



Office 365 Billing Challenges

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There is no question there is strong momentum for Office 365 right now. Microsoft has done a good job of educating end-customers, they are much more comfortable for Microsoft to deliver critical business functionality and are liking the subscription model for Office.

When we talk to Cloudmore customers, the IT channel, we still see a very mixed picture of licensing models including Volume Licensing, Enterprise Agreements, Open, and Advisor. You need to be quite an expert to navigate through all the options.

Fortunately, Microsoft has re-laid the playing field with the Cloud Solution Provider (CSP) Programme. This programme gives most cloud resellers an easier way to license and sell Office 365, Enterprise Mobility Suite, and Microsoft Dynamics CRM. Whether you hold a direct (Tier 1) CSP agreement or work with an indirect (Tier 2) CSP distributor. As an Office 365 reseller you should get a similar margin and, you will be able to invoice your customer!

But billing Office 365, as with many cloud services, brings its complexities. The Office 365 subscriptions held at your billing date will be billed in advance and any changes though the billing cycle result in a credit being issued against the previous billing cycles advance billing and being re-billed at the old and new quantities for correct portions of the cycle. Let's see how that looks on the Microsoft reconciliation report:

CustomerName	OfferName	SubscriptionStartDate	SubscriptionEndDate	ChargeStartDate	ChargeEndDate	ChargeType	UnitPrice	Quantity	Amount	TotalForCustomer	Currency
	OFFICE 365 BUSINESS ESSENTIALS	04/27/2015 00:00:00	05/18/2016 00:00:00	08/18/2015 00:00:00	09/17/2015 00:00:00	CYCLE FEE	34.63	1	34.63	34.63	SEK
	OFFICE 365 BUSINESS PREMIUM	04/27/2015 00:00:00	05/18/2016 00:00:00	08/18/2015 00:00:00	09/17/2015 00:00:00	CYCLE FEE	86.59	7	606.15	606.15	SEK
	OFFICE 365 ENTERPRISE E3	06/10/2015 00:00:00	06/18/2016 00:00:00	08/18/2015 00:00:00	09/17/2015 00:00:00	CYCLE FEE	174.18	3	522.55	522.55	SEK
	OFFICE 365 BUSINESS PREMIUM	04/27/2015 00:00:00	05/18/2016 00:00:00	07/18/2015 00:00:00	08/13/2015 00:00:00	CYCLE INSTANCE PRORATE	75.42	6	452.52	452.52	SEK
	OFFICE 365 BUSINESS PREMIUM	04/27/2015 00:00:00	05/18/2016 00:00:00	08/14/2015 00:00:00	08/17/2015 00:00:00	CYCLE INSTANCE PRORATE	11.17	7	78.22	78.22	SEK
	OFFICE 365 BUSINESS PREMIUM	04/27/2015 00:00:00	05/18/2016 00:00:00	07/18/2015 00:00:00	08/17/2015 00:00:00	CYCLE INSTANCE PRORATE	(86.59)	6	(519.55)	(519.55)	SEK

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The billing date is the 18th and this cycle starts with six Business Premium licenses. On the 14th August one more Business Premium license is added. Therefore, the amount that paid in advance at the end of the last cycle is credited and six licenses were re-billed up until the 13th and seven from the 14th to the end of the cycle. It also shows the amount, in advance, for the next cycle for the new, updated quantity of seven. There were no changes on the Business Enterprise or Business Essentials subscriptions. Now this is a challenge to keep track of with just one change in the month and for one customer with 6/7 users!

The billing logic is clearly correct but, in practice will create a significant overhead, regarding reconciliation and customer support.

