

# Microsoft Price Increase

In August 2021, Microsoft announced changes to its commercial pricing for Microsoft 365\*. These changes are not coming into effect immediately, but they will impact all Microsoft customers so it's best to understand what they mean and what you can do to be prepared.

## WHY?

- › Office 365 has grown to over 300 million commercial paid seats
- › There has been no substantive price update (increase) since Office 365 was launched
  - › This does not include localized FX fixes/adjustments or individual component price changes (i.e., August '21 EMS price increase)
- › Reflects the increased value delivered to customers
  - › 24 Apps added to O365 since Launch
    - › Microsoft Teams, Power Apps, Power BI, Power Automate, Stream, Planner, Visio, OneDrive, Yammer, and Whiteboard
  - › 1400 new features
    - › Comms & Collaborations
    - › Security & Compliance
    - › AI & Automation

## WHEN & HOW MUCH?

On March 1st, 2022, Microsoft will update the pricing for the following commercial products:

Product	Price Change - \$	Price Increase - %
Microsoft 365 Business Basic	From \$5 to \$6 per user	<b>20%</b>
Microsoft 365 Business Premium	From \$20 to \$22	<b>10%</b>
Office 365 E1	From \$8 to \$10	<b>25%</b>
Office 365 E3	From \$20 to \$23	<b>15%</b>
Office 365 E5	From \$35 to \$38	<b>8.57%</b>
Microsoft 365 E3	From \$32 to \$36	<b>12.50%</b>

Increases will apply globally with local market adjustments for certain regions. There are no changes to pricing for M365-E5, Education and Consumer Products (at this time).

## WHAT CAN YOU DO?

Start by getting insight into your current situation and future needs. Speak with your SoftwareONE account team to understand what options you have to help mitigate these changes.

A more in-depth analysis may be beneficial depending on the complexity of your situation. SoftwareONE's Microsoft Advisory Services provide visibility and support, helping you to realize cost savings and value by ensuring you have a right-sized, technology-led and time-appropriate investment plan.

\*Source: <https://www.microsoft.com/en-us/microsoft-365/blog/2021/08/19/new-pricing-for-microsoft-365/>