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Support Cost Breakdown: **The Real Math Behind Your Microsoft Invoice**

How Unified Support Pricing Really Works and **Why DCG's Transparent Model Restores Financial Control**

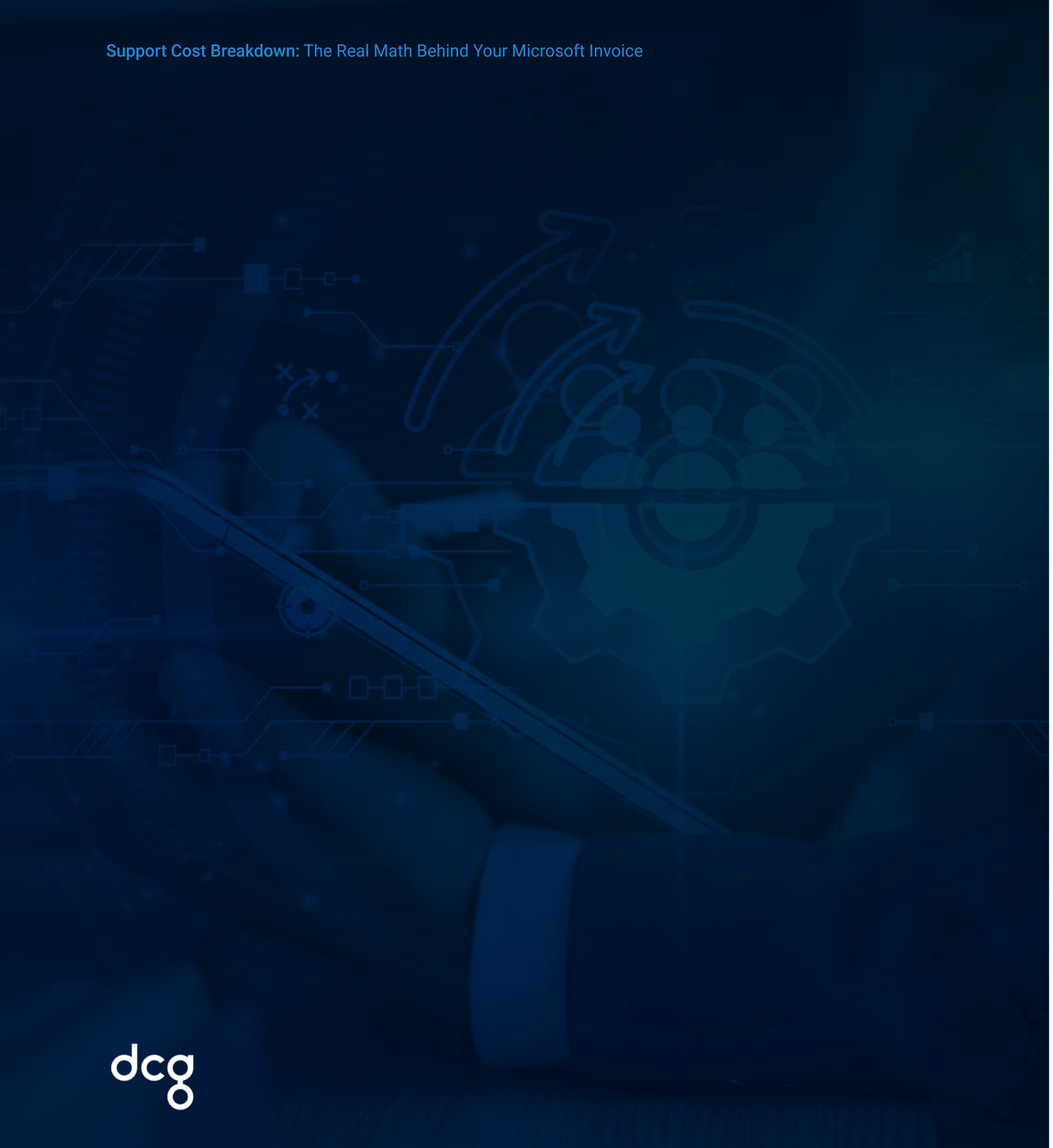


Table of Contents

> “Can someone explain why my Unified Support costs increase every year?”

Executive Summary

1

Enterprise support costs have started looking like a black box. Every year, procurement and finance leaders receive Microsoft Unified Support renewal documents that are unclear and virtually impossible to map to real operational value. The more organizations shift to the cloud, the larger their Unified Support invoice becomes. This is regardless of how often you use support services, how many incidents you generate, or how quickly (or slowly) your issues are resolved.

