



Microsoft 365

Price Increase What to Know

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SPOT

Managed IT Services

History of Microsoft 365

- Exchange Hosted Services (2006)
- Business Productivity Online Suite (2008)
- Office 365 (2010)
- Microsoft 365 (2018)



New Microsoft Features Last 10 Years

Communication & Collaboration

- Microsoft Teams - with 300+ new features, including dial-in

Security & Compliance

- Data Loss Prevention, message encryption, Mobile Device Management, and more

Artificial Intelligence & Automation

- AI-powered innovations to help users be better writers, designers, and presenters

And Lots More!

- Power BI, Stream, Planner, OneDrive, Yammer, Whiteboard, To Do... the list goes on and on



**Rising
Prices
AHEAD**

Price Increases Are Inevitable

- Lots of new added features
- Extreme inflation
- Labor Costs exploding
- And it's been a LOOOONG time since Microsoft had a price increase

Microsoft 365 Price Increases



▶ Pricing changes:

- Microsoft is raising its prices for the first time in 10 years
- Prices are subject to increase up to 25% on Business & Enterprise Licenses
- Price increase comes into effect March 1, 2022



▶ Agreement changes:

- 12-month commitment is now the standard agreement term
- Monthly agreement is still available but costs an extra 20% above the price increases listed on the right

Note: No notice to date on any Non-Profit price increase

Microsoft's updated pricing will go into effect on March 1st, 2022:

Per User:

- Microsoft 365 Business Basic (from \$5 to \$6)
- Microsoft 365 Business Standard (no increase)
- Microsoft 365 Business Premium (from \$20 to \$22)
- Office 365 E1 (from \$8 to \$10)
- Office 365 E3 (from \$20 to \$23)
- Office 365 E5 (from \$35 to \$38)
- Microsoft 365 E3 (from \$32 to \$36)

Gotchas to Consider

- You can move from Monthly to Annual billing, but not vice versa
- You can have Annual or 3 Year commit, but still be billed monthly
- Monthly billing no contract is 20% higher than annual commit contracts
- You can increase the number of subscriptions, but you can't decrease until the end of the annual term
- You can move up (M365 Business Standard to Premium for example), but you can't move down
- When you add licenses, they are co-termed with your original commit
- You cannot move your subscriptions from one reseller to another until the end of your annual term
- 72 Hour Cancellation policy - once subscriptions are ordered (or auto-renewed), your reseller only has 72 hours to cancel
- Your reseller can suspend your Microsoft 365 services for non-payment



What Should You Do?

- Get a complete list of your current Microsoft 365 subscriptions and any contract expirations
- Decide if you want to stay with your current reseller or move to a new reseller
- Order your new subscriptions and make sure they show up in your tenant prior to canceling your old subscriptions
- Make sure to document your new subscriptions and contract expirations



Any Questions?