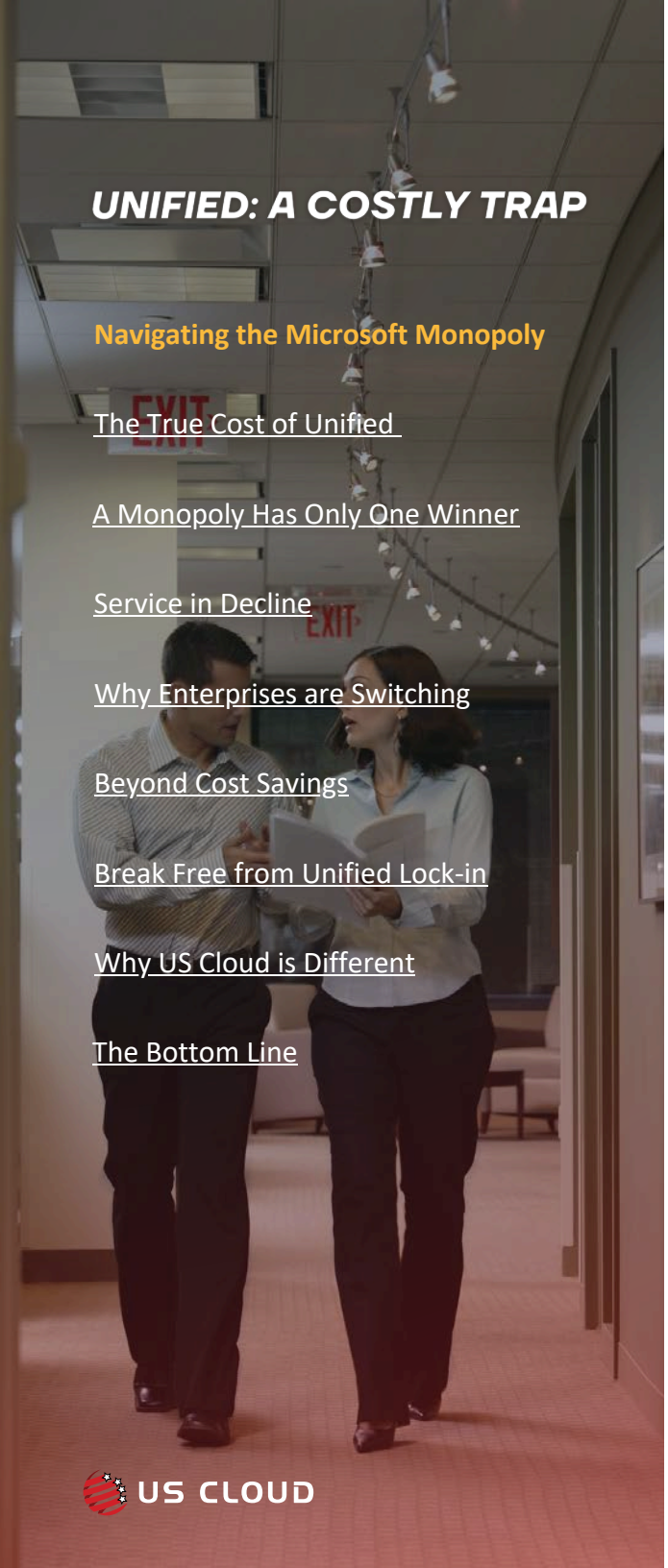
STOP PAYING THE MICROSOFT MONOPOLY TAX

The 400% Wake-Up Call IT Leaders Need to Hear



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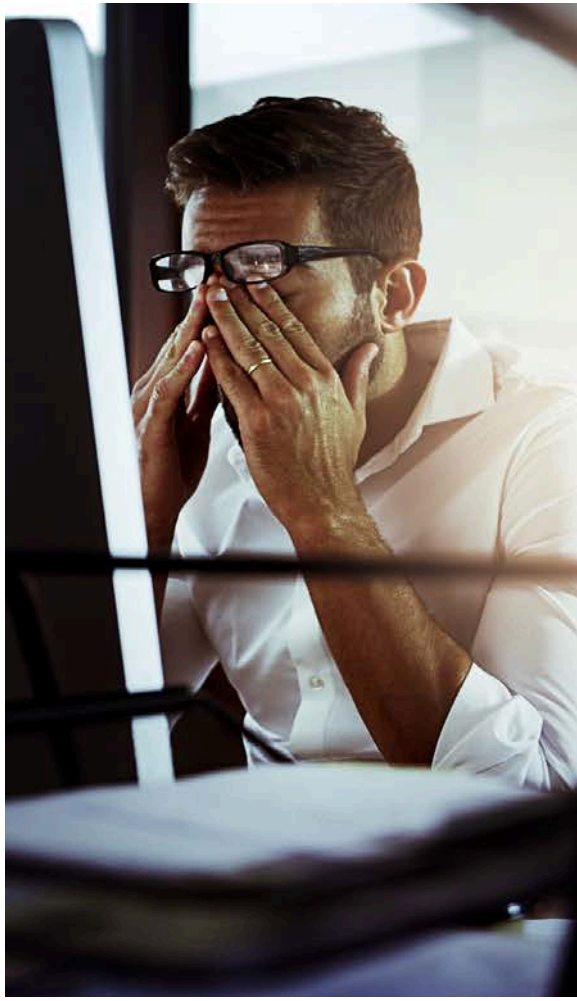
Navigating the Microsoft Monopoly



In today's enterprise IT environment, Microsoft's rising costs and declining service are forcing businesses to rethink their support strategy. Companies have seen first-year price increases from Microsoft of 30% to over 400%, with 15% to 30% increases every year after that. Negotiations offer little flexibility, especially in cases when Microsoft Unified sales teams delay the process, leaving buyers with no time to consider other options.