In this whitepaper, we try to break down the exact pricing mechanisms behind Microsoft Unified Support. This will help identify the hidden spikes that quietly increase your spend year over year and provide a practical comparison of MSFT's model versus DCG’s transparent, engineering-led alternative to Unified Support.

Drawing on industry research, DCG client inputs, and authoritative sources, we provide actionable insights for procurement and finance leaders ready to treat support spend as a strategic investment.

Along the way, we show the real math behind where enterprises overpay and how flexible support models built on consumption, engineering performance, and SLAs create measurable ROI in the first 12 months.

Read This Have you ever wondered:

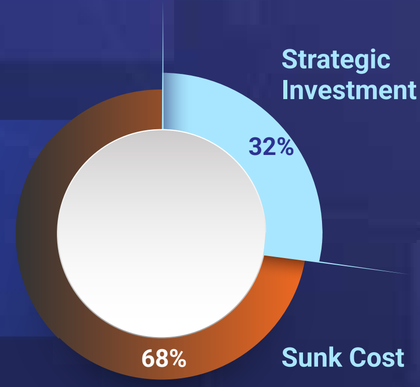
- Why did your Unified Support bill increase even though your ticket volume decreased?
- Why do enterprises with the same support need to pay drastically different amounts?
- Why Unified Support is based on software spend instead of engineering effort?
- How much of your invoice is tied to entitlements you never requested?
- What does a fair, transparent support model actually look like?

Support Costs Matter More Than You Think

For today's procurement and finance leaders, support spend is now a lever for operational excellence and competitive advantage. Yet, most organizations do not recognize the Unified support "tax" they are paying, resigned to opaque pricing and unpredictable costs. DCG believes it's time to flip the script: support should be a performance investment, measured, optimized, and aligned to business outcomes.

The true cost of Unified support is often buried in complex contracts and invoices that few can decipher. The result? Enterprises end up overpaying, underutilizing entitlements, and struggle to justify their spend.

Support Spend: Tax or Investment?



Forrester proposes that organizations using Third-Party Software Support (TPSS) will collectively save **$5 billion by 2027.**

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The universal symptom:

> “Our Unified Support invoice doesn’t map to our actual support usage.”

Why Microsoft Unified Support Is So Hard to Decode

2

Most IT, Finance, and Procurement leaders can explain their organization’s Azure spend, Microsoft 365 licensing strategy, and even their infrastructure costs with clarity. But when it comes to breaking down their Unified Support pricing, the conversation quickly becomes murky.

That’s not accidental. Unified Support is designed as a **spend-based support model, meaning:**

- **The more Microsoft services you buy, the more support you must buy**
- **The cost increases even if your ticket volume drops**
- **The pricing is tied to entitlement bundles, not engineering value**

Unified Support is positioned as a one-size-fits-all solution, but the reality is more nuanced. Enterprises pay based on their total Microsoft spend, not the actual number of incidents or engineering hours consumed. Contracts are tiered (Core, Advanced, Performance), with minimums that scale with your licensing. This disconnect means that organizations with low support needs may subsidize those with higher usage, eroding ROI for everyone.

According to multiple independent analyst reports, Unified Support cost is typically calculated as:

A percentage of your total Microsoft annual spend = **Enterprise Agreement (EA) + Azure + Dynamics.** Common ranges cited across industry sources:

6-10%

of total Microsoft spend
for large enterprises

10-15%

of total Microsoft spend
for large enterprises

15-22%

for smaller or growing cloud
footprints

Therefore, Unified support costs grow linearly with cloud adoption, even when the support experience does not improve.

Why This Is a Problem for Procurement

- Cloud adoption expands 20-30% YoY for most enterprises
- Unified Support expands at the same rate
- But support volume and quality do not
- This creates compounding cost without compounding value

Intentionally abstract and deeply anchored to Microsoft's business incentives, this pricing design ensures that organizations like yours never fully understand what they're paying for.

> Microsoft Unified Support charges you based on what you **BUY, not what you NEED or USE.**

It's like buying a gym membership for the whole company, but only a handful ever show up, and everyone pays for the empty treadmills.

3 Anatomy of a Microsoft Invoice: What's Really Driving Your Costs?

A typical Microsoft Unified Support invoice commonly includes:

Base Support Fee

This is the foundational support subscription based on Microsoft software spend. It accounts for a major percentage of the total invoice, not tied to incident volume, SLA performance, or engineering expertise.

