



Are you overpaying for Microsoft Office licencing?

Net-Defence

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Microsoft 365 is a powerful suite of tools, but when it comes to licensing, things can get complicated fast.

With so many plans and feature bundles available, it's understandable that many businesses are unsure which plan is best for them.

In this article, we'll break down the main Microsoft Office licensing options, highlight features you may be paying for but aren't using and explain how we can help you cut through the confusion and cost.

The licencing minefield

Microsoft 365 offers a wide range of licensing options designed to suit businesses of all shapes and sizes.

Its different tiers, such as Business Basic, Business Standard, and Business Premium (to name a few), each offer unique features and price points.

However, because Microsoft frequently updates what's included in each plan, the option that suited your organisation a year ago may no longer be the most efficient or cost-effective today.

As a result, many businesses choose to 'play it safe' by opting for the highest tier available, just in case. While this might feel like a secure move, it often results in unnecessary costs, especially if the extra features bundled into Premium licences aren't being used on a regular basis.

Without a clear understanding of what is included and what is actually required, it is surprisingly easy to over-license and overspend.

Business Premium vs Business Standard

One of the most common examples of overspending we see is businesses purchasing Microsoft 365 Business Premium when Business Standard would suffice.

Business Standard includes essential tools like Outlook, Word, Excel, PowerPoint, Teams, OneDrive and SharePoint, making it a solid choice for most small to medium-sized businesses.

Business Premium, on the other hand, includes all of that plus a range of additional security and device management features.

The catch? Business Premium costs £7.30 more per user per month. While this may not sound like a huge difference, it adds up quickly, especially if you're paying for multiple users on your team.

If you're not using those extra tools, switching to Business Standard is a simple way to save money without sacrificing the core tools your team relies on.

Premium features you might be paying for but don't use

Here are some of the main Premium-only tools:

Microsoft Intune Plan 1

This enables your IT team to remotely manage company devices and apps, such as enforcing security policies, deploying updates and wiping data when a device is lost or stolen.

It's particularly useful for businesses with strict mobile device control, remote workforces or bring-your-own-device (BYOD) policies that require management across a wide range of devices.

Microsoft Entra ID Plan 1 (formerly Azure AD Premium P1)

Entra ID facilitates more advanced identity and access management by providing features such as conditional access, multifactor authentication policies and single sign-on for a variety of apps and services. These tools help control who can access what, when and from where, providing an extra layer of security.

It's typically only required in IT-heavy environments or larger organisations with complex user structures, regulatory requirements or heightened security needs.

Mandatory sensitivity labelling

This feature is ideal for regulated industries such as finance or law, as it helps enforce strict data classification and protection rules, ensuring sensitive information is handled in line with compliance standards.

It's particularly useful for businesses that handle sensitive client data, operate under regulatory frameworks (such as GDPR, FCA, or SRA) or need to maintain tight control over how data is accessed, shared and stored across the organisation

Windows 11 upgrade rights

Premium gives users the ability to upgrade to Windows 11 Pro, unlocking enhanced security, management and productivity features.

However, if your devices are already running the correct version of Windows or you manage operating system upgrades through another method, such as a volume licensing agreement or endpoint management, this particular benefit may go unused.

Microsoft Defender for Business (Threat Protection & Autopatch)

This includes advanced security features like endpoint protection, automated patch management and threat detection, which help to protect devices from vulnerabilities and cyber threats.

It is essential for businesses with high-risk profiles, such as those that handle sensitive data, operate in regulated industries or are frequently attacked by cybercriminals.

If none (or only one or two) of these features apply to your company's operations, you're likely over-licensing and thus overspending.

How Net Defence can help

If you're not sure whether you're overpaying for Microsoft 365 licences, start with a review. Examine which features are critical to your team and whether your current plan still suits the way your business operates.

Understanding what you need is the first step to making informed, cost-effective decisions.

At Net-Defence, we specialise in helping businesses [make sense of Microsoft 365 licensing](#). Our team understands the ins and outs of each plan and, more importantly, how those plans align with real-world business requirements.

Whether you're a small team or a larger organisation, we'll take the time to understand how your business works and provide practical, honest advice.

There's no pressure, just expert guidance designed to help you get better value from your Microsoft investment.

[Get in touch](#) for a no-obligation chat about your current setup and find out if there's a more cost-effective solution.