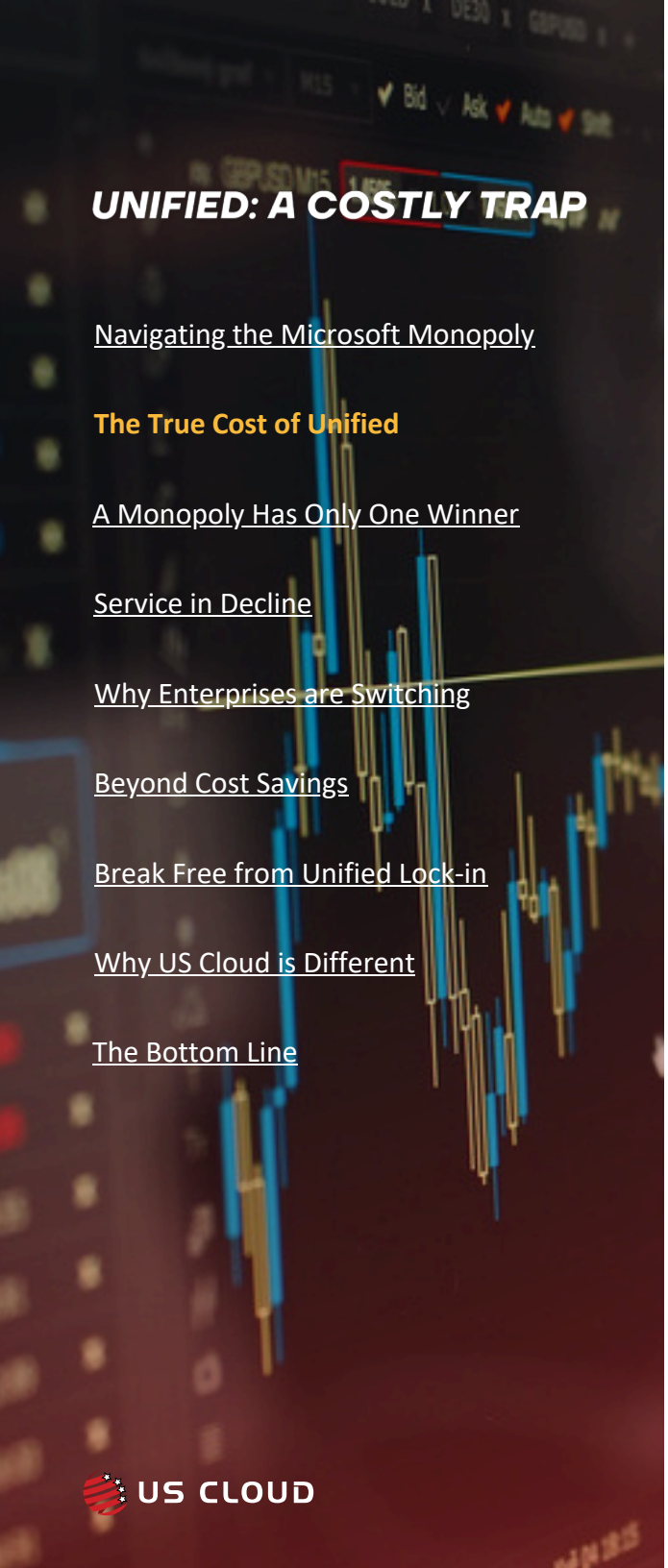
At the same time, service quality has fallen. Response times are slower, and customers are losing access to experienced support engineers due to layoffs and offshoring. These issues come at a time when 76% of companies are focused on cutting IT costs in 2025.

Holding on to Microsoft Unified could mean missing opportunities to improve your infrastructure or fund new initiatives.

This guide presents real, practical alternatives and reveals how forward-thinking companies are:

- Cutting support costs by 30-50% through third-party support providers
- Improving response times by 2-3x with dedicated support teams
- Accessing senior engineers without offshore runarounds
- Maintaining full compliance and security standards

By the end, you'll better understand how to reduce your support costs, improve service, and redirect those savings toward IT improvements and reducing technical debt.



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The True Cost of Unified

Microsoft controls a massive share of the software market—and they use that power to lock businesses into rising costs and rigid contracts. From Azure to Microsoft 365, many IT teams rely heavily on their tools. But that dependency has a price.

Microsoft has a history of anticompetitive behavior. In a key antitrust case[2], the Department of Justice found they penalized companies for using competing software. That pattern continues today through aggressive pricing and limited room to negotiate.

Price hikes are common:

YEAR 1 INCREASE

20-300%

YEAR 2 - 3 INCREASE

15-30%

For companies using cloud services, things get worse. According to the Coalition for Fair Software Licensing[3], over half of surveyed IT leaders said Microsoft's cloud licensing practices made software management harder and more expensive.

Negotiating better terms isn't easy either. Unlike with most vendors, Microsoft rarely meets clients halfway. Unified Support renewals are especially rigid—no flexibility, no real collaboration. The result: higher costs and no leverage.

Welcome to the Microsoft Monopoly.

We used to have Premier Support through Microsoft and at the time of renewal we were getting ready to start switching over to O365. When they brought us the price of Unified Support, it was more than triple what we had paid. We had heated discussions with them about pushing products when they hadn't even successfully implemented the one we bought.

-Ed Panzeter, Assistant Director of IT, Universal Health Services, Inc.

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A Monopoly Has Only One Winner

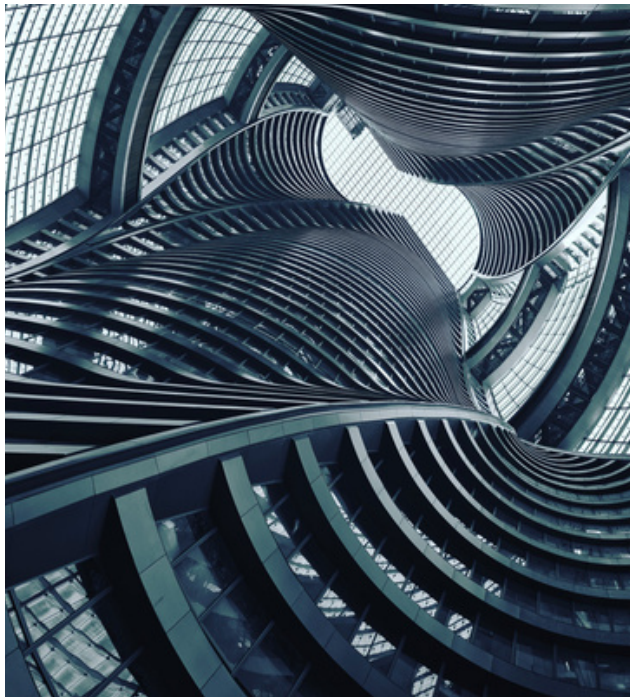
When did "industry standard" become code for "no alternatives allowed"? As Microsoft tightens its grip on enterprise IT, the true cost of its monopoly power extends far beyond your support invoice.

This monopoly isn't accidental—it's architected through deliberate strategies:

The Bundle Trap

"It's included with your licenses" sounds like value until you realize:

- You're paying for it whether you use it or not
- Quality decreases as lock-in increases
- Alternatives become "additional costs" instead of replacements



