



Microsoft Pricing and Plan Changes

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Agenda

1. What's Changing and How Does it Impact Your Organization
 - Microsoft Price Increase
 - Microsoft "New Commerce Experience"
2. Thrive Recommendations
3. Q&A Session



Microsoft Price Increase

Microsoft Price Increase

- ◆ Microsoft has announced a price increase for the six “Modern Workspace” plans below, effective **March 1, 2022**.
 - Office 365 E1
 - Office 365 E3
 - Office 365 E5
 - Microsoft 365 Business Basic
 - Microsoft 365 Business Premium
 - Microsoft 365 E3
- ◆ These price changes will be reflected in the March 1st invoicing if no action is taken to move subscriptions to a new Microsoft plan offering prior to that date.



Modern Workplace Pricing Changes

Office 365 E1



Office 365 E3



Office 365 E5



Microsoft 365 Business Basic



Microsoft 365 Business Premium



Microsoft 365 E3



Microsoft Price Increase

- ◆ These price changes will be reflected in the **March 1st** invoicing, if no action is taken to move subscriptions to a new Microsoft plan offering prior to that date.
- ◆ Microsoft is providing a way for clients to delay the price increase for the six impacted subscriptions through their new subscription procurement model called New Commerce Experience.





Microsoft New Commerce Experience

Microsoft “New Commerce Experience”

- ◆ In addition to the price increase for the Modern Workspace subscriptions, Microsoft also announced a significant change in how partners and customers transact for procurement of services from Microsoft.
- ◆ The “New Commerce Experience” (NCE) model replaces the current Microsoft “CSP” model for seat-based subscriptions and impacts all partners and customers of Microsoft.
- ◆ Education and Non-Profit subscriptions are not impacted at this time.

Current State in CSP

- ◆ Under the current Microsoft CSP model, Thrive procures subscriptions for our clients through Microsoft Partner Center and these subscriptions can be reduced, changed, or cancelled without penalty at any time during the subscription term, which is 1 year.
- ◆ Subscription plans can be downgraded anytime during the term in CSP (i.e., switching from Office 365 E5 to Office 365 E3).
- ◆ Subscriptions can be moved from one Microsoft partner to another at any time during the subscription term.

New Commerce Experience

- ◆ New Commerce Experience introduces subscription term choices, each with pricing and restrictive impact that need be considered when choosing the appropriate option.
- ◆ Clients will now need to choose between Monthly, Annual, or Three Year (when available) Term subscriptions when renewing or adding new Microsoft subscriptions.
- ◆ Regardless of term plan chosen by our Clients, Thrive will continue to invoice the subscriptions on a monthly basis.

Monthly Term Subscriptions

- ◆ Monthly Term subscriptions have the same flexibility as the CSP Legacy subscriptions but have a 20% price premium over the Annual and Three-Year Term subscription options.
- ◆ Subscriptions can be reduced, changed, or cancelled at each monthly renewal period (subject to Thrive contract reduction limitations).
- ◆ Best fit for clients who have fluctuations in users and need ability to reduce seats.

Annual and Three-Year Terms

- ◆ Annual Term and Three-Year pricing is price neutral compared with the current CSP pricing.
- ◆ Annual and Three-Year Term subscriptions provide price certainty against future price increases by Microsoft during the term but have restrictions that should be considered prior to subscribing.
 - Seats cannot be reduced during the term. Seats can be added during the term and will be coterminous with the initial subscription.
 - Subscription plans cannot be downgraded during the term. Plan upgrades can be performed during term (i.e., Project Plan 3 to Project Plan 5).
 - Subscriptions cannot be transferred between Microsoft partners during the term.

Subscription Term Options

Clients can mix Monthly, Annual, and Three-Year term on the same subscription for flexibility.

Subscription	Seats	Price
Microsoft 365 E3 Annual Term	100	\$36.00
Microsoft 365 E3 Monthly Term	20	\$43.20

Note: the 20% higher price per seat for Monthly Term)

Recommendation is to use Annual Term subscriptions for price lock on seats that are always required and Monthly Term subscriptions for seats that may fluctuate and need flexibility to reduce.



Key Dates

- ◆ **March 1st** – Microsoft price increase becomes effective for CSP subscriptions for the six Modern Workplace subscriptions.
- ◆ **March 10th** – All new subscriptions must be NCE Monthly, Annual, or Three-Year Terms.
- ◆ **June 30th** – Last day to renew CSP subscriptions for up to 12 months.
- ◆ **July 1st** – All renewals of existing subscriptions must be done with a NCE plan.

Modern Workplace customers can subscribe to an annual NCE plan to delay March 1 price increase by 12 months

Existing CSP subscriptions can be renewed through CSP until June 30th

January 10

March 1

March 10

July 1

July 1, 2023

New Commerce Experience availability

Modern Workplace Price Increase

All new subscriptions must be procured through NCE

All CSP renewals must be procured through NCE

All remaining CSP subscriptions must be moved to NCE term plans

20% Monthly Term premium

20% Monthly Term premium

Annual Terms are price neutral

Annual Terms are price neutral


Subscription Renewal Examples

M365 Client ThriveNet.works | Subscriptions

Export subscriptions

Subscriptions Transfer requests

Add new

 There is a delay of up to 4 hours between the time a subscription is activated and when its activation status is updated in a list of customer's subscriptions.

License-based

Name	Quantity	Status	
Microsoft 365 E3	1 Licenses	Auto renews on 8/2/2022	▼
Office 365 E5	2 Licenses	Auto renews on 11/30/2022	
Windows 10 Enterprise E5	1 Licenses	Auto renews on 1/12/2023	
Exchange Online Protection	1 Licenses	Auto renews on 8/19/2022	▼
Visio Online Plan 2 task Number: ddf	1 Licenses	Auto renews on 4/7/2022	▼

Post July 1 -
must renew on
a NCE plan

Pre July 1 - Can
be renewed in
CSP for 1 year



Thrive Recommendations

Protect Against the March 1 Price Increase

- ◆ Clients who have stable seat counts for the six Modern Workplace plans facing the March 1 price increase should lock in a NCE Annual Term prior to March 1 and will see no increase on those plans for 12 months. **This must be completed prior to March 1st.**
- ◆ Consider the Annual Term restrictions described earlier when making this decision (no reductions or cancellations, no plan downgrades, etc.).
- ◆ We recommend converting all Microsoft subscriptions to NCE on the same date to avoid different anniversary dates for different subscriptions and have little to no variance in plan renewal dates.

Prepare for the NCE Conversions

All subscriptions will need to be converted to NCE from the current CSP model by June 30, 2023

- ◆ Subscriptions with renewal prior to July 1st can continue to be renewed for another year on CSP but may be subject to future MS price increases.
- ◆ Subscriptions with renewal July 1st and later must be renewed on NCE and you will need to choose between the Monthly or Annual/Three Year options.
- ◆ All new subscriptions added after March 10th must be on NCE plans.
- ◆ **NCE subscriptions will have a 72-hour cancellation window to cancel or modify subscriptions at initial order and any renewal period.**



Q&A Session

Who To Contact

Please contact your Account Manager if you have questions or would like to discuss your options. If you do not have your Account Manager contact information, please email marketing@thrivenetworks.com and you will be contacted by a Thrive representative.

Thank You



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