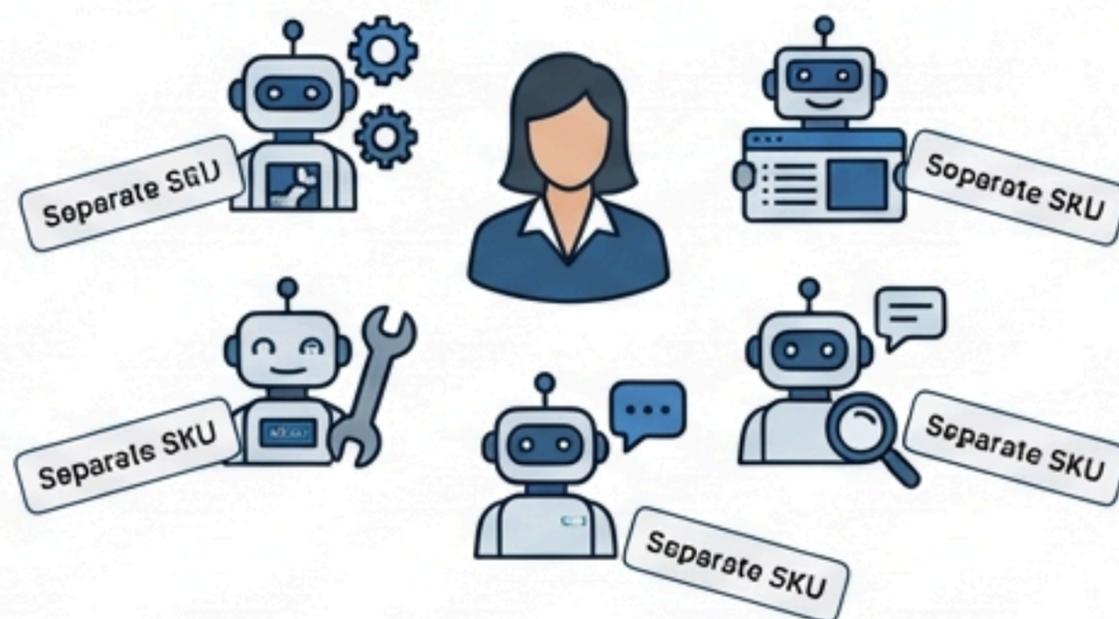


\$30/user/month

~1.8% Conversion Rate



New Model: Agent 365



"Satya Nadella: 'Per user AND per agent' licensing."

Implication: Creates a potentially unlimited licensing market.

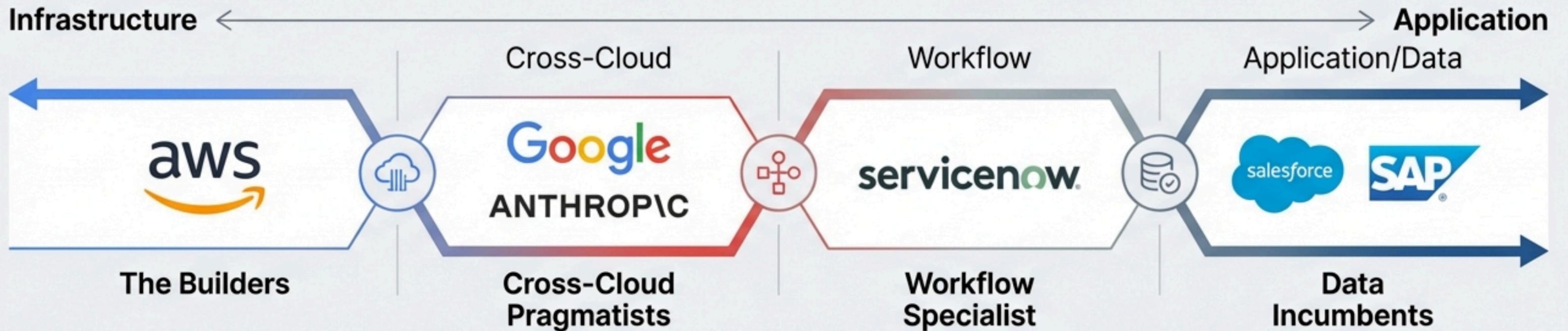
Risk: Budgeting complexity. Interplay between agent licenses, token billing, and security SKUs is 'nearly impossible' to forecast.