The Complexity Spiral

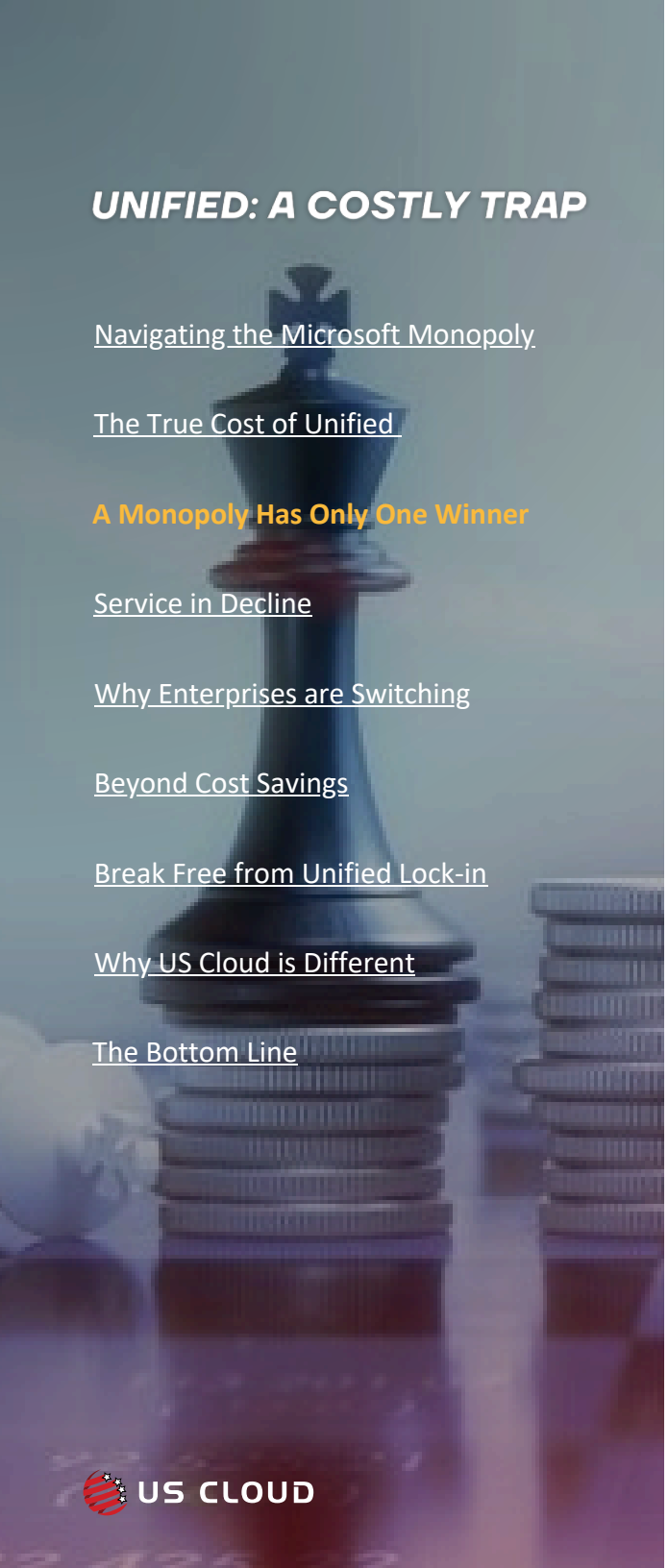
Microsoft's ecosystem is intentionally complex, creating:

- Fear of switching ("What if something breaks?")
- Artificial expertise requirements
- Dependency on Microsoft-certified professionals

Compliance as a Weapon

Audit threats and licensing complexity ensure:

- Companies overbuy to avoid risk
- Switching seems legally dangerous
- Fear overrides financial logic



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The Monopoly Tax: It's Not Over Yet

The financial reality of Microsoft's support monopoly becomes even more clear when viewed through a lens of total cost of ownership (TCO).

For enterprises with $100 million or more in annual revenue, the direct cost premium for Microsoft Unified Support typically runs 30–50% higher than competitive third-party alternatives.

But the "monopoly tax" doesn't stop there. There are hidden costs than run much deeper. Let's break them down.

Direct Costs (Visible)

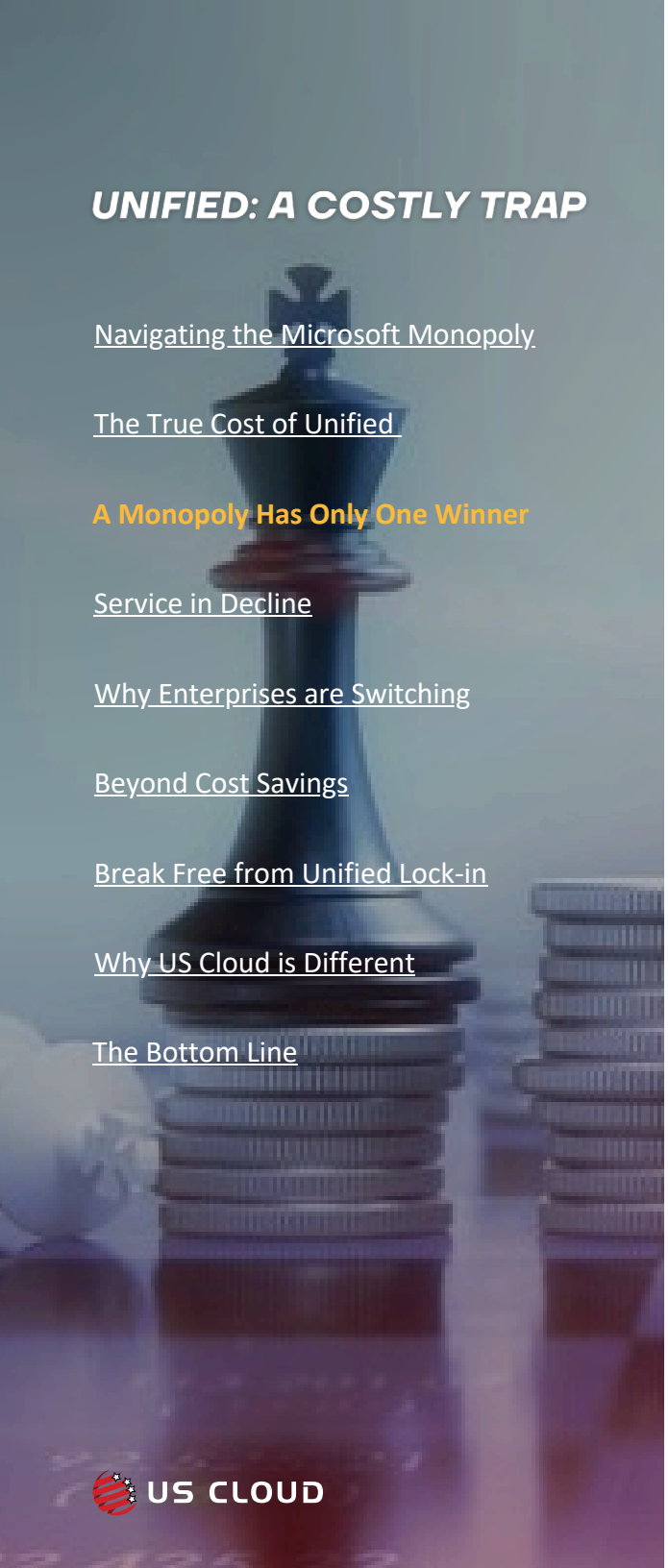
- 30-50% premium over third-party alternatives
- Annual increases of 15-30% (vs. 3-5% industry standard)
- Forced bundling of unused services
- Over-licensing to ensure compliance

Indirect Costs (Hidden)

- Productivity Loss: 2-3x slower response times
- Downtime Impact: $5,000-$10,000 per hour for critical systems
- Opportunity Cost: Innovation budget consumed by support
- Switching Barriers: Artificial complexity prevents competition

Strategic Costs (Long-term)

- Vendor concentration risk
- Loss of negotiating leverage
- Decreased service quality over time
- Competitive disadvantage from trapped capital



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The Single Point of Failure You Can't Ignore

When your primary technology vendor is also your only support provider, a single point of failure is created. They control your:

- Infrastructure
- Applications
- Support
- Roadmap
- Budget

In any other business context, this concentration would trigger immediate board-level risk discussions. Yet in IT, we've normalized this dangerous dependency.

