

Microsoft's 'New Commerce Experience' (NCE)

Microsoft is launching the "New Commerce Experience" or NCE, a program that is designed to provide a consistent and standardized purchasing experience.

- Under Microsoft NCE, the flexibility of a monthly subscription will come with a 20% premium price. In addition, licenses canceled mid-month will be billed for the full month.
- A 12-month term option is available, avoiding the monthly premium. This can be paid upfront or monthly.
 - After a 72-hour cancellation period, the client is committed to the full term of the agreement with no early cancellation.
 - This is your "base" license count and cannot be reduced during the 12-month commitment.
 - Clients cannot move subscriptions to a different provider while committed to the term.

FAQ's

Q: If I add a user after the NCE signup, is it month to month? Or will it be a whole year from when I added that license? Or does it sync up with my original term dates?

- Added seats will be priced at the original subscription purchase price. The renewal date for the newly added seats will match the original renewal date for that subscription. Overall, this means that the price for additional seats will always be locked in at the beginning of the term.

Q: Can I reduce seats during an existing contract?

- Seat counts can be reduced within the first 72 hours. If there's a midterm order of additional seats, you will also have a 72-hour window to reduce that back to the original number of seats. You are locked into the number of seats for the 12-month commitment. You can reduce seats, at the time of renewal.

Q: What if I don't sign up by February 28th?

- The legacy subscription will continue until it expires at the end of its term. To renew, the subscription must be moved to the new commerce platform.

Q: What is the new price for Microsoft 365? Which SKUs/segments are impacted, and which ones are not?

On March 1, 2022, the following price updates will go into effect:

- Enterprise: Office 365 E1: \$10 (from \$8), Office 365 E3: \$23 (\$20), Office 365 E5: \$38 (\$35), Microsoft 365 E3: \$36 (\$32)
- Business: Microsoft 365 Business Basic: \$6 (from \$5), Microsoft 365 Business Premium: \$22 (\$20)
- No changes: Non-Profit/EDU Plans, Business Basic, Business Standard, and F1/F3 Plans

Q: When should my business consider a monthly agreement vs. an annual agreement?

- There are a few scenarios where the flexibility of a monthly agreement outweighs the increased costs. Consider a monthly agreement if you expect your business to downsize significantly during the year, if you expect to be acquired and don't want the liability of annual agreement to contend with, or if you plan on splitting your business into multiple smaller entities.

Q: Can I have both a monthly agreement and an annual agreement?

- Yes, you can. Consider using multiple agreement types when you need additional staff for a few months (a seasonal business, for example). Monthly agreements are also useful if you are testing out the usefulness of new features or an upgraded license.

Q: What happens after the first 12-month term? Will my pricing go up then?

- Yes, although future rate increase information isn't available.