Head-to-Head: Frontier vs. Agent 365

Feature	OpenAI Frontier	Microsoft Agent 365
Launch Status	Feb 2026 (Limited)	Nov 2025 (Preview)
Positioning	Vendor-neutral semantic layer	Ecosystem control plane
Model Approach	Model-agnostic	Multi-model (OpenAI + Claude)
Pricing	Not Disclosed	Not Disclosed (Per-agent SKU confirmed)
Security	SOC 2 / ISO	Entra / Defender / Purview Stack
Named Customers	HP, Uber, Intuit	None publicly confirmed

The Landscape is Not a Duopoly

Six other contenders own distinct strongholds.



37% of enterprises already use 5+ AI models.

The Cross-Cloud Alternatives

G

Google Gemini Enterprise

- 💰 **Pricing:** Transparent \$30/user/month
- 🔧 **Tech:** Agent-to-Agent (A2A) protocol with 50+ partners
- 📣 **Strategy:** Aggressive M365 integration

A

Anthropic Claude for Work

- 📁 **Positioning:** Only frontier model on AWS, Google, AND Azure
- 💰 **Pricing:** Team (\$25) to Enterprise (\$60)
- 🔗 **Standard:** Creator of MCP (Model Context Protocol)
- 📊 **Strength:** Dominates AI coding market (>50%)

The Incumbents: System of Record Integration



Salesforce Agentforce

-  **Traction:** "Fastest growing product ever" (8,000 customers)
-  **Pricing:** Flex Credits (\$0.10/action)
-  **Revenue:** \$900M in AI/Data Cloud revenue in 6 months



SAP Joule

-  **Strategy:** Bundled into SAP Suite (No separate pricing)
-  **Differentiation:** 50 years of business process expertise
-  **Tech:** Joule Studio for no-code creation

The Builders: Infrastructure & Workflow



Amazon (AWS)

 **Model:** Two-Tier (Lite \$3/user vs Full \$20/user)

 **Developer Focus:** Bedrock Agents (Usage-based pricing)

 **Scale:** 100,000+ orgs on Bedrock

servicenow.

ServiceNow

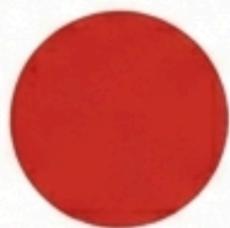
 **Positioning:** 'Built-in, not bolted on'

 **Tech:** AI Agent Orchestrator & Fabric

 **M&A:** \$2.85B acquisition of Moveworks

 **Governance:** Rated 9.0+ by analysts

The 'Fog of War': Critical Opacity



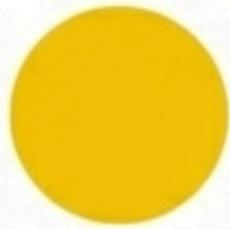
PRICING

Neither OpenAI nor Microsoft has published a price list. Budgeting is impossible.



AVAILABILITY

Frontier is limited access; Agent 365 is preview/CLI prerelease.



PRODUCTION READINESS

Vision selling phase. Announcements outpace shipped code.

“The difference is that OpenAI has named launch customers, while Microsoft’s announced partnerships have been slow to materialize.”

Governance Readiness is the Primary Bottleneck

Microsoft's Admission:

Project Opal preview includes explicit warnings about “significant security and privacy risks”.