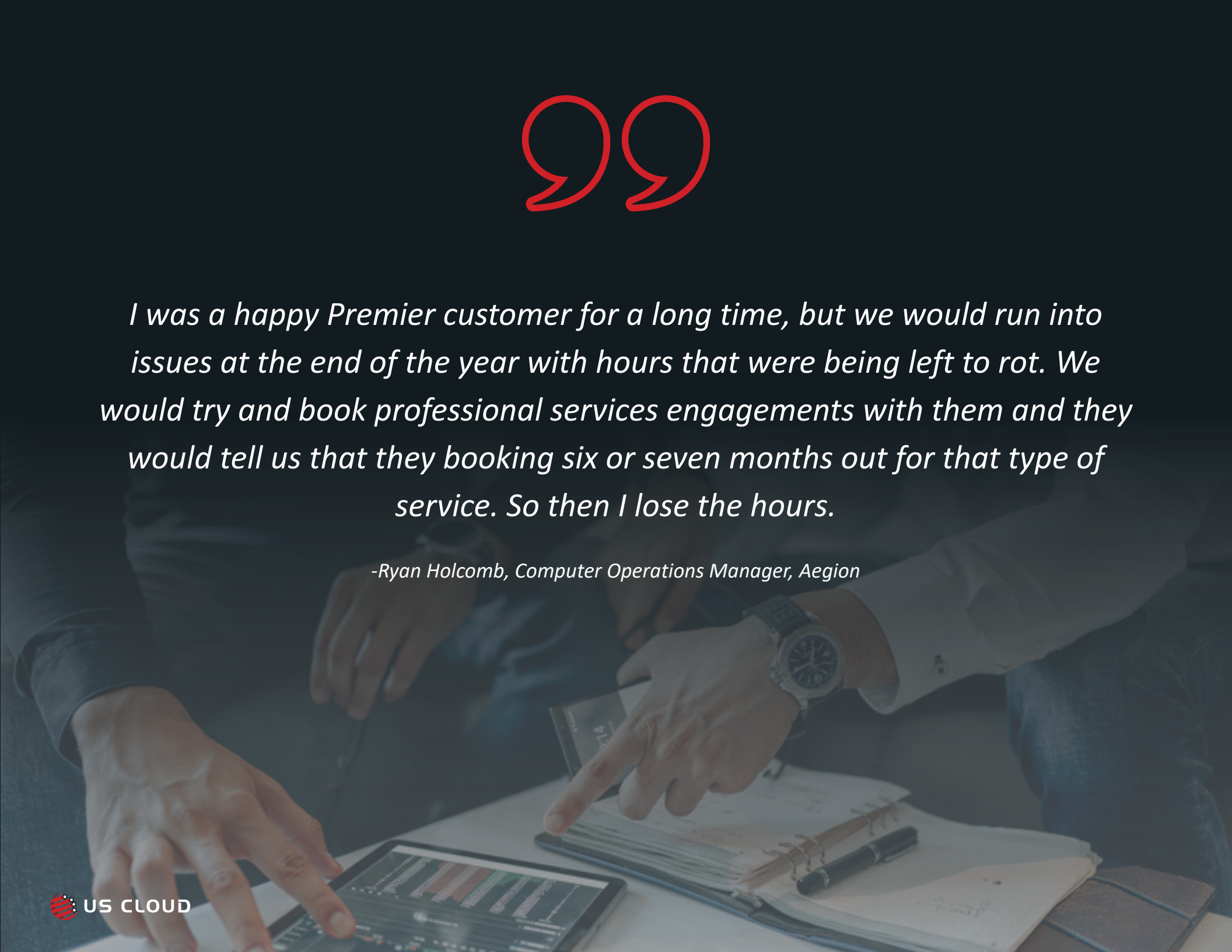
The risk compounds when you consider:

- No competitive pressure to improve service
- No alternative during disputes
- No leverage in negotiations
- No recourse for declining quality

Microsoft's support monopoly isn't just expensive—it's strategically dangerous. In an era where technology determines competitive advantage, can you afford to let one vendor control both your infrastructure AND your support?

YOUR MOVE:

Will you continue subsidizing the monopoly, or will you invest in your own future?



I was a happy Premier customer for a long time, but we would run into issues at the end of the year with hours that were being left to rot. We would try and book professional services engagements with them and they would tell us that they booking six or seven months out for that type of service. So then I lose the hours.

-Ryan Holcomb, Computer Operations Manager, Aegion

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Service in Decline

Microsoft Unified Support costs more every year. But many customers say the service is getting worse—not better.

Across industries, IT leaders report slower response times, confusing ticket escalations, and a lack of experienced engineers handling their issues. The root cause? Microsoft has cut costs by offshoring support and laying off senior technical staff.

What Changed?

Unified Support was meant to simplify customer service.

But Microsoft has:

- Sent support roles offshore, leading to communication challenges and inconsistent service
- Laid off senior engineers who had years of technical knowledge and customer familiarity

These changes have directly impacted quality. Online forums are filled with complaints about long waits. Sometimes customers have waited more than 24 hours for high-priority issues and get scripted responses that don't solve the problem.

A study by McKinsey & Company[4] suggests that technology alone is cannot fuel true productivity.

