

# Microsoft 365 Licence Comparison

Side-by-side comparison of Business Basic, Standard, and Premium plans. Choose the right Microsoft 365 licence tier for each user role in your organisation.

3

LICENCE TIERS COMPARED

£4.60

CHEAPEST PLAN PER USER/MO

Save

RIGHT-SIZE YOUR LICENCES

Free

COMPARISON GUIDE

## Why Licence Choice Matters

Choosing the wrong Microsoft 365 licence tier wastes money or leaves gaps in functionality and security. Many organisations pay for Premium features they do not use, or run Basic plans that lack essential security controls. This guide helps you right-size licences by user role.

## 1 Feature Comparison

Compare the three main Microsoft 365 Business plans side by side.

FEATURE	BUSINESS BASIC	BUSINESS STANDARD	BUSINESS PREMIUM
<b>Price (per user/month)</b>	£4.60	£9.40	£16.60
Exchange Online (email)	50 GB mailbox	50 GB mailbox	50 GB mailbox
Teams	Full features	Full features	Full features
OneDrive	1 TB storage	1 TB storage	1 TB storage
SharePoint	Full features	Full features	Full features
<b>Desktop Office apps</b>	Web & mobile only	Full desktop apps	Full desktop apps
<b>Outlook desktop</b>	Web only	Full desktop	Full desktop
Publisher & Access	No	Yes (PC only)	Yes (PC only)
Webinar hosting	No	Yes (up to 300)	Yes (up to 300)
<b>Intune (MDM)</b>	No	No	Yes (full MDM)
<b>Defender for Office 365</b>	No	No	Yes (Plan 1)
<b>Azure AD Premium P1</b>	No	No	Yes
<b>Conditional Access</b>	No	No	Yes
<b>Azure Information Protection</b>	No	No	Yes
<b>Intune App Protection</b>	No	No	Yes

## Security Gap Warning

Business Basic and Standard plans lack Defender for Office 365, Conditional Access, and Intune. If you use these plans, you need third-party solutions to fill the security gaps. For many organisations, the security features in Premium alone justify the cost difference.

## 2 Recommended Licence by Role

Match licence tiers to user roles for optimal cost and functionality.

USER ROLE	RECOMMENDED LICENCE	JUSTIFICATION
Executive / Director	Business Premium	Full desktop apps + security controls + Conditional Access
Office-based knowledge worker	Business Standard	Desktop Office apps needed for daily work
Frontline / shift worker	Business Basic	Email and Teams access via web/mobile sufficient
Finance / HR (sensitive data)	Business Premium	Data protection, encryption, and compliance features essential
IT Administrator	Business Premium	Intune, Conditional Access, and advanced security required
External contractor (temporary)	Business Basic	Minimal access for project duration
Shared reception / kiosk	Microsoft 365 F3	Purpose-built frontline worker licence at £2.10/user/mo

## 3 Common Add-Ons & Extras

Additional licences and add-ons you may need alongside your base plan.

ADD-ON	PRICE INDICATION	WHEN NEEDED
Microsoft 365 Defender P2	£3/user/mo	Advanced threat hunting, automated investigation
Microsoft Teams Phone	£6-10/user/mo	Replace traditional phone system with Teams calling
Azure AD P2	£7/user/mo	Identity protection, access reviews, PIM
Microsoft 365 E3/E5	£27-47/user/mo	Enterprise features: eDiscovery, advanced compliance
Viva Learning/Insights	£2-6/user/mo	Employee experience platform
Power BI Pro	£7.50/user/mo	Advanced data analytics and dashboards
Copilot for M365	£25/user/mo	AI assistant across all Microsoft 365 apps

## 4 Cost Optimisation Tips

- **Mix and match:** You can assign different licence tiers to different users. Not everyone needs Premium.
- **Annual vs monthly:** Annual commitment is 15-20% cheaper than monthly billing.
- **Reclaim unused licences:** Review licence assignments quarterly. Remove licences from departed staff within 48 hours.
- **Avoid over-licensing:** If a user only needs email and Teams on their phone, Business Basic at £4.60 is sufficient.
- **Consider F3 for frontline:** At £2.10/user/month, F3 is ideal for shift workers who need basic access.
- **Check charity/education pricing:** Registered UK charities and educational institutions qualify for significant discounts or free licences.

### Annual Savings Example

A 50-person company mixing licences (10 Premium at £16.60, 30 Standard at £9.40, 10 Basic at £4.60) pays £5,496/year vs. £9,960/year for all-Premium. That is a **£4,464 annual saving** with no loss of functionality for roles that do not need advanced features.

### Notes

### Need Help Optimising Your Microsoft 365 Licences?

We audit and optimise Microsoft 365 licence assignments to ensure you get maximum value from your investment.

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