In our new upcoming release of the Cloudmore Cloud Aggregation and Management Platform, we have simplified cloud billing complexities with operational subscription management views that show what subscriptions are in use, and for whom. We have also created the Office 365 billing module that significantly simplifies the Microsoft billing data so an end-customer bill can be created more efficiently and to quickly support billing enquiries

Date	Total Net			
25 August, 2015	1174.51 SEK			
Product	Total Net			
Office 365 Business Premium (CM-O365P1230)	617.31 SEK			
Type	ItemCode	Quantity	Price	Total Net
Payment for Next Month (cycle fee)	CM-O365P1230	7	86.60	606.20 SEK
Correction Previous Month (prorate)				11.11 SEK
Refund Previous Month.	CM-O365P1230	-6	86.60	-519.60 SEK
Prorated 7/18/2015 to 8/13/2015 (27 days)	CM-O365P1230	6	75.42	452.52 SEK
Prorated 8/14/2015 to 8/17/2015 (4 days)	CM-O365P1230	7	11.17	78.19 SEK
Office 365 Business Essentials (CM-O365BE1230)	34.60 SEK			
Office 365 Enterprise E3 (CM-O365E31230)	522.60 SEK			

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Below, we can see how the same information looks with Cloudmore:

ProductName	ItemCode	Qty	Price	encyC	ChargeType	Note	ChargeStartDate	ChargeEndDate	price
Office 365 Business Premium	CM-0365P1230	7	11.17	SEK	CYCLE INSTANCE PRORATE	Prorated 8/14/2015 to 8/17/2015 (4 days)	8/14/2015 12:00:00 AM	8/17/2015 12:00:00 AM	78.19
Office 365 Business Premium	CM-0365P1230	7	86.6	SEK	CYCLE FEE	*Cycle Fee. Charge Start Date: 8/18/2015 12:00:00 AM, Charge End Date: 9/17/2015 12:00:00 AM	8/18/2015 12:00:00 AM	9/17/2015 12:00:00 AM	606.2
Office 365 Business Essentials	CM-0365E1230	1	34.6	SEK	CYCLE FEE	*Cycle Fee. Charge Start Date: 8/18/2015 12:00:00 AM, Charge End Date: 9/17/2015 12:00:00 AM	8/18/2015 12:00:00 AM	9/17/2015 12:00:00 AM	34.6
Office 365 Enterprise E3	CM-0365E31230	3	174.2	SEK	CYCLE FEE	*Cycle Fee. Charge Start Date: 8/18/2015 12:00:00 AM, Charge End Date: 9/17/2015 12:00:00 AM	8/18/2015 12:00:00 AM	9/17/2015 12:00:00 AM	522.6
Office 365 Business Premium	CM-0365P1230	6	75.42	SEK	CYCLE INSTANCE PRORATE	Prorated 7/18/2015 to 8/13/2015 (27 days)	7/18/2015 12:00:00 AM	8/13/2015 12:00:00 AM	452.52
Office 365 Business Premium	CM-0365P1230	-6	86.6	SEK	CYCLE INSTANCE PRORATE	Refund Previous Month.	7/18/2015 12:00:00 AM	8/17/2015 12:00:00 AM	-519.6

The advance charge for the next cycle is clearly shown as is the refund and the prorated charges for the cycle period. By hovering over the small question mark, an explanation for the prorated period appears. This means it is extremely easy to resolve customer enquiries around Office 365 billing and all data is easily exportable. The export is clearer and gives the information needed, to understand what changes have taken place.

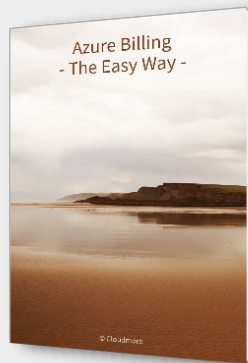
Office 365 billing is the top challenge as customer numbers and size starts to grow and this challenge is set to get bigger as more services such as Azure, Microsoft Enterprise Mobility and CRM Online gain more traction. Generally, automation reduces cost of delivery and aggregation increases potential margin from cloud services, and Office 365 billing and management demonstrate this admirably

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Azure Billing in Cloudmore

Learn about how Cloudmore solves the Azure management and billing challenges.

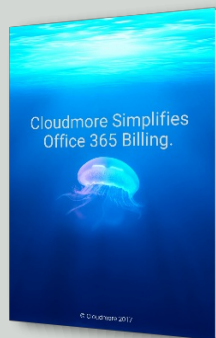
We have implemented a number of features and controls to ensure that you and your customers can use Microsoft Azure easily and safely.



[Learn more](#)

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Office 365 Billing in Cloudmore



Find out more about how easy
Office 365 Billing is in Cloudmore

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