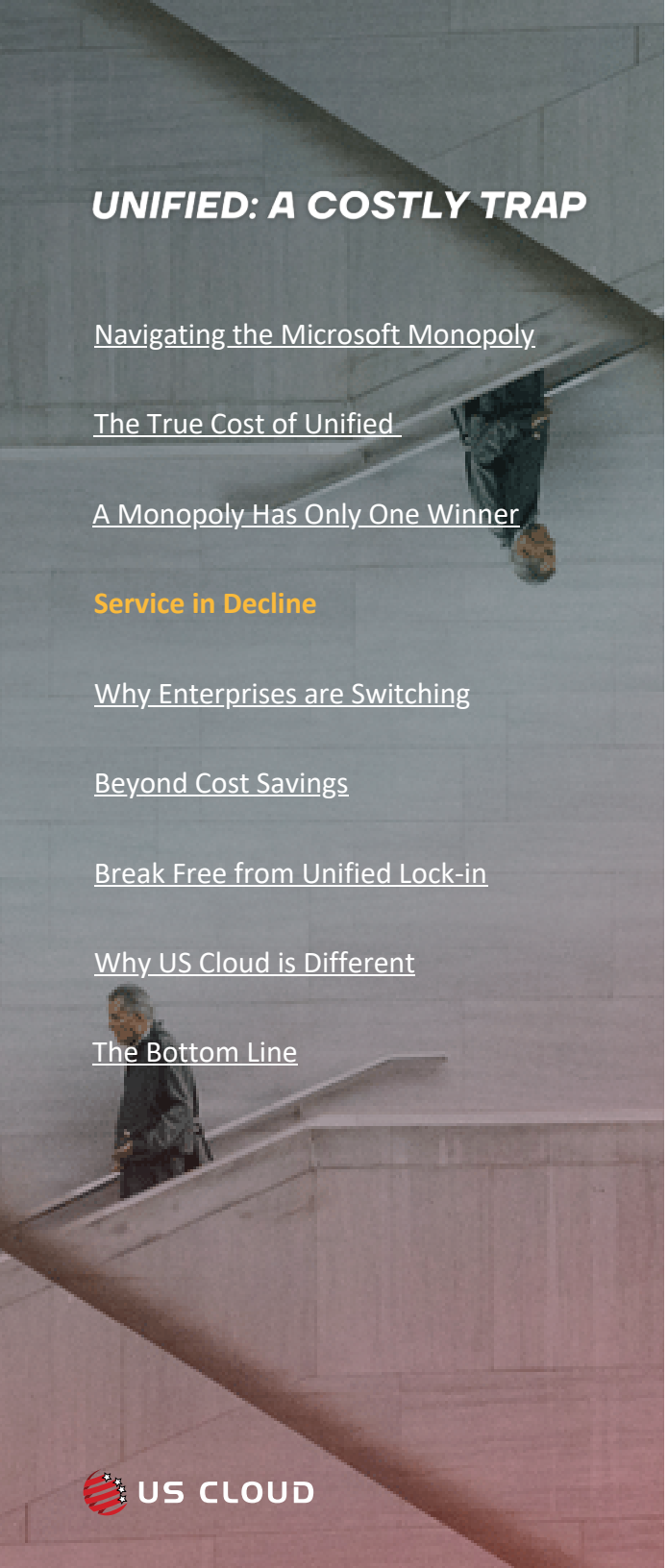
How to Fix It

Better support comes from:

- Retention and Training — keeping skilled engineers and helping them grow
- Smarter Technology — AI tools that assist, not replace, human expertise
- Transparency — honest communication on response times and service changes

If Microsoft can't deliver these, third-party providers can—and do.

US Cloud clients get 24/7 access to senior engineers, with guaranteed fast response times and no offshoring.



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Proactive Services is an Illusion

If you rely on Microsoft Unified Support for proactive services, you might think you're getting ahead of IT problems. On paper quarterly check-ins, best-practice reviews, and a promise of "proactive" monitoring sound good. But for many IT leaders, reality falls short. As environments grow more complex and teams are stretched thin, true proactive support has to mean more than occasional meetings and templated reports.

A CSAM Conflict of Interest

Many of Microsoft's proactive services are led by Customer Success Account Managers (CSAMs) who are often overloaded with too many accounts, carry sales quotas, and are not technologists.

This all means they're not equipped—or incentivized—to partner with you on long-term improvements. What gets delivered tends to be generic, and what gets recommended more often aligns with Microsoft's sales priorities than your IT roadmap. When you're already paying for support, the last thing you want is a sales pitch disguised as "guidance. And even if their recommended checklist looks appealing, execution often falls short because of:

- Bundled upsells being pushed to resolve issues rather than offering real-world fixes
- Guidance that feels canned, and not tailored to your workloads or business goals
- Waiting to get time with a qualified engineer, by which then "proactive" advice is no longer proactive

THE RESULT?

Services meant to prevent issues often arrive too late to make a difference. What should be forward-looking becomes reactive support in disguise.

The Microsoft support model is terrible for what you pay for. A lot of the frustration when we put a request in was a lot of round-robin and red tape. A poor job of triage, and e-mail catch up leads you to finally connect with someone who could answer your question, but you can't communicate with them because of a language barrier or time zone barrier, or even a support knowledge barrier. There isn't enough knowledge to help with our issue.

-Ed Lewis, Manager of Enterprise Solutions, Amedisys

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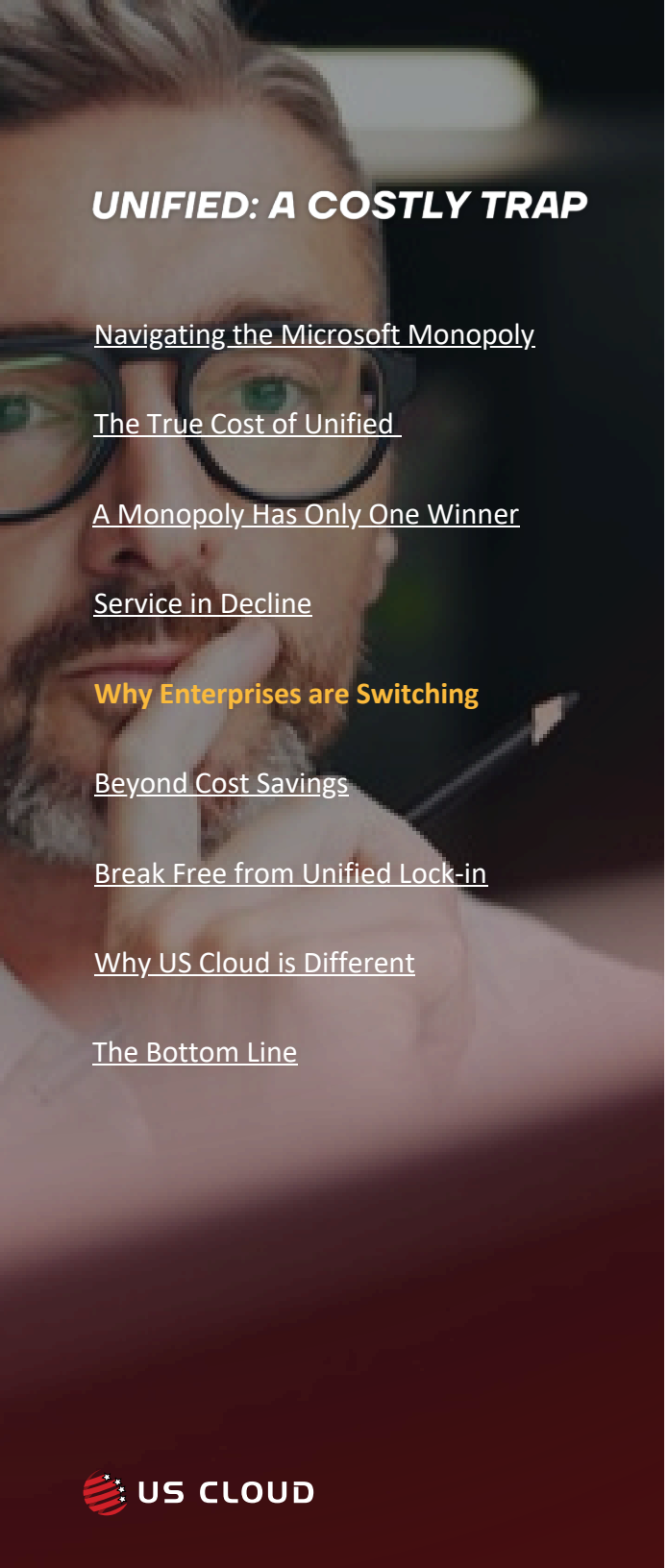

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Why Enterprise Are Switching

For IT teams under pressure to cut costs in 2025, staying locked into Microsoft's support model could be one of your most expensive decisions. Even some of Microsoft's biggest customers are reconsidering their contracts.

