

Microsoft announced they will be changing how companies purchase Microsoft 365, Office 365, and Dynamics 365 licenses, and Dynamic Quest is well-versed in the new program to help make the transition for our clients as smooth as possible.

The current CSP model will be phased out and replaced with the New Commerce Experience (NCE), a program that provides options for both month-to-month flexibility and long-term commitments for price protection.



What is the Difference Between Microsoft's CSP Program and NCE Program?

Cloud Service Provider Program

CSP offered monthly subscriptions and pricing. The count of licenses could go up and down as needed, which provided flexibility. However, there was no price protection if Microsoft changed its pricing.

New Commerce Experience Program

NCE changes this to offer monthly subscriptions, annual subscriptions, and tri-annual subscriptions. The monthly subscriptions provide the same flexibility as before but add a 20% premium to the standard price for it and does not provide any price protection.

The annual and tri-annual subscriptions require a 12 and 36 month commitment, respectively, but provide price protection during that time. In addition, they offer monthly, upfront, and (for tri-annual subscriptions) annual payment options.

Importantly, annual, and tri-annual subscriptions can add licenses that will be co-termed but cannot decrease licenses until the renewal date.

Key Dates

January 1, 2022

Subscriptions will begin to move from the legacy CSP platform to the NCE platform over time (see key dates below).

January 1, 2022 - June 30, 2022

As an incentive, Microsoft will keep monthly NCE subscriptions at the "annual" rate (i.e.: without the 20% premium) through June 30, 2022.

- However, any price hikes (such as the March 1, 2022, described below) will still be applied.
- Starting July 1, 2022, the 20% premium will be applied.

March 1, 2022

Microsoft will raise the price on 6 subscriptions by roughly 15%. To lock in current pricing, annual or tri-annual agreements should be signed by February 28, 2022.

- Office 365 E1: \$10 (from \$8)
- Office 365 E3: \$23 (from \$20)
- Office 365 E5: \$38 (from \$35)
- Microsoft 365 E3: \$36 (from \$32)
- Microsoft 365 Business Basic: \$6 (from \$5)
- Microsoft 365 Business Premium: \$22 (from \$20)

March 10, 2022

All **new** subscriptions must be NCE.

July 1, 2022

All **renewal** subscriptions must be NCE.

Dynamic Quest Service Offerings

Our clients can mix and match monthly, annual, and tri-annual terms across the same and different M365 licenses. Dynamic Quest can help recommend the right mix to provide a balance between cost, price protection, and flexibility.

Month-to-Month Payments

Flexible plan that allows for increased flexibility to add and decrease license counts as needed!

Monthly payments will incur Microsoft's 20% premium price increase.

No price lock – Microsoft price increases are automatically applied.

Mix n' Match Model

Mix Month-to-Month and Annual/Tri-Annual subscription counts for each subscription to provide a balance between cost, commitment, price protection, and flexibility.

A "floor" number of annual or tri-annual subscriptions with upfront payment discounts, 12 or 36 month price locks, and multiple payment options.

A "float" number of month-to-month subscriptions at the 20% premium with no price lock to provide the flexibility to increase or decrease license counts at any time.

Annual or Tri-Annual Commitments

Dynamic Quest will offer a 5% discount for full payments of an annual contract.

Price locked for 12 or 36 months

Dynamic Quest will offer a month-to-month payment option available at the annual or tri-annual rate.

Client will be committed to payment term.

Co-termed subscription count increases

Subscription count decreases only at renewal

Consult With Dynamic Quest

As your trusted advisor, Dynamic Quest will work with you to assess the needs of your organization.

Our assessment will help you identify the service offering that works best for your business. Contact your Account Manager or Account Executive for more information and to take advantage of time-limited discounts.