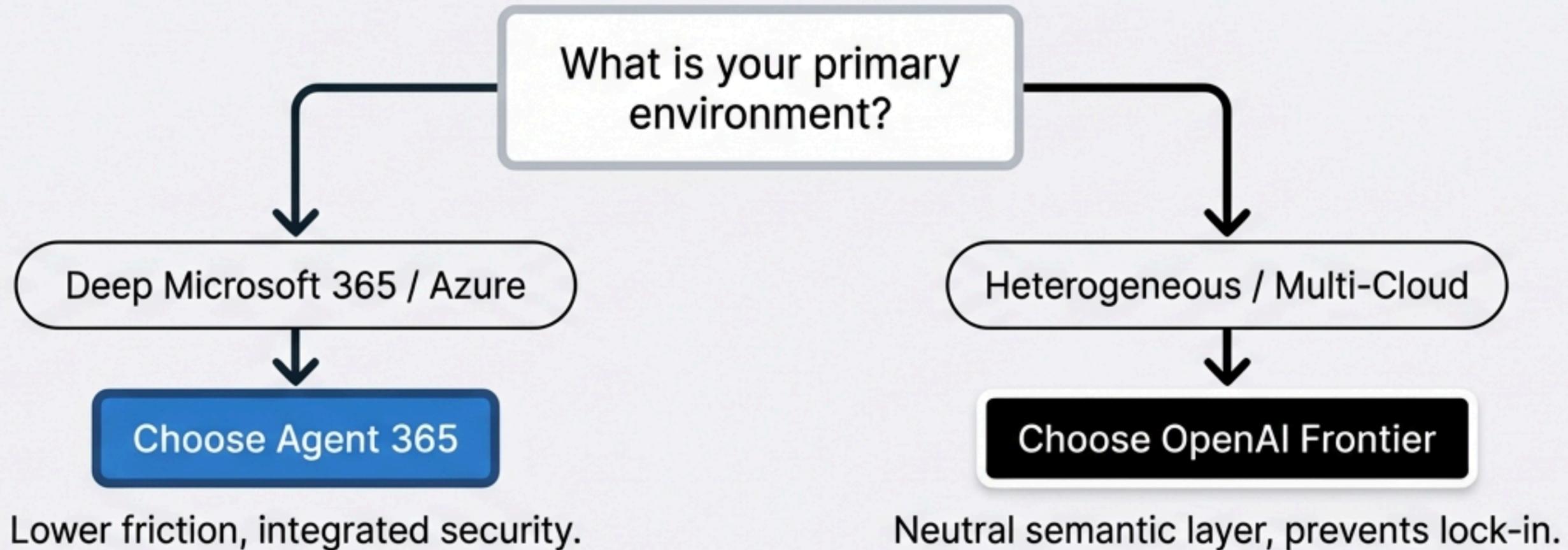
The Gap:

- Microsoft: Has the stack (Entra/Defender) but warns of risks.
- OpenAI: Has certifications (SOC 2) but lacks historical ecosystem.

TAKEAWAY: SECURITY > FEATURES

Strategy 1: Prioritize Ecosystem Gravity

Do not fight your existing stack.



Action: Pilot with the platform closest to your data gravity.

Strategy 2: Start Narrow to Escape the Hype Cycle

The Trap

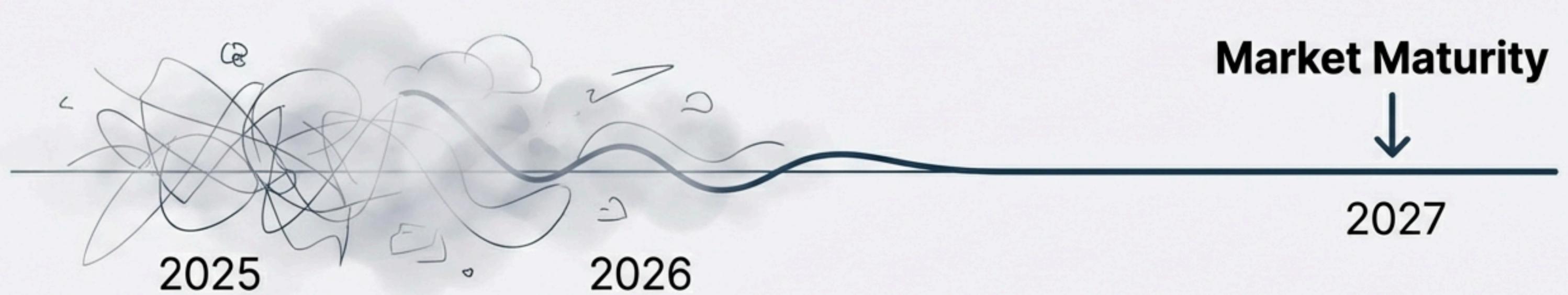
Platform-wide rollouts fail due to trust gaps and complexity.