What Happens at Renewal?

When renewal time comes, companies often discover they have no leverage. Microsoft sales teams are known to delay negotiations, sometimes intentionally.

These delays shrink the customer's window to explore other support options.

By the time the contract is about to expire, many companies feel they have no choice but to renew—often at higher rates.

What Can You Do About It?

Start by looking at alternatives to Microsoft Unified Support.

Third-party vendors can often match or exceed Microsoft's service levels—at a significantly lower cost.

Other Steps Can Include

- Diversifying your software and support providers
- Building internal expertise to manage vendor relationships
- Joining industry groups that are actively challenging Microsoft's pricing model

Make the Switch to Take Back Control

Choose the support level you actually need
Pay based on usage, not licenses
Add or reduce hours as your needs change

Real Companies. Real Savings. Better Value.

”

We’re sending a message to these big companies that we’re not going to put up with whatever price you put on us. We’re going to look elsewhere for better, more cost-effective options.

”

WENDY HOFMAN

SENIOR VENDOR ANALYST, ESSENTIAL ENERGY

”

After a switch to Unified, we dealt with all level-one engineers. People who just reading from a script and ask the same questions over and over again, even after receiving all kinds of information from us.

”

MICHAEL ROSENDALE

SYSTEMS DIRECTOR, BROWN UNIVERSITY

”

Our US Cloud engineer discovered several things that we could do to improve our storage. There were lots of things he found that had been running for three years that no one was checking in on.

”

JAMES LUMSDEN

TECHNICAL OPERATIONS MANAGER, BEDE GAMING

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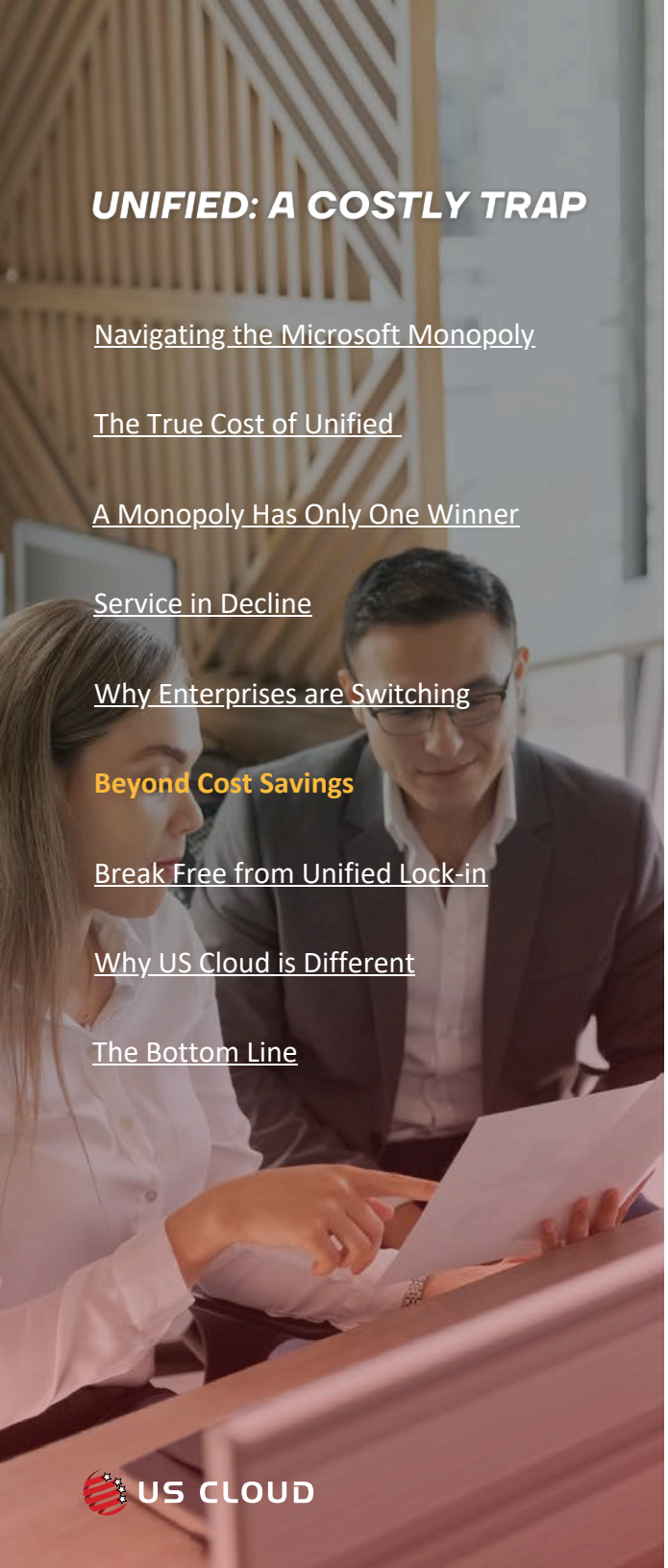

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Beyond Cost Savings

A recent BCG report[5] states that one-third of corporate leaders are actively hunting for substantial cost reductions in 2025—an 8% jump from last year. For IT departments, this translates to a painful reality: innovation gets shelved while maintenance costs soar.

Every IT leader knows the drill. Finance asks for 15% cuts while the CEO demands digital transformation. Your aging infrastructure needs updates, cybersecurity threats are multiplying, and that AI initiative everyone's excited about? It'll have to wait another year.

Meanwhile, your Microsoft support renewal just landed with a 30-400% price increase.

The Hidden Opportunity in Your Support Contracts

Here's what most organizations miss: while they're cutting strategic projects, they're overpaying for basic support. Third-party support providers are quietly revolutionizing how smart companies manage their Microsoft environments—delivering 30-50% cost savings without sacrificing quality.

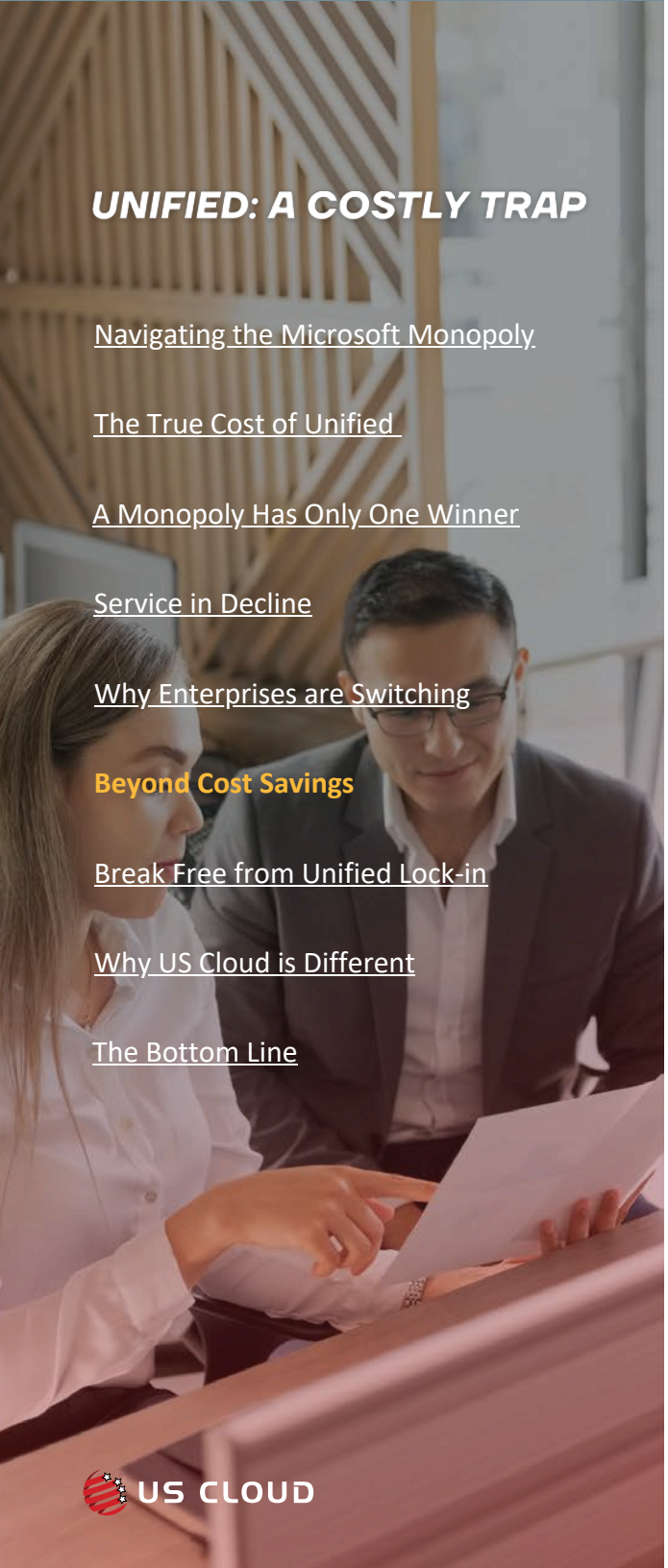
Think about it:

- Same Microsoft application
- Better response times
- Half the cost
- Budget redirected to growth initiatives

The math is compelling

An enterprise spends $2M/yr on Microsoft support and switches to third-party support.

Save $600K-$1M + Redeploy savings to **innovation projects** = Gain cost reduction **AND** transformation goals



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Real Ways to Reinvest Savings

Fund Innovation
Save money AND keep your competitive edge. Think of it as an "IT support refund"—money you can redirect to initiatives that actually drive growth:

- Keep up with market trends
- Open new revenue streams
- Win faster in key segments

According to Gartner[6], one client's strategic cost-cutting in support allowed them to invest in innovation that fueled growth over competitors. If we're not continually improving, we're falling behind.

Reduce Technical Debt
Technical debt is killing your ability to innovate. McKinsey[7] reports that technical debt substantially impedes enterprises' ability to innovate and increase operational efficiency.

By redirecting support savings to address technical debt, you could

- Eliminate legacy system obstacles
- Enhance performance and scalability
- Free IT resources for value-driving initiatives
- Stop the cycle of "quick fixes" that cost more later

Expand IT Teams for Enhanced Capability
The U.S. Bureau of Labor Statistics projects IT professional demand will grow faster than average through 2033. Yet most companies can't afford the talent they need—because they're overspending on support.

Your support savings can fund:

- Cybersecurity specialists
- AI and machine learning experts
- Cloud architects
- Upskilling programs for current staff

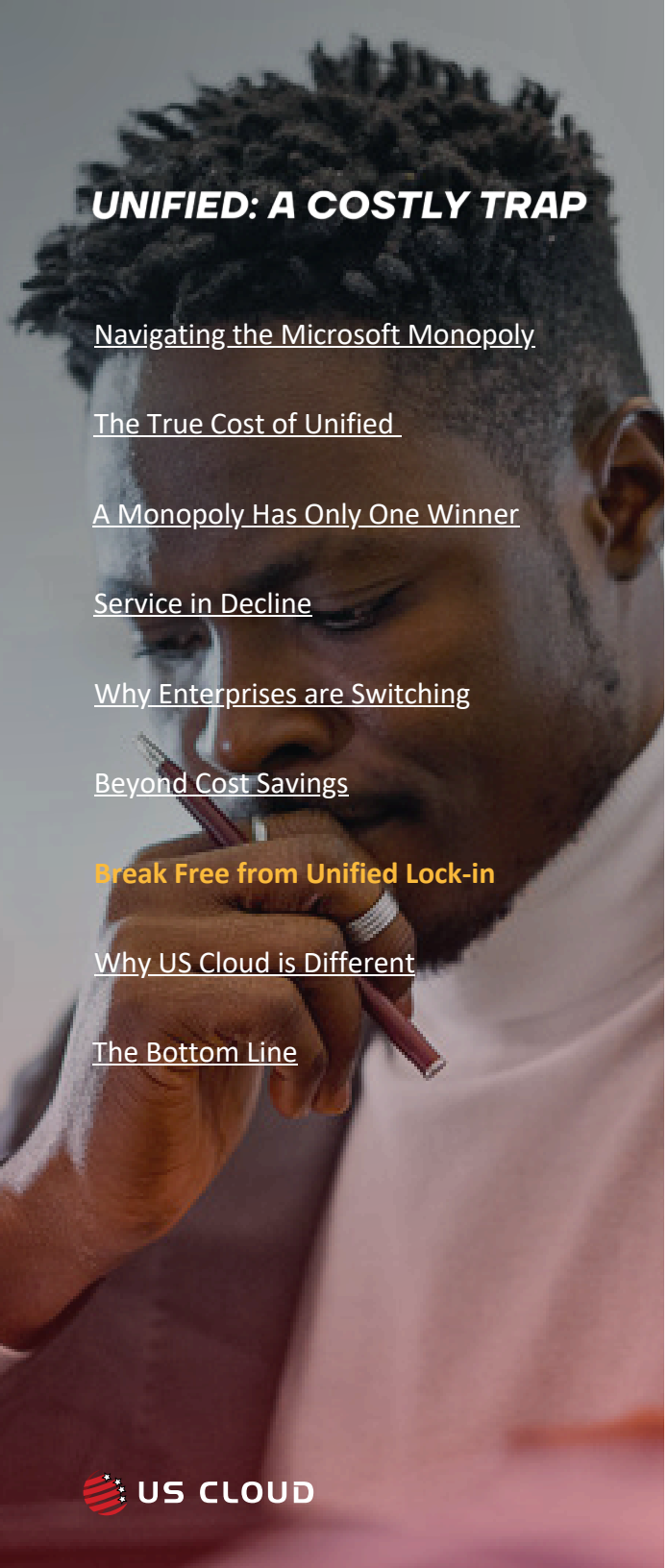
This isn't just about headcount—it's about having the right expertise to execute your digital strategy.

Strategic Analysis and Implementation
Effective utilization of your using reallocated dollars requires strategic thinking:

Assess Your Priorities: Which innovation projects align with long-term objectives? Where are your critical skill gaps?