The Fix



Interoperability: Maintain portability through open standards (MCP, A2A) to avoid lock-in.

The Winner Won't Be Clear Until 2027



- We are in early adolescence. Market growing at 46% CAGR.
- Product maturity lags behind vision.
- Advice: Avoid multi-year exclusive commitments.

The vendors know the landscape is shifting—that is exactly why none of them have published a price list.

See beyond the agentic hype

Subscribe to the Perspectives.Plus newsletter for weekly insights on all things Microsoft.

Independent analysis by Jukka Niiranen.



Aug 15, 2025 • 4 min read

Who is Microsoft Agent 365?

Where is he/she coming from and what is the secret mission of Agent 365? I bet this mission is all about finding a new commercial model beyond per-seat SaaS licensing.



Nov 21, 2025 • 15 min read

Agent 365 makes sense & is not enough

Microsoft is doubling down on its key strengths in the enterprise with the "control plane for AI agents". This is a better commercial story than M365 Copilot, yet it alone...

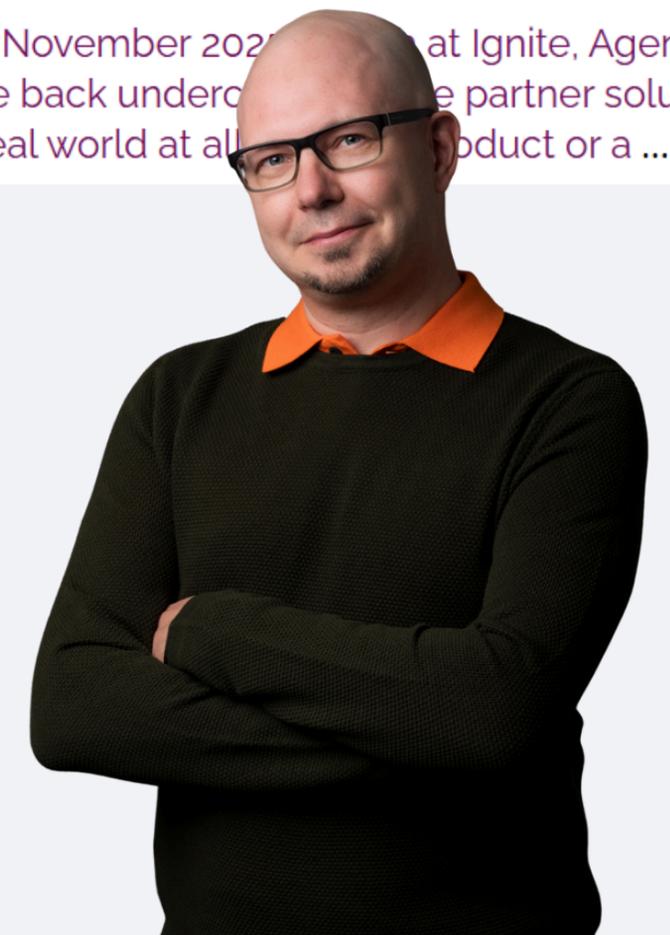
Jukka Niiranen



Jan 16, 2026 • 16 min read

Post-Ignite agentic hangover

After the big November 2025 event at Ignite, Agent 365 has gone back under the microscope. The partner solutions exist in the real world at all, product or a ...



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