Create Metrics-Based Goals: Define success for each investment area; track ROI on redirected funds; Adjust strategy based on outcomes

Build Executive Consensus: Align with business unit leaders on priorities



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Break Free from Unified Lock-in

When one vendor controls your renewal dates, pricing, and terms, you lose negotiating power. Real Options, a theory traditionally used in financial markets, offers a powerful lens for IT decision-making. At its core, it's about preserving your right to choose when facing uncertainty. Keep your choices open until you have the best information to act.

The Real Options Advantage with Third-Party Support

- Pay for the support you actually need
- Pivot as your needs and requirements change
- Delay big commitments until the timing is right
- Mix vendors for optimal coverage
- Preserve capital for strategic investments

This flexibility means you’re not locked into one-size-fits-all contracts. In a market where vendor lock-in can cost you 400% more while delivering less, optionality isn't nice to have. It’s survival.

You need to flip the script from safety to strategy. This isn't about abandoning Microsoft. It's about having choices. Smart companies won't be those with the biggest vendors or the safest choices. They'll be those with the most options.

Now is the time to take control of your Microsoft support strategy—before Microsoft makes the decision for you. Unified renewals only happen once a year, and Microsoft is counting on you to delay evaluating alternatives until it’s too late.

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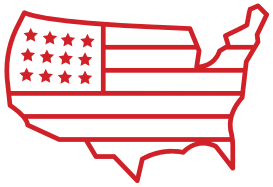
Why US Cloud is Different

Staying with Microsoft Unified is risky. Unified costs are rising fast. Service quality is slipping. And negotiating power is minimal.

Third-Party Microsoft Support is a superior, fully vetted alternative to Unified. US Cloud routinely save clients 30% to 50% or more—and matches your Unified quote to prove it.

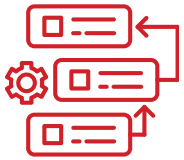
Guaranteed
15-min response SLA



No offshoring.
(UK/EU engineers
available)

24/7/365
support for all
severities

Full on-premises and
cloud coverage



Unrestricted
Microsoft
escalations

Faster ticket
resolution than
Microsoft

Microsoft spent 3 years trying to migrate Sharepoint and workflows for our project sites. This was our number one priority, because otherwise, patients become at risk. Our US Cloud dedicated engineer sat down, met with me, and my customers, got technical when I needed him to and generic when I needed him to. I don't have a SharePoint team. So it was all US Cloud.

I can't tell you how great it was to feel like somebody was putting my needs first. You don't get that from support these days.

-Ryan Holcomb, Computer Operations Manager, Aegion

More Than Break Fix

US Cloud dedicated support engineers and strategic advisors help with:

- **Architecture planning**
- **Deployment support**
- **Optimization and tuning**

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The Bottom Line

Staying with Microsoft Unified is no longer a safe choice, but a costly trap. Your freedom to choose isn't just philosophical—it's your most valuable strategic asset. Companies making the switch report not just cost savings, but better service, faster innovation, and IT teams freed to focus on strategic initiatives rather than vendor management.

The question isn't whether to explore alternatives. It's whether you can afford not to. The next move is yours. The consequences are too.

Next Steps

If you're ready to reduce costs, improve service, and take back control of your IT roadmap, contact US Cloud for a side-by-side comparison with your Unified quote.

Book a Call

Learn how you can save 30-50% over Microsoft Unified Support.

Let's Go >

Follow the Conversation

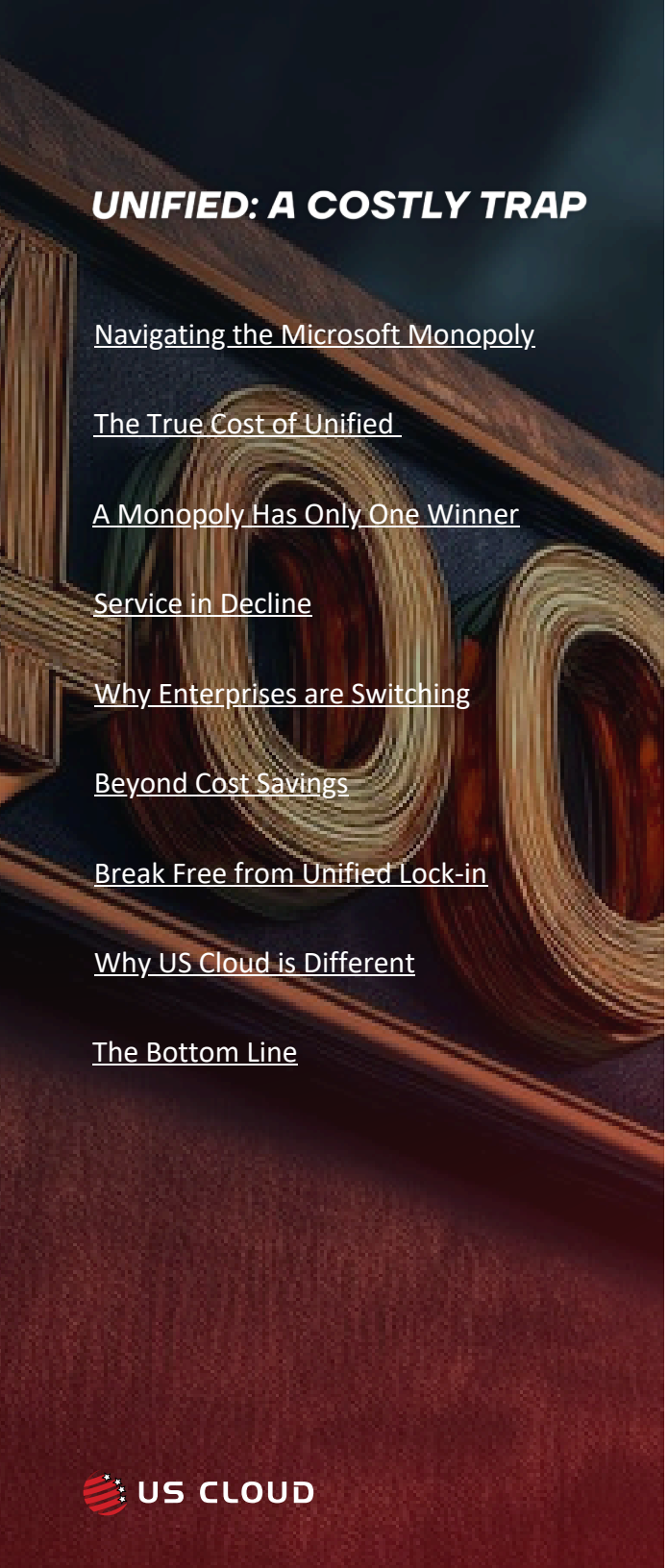
Read our latest thought leadership, including updates on Copilot, Azure, Dynamics, Microsoft 365 and more.

Go Now >

Get a Free Quote Now

- Get insights with no risk or obligation
- See targeted costs on real savings
- Gain intelligence with no risk or obligation

Request More Info >



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