Enterprise Surcharge

This increases based on the size of the organization and the Microsoft ecosystem it uses. It is not tied to actual engineering hours or any performance metric.

Cloud Cost Premium (Azure + Dynamics)

As organizations migrate to cloud workloads, Microsoft applies additional uplifts. These uplift costs rise as cloud consumption rises, though cloud environments require fewer support cases due to maturity.

Premier Legacy Conversion Charges

Enterprises that previously had Premier Support often receive a conversion uplift that permanently increases their support baseline.

Entitlements

Unified Support bundles service entitlements that frequently:

- **Go unused**
- **Are irrelevant to the organization**
- **Cannot be converted into engineering time**
- **Are included whether requested or not**

Result? **Paid but unused entitlements that inflate the invoice without providing measurable outcomes.**

Procurement leaders struggle with these charges for one reason ⇒ **There is no measurable cost-to-value correlation.**

For example,

A **USD 5M** Microsoft software spend could result in an annual support fee of **USD 250K**, regardless of whether the organization **logs 10 or 1,000 support cases**. True-up processes further complicate budgeting, as costs can spike unexpectedly when new licenses are added or usage patterns shift. The lack of itemized billing makes it nearly impossible for procurement teams to correlate spend with value.

Walkthrough of a Typical **Unified Support Cost Breakdown**

This is a simplified representation of how a $6M Microsoft investment might translate into Unified Support costs.

Sample Enterprise Microsoft Spend	**$3.5M**	Microsoft 365
	$2 M	Azure
	$500K	Dynamics
Total:	**$6M** yearly Microsoft spend	

Typical Unified Pricing Percentages

Base Support **Percentage**	**$3.5M**
Azure **Cost Premium**	**+3-5%**
Enterprise **Surcharge**	**+1-3%**

Key Observations

- Even if your tickets drop **40%,** your support bill does not.
- Even if your cloud costs rise for reasons unrelated to support, your support bill increases.
- Even if entitlements go unused, you still pay for them.

Invoice Example

Line Item	Calculation	Result
Base Unified **Support Fee**	**8% × $6M**	**$480,000**
Azure Cost **Premium**	**3% × $2M**	**$60,000**
Enterprise **Surcharge**	**1% × $6M**	**$60,000**
Entitlements **+ Workshops**	**Fixed percentage**	**$45,000**
Conversion **Charges**	**Fixed**	**$30,000**
Total Annual Unified Support Cost		**~$675,000**

Unified Support vs. Reality: What You Actually Get for That Spend

4

DCG vs. Microsoft Unified Support

DCG SLA Benchmark

- **< 15 minute average critical incident response**
- **< 1 hour average standard ticket response**
- **Direct-to-engineer engagement**
- **Resolution-focused** engineering
- Managed escalation with **end-to-end engineering ownership**

Despite high annual costs, most enterprises report:

- Delayed access to senior engineers
- Multi-tiered escalation (L1 → L2 → L3)
- Slow resolution times
- Inconsistent case communication
- Visibility problems in reporting
- No cost-to-value linkage

The Hidden Costs That Erode Unified Support ROI

Unified Support's pricing model introduces several invisible cost drivers that directly reduce ROI.

Paying More As You Move to the Cloud

The more Microsoft workloads you adopt, the higher your Unified Support costs will be. Thus, digital transformation raises support spend without improving the support experience.

If your Azure spend grows **20% YOY,** Unified Support grows **20% YOY.**

Paying for Entitlements You Never Use

Most organizations use less than **30% of Unified entitlements.**

Yet entitlements often represent a fixed percentage of the invoice.

Paying for Slow Resolution Times

When MSFT engineers take hours (or days) to start real troubleshooting, the cost isn't reflected in your invoice.

But the wait tax hits your operational budget hard.

Paying for Inconsistent Reporting

Unified Support's reporting varies widely and often lacks:

- Time-to-resolution metrics
- Escalation logs
- Engineering time summaries
- SLA performance data

Procurement loses the ability to negotiate effectively, without:

- **Cost per incident**
- **Cost per successful resolution**
  Cost per hour of engineering
- **effort**

Paying for Overlapping Skills or Redundant Coverage

Enterprises with internal engineering teams often pay:

- For incident types, they already handle internally
- For entitlements unrelated to their workloads
- For support scopes that overlap with in-house capabilities

Paying for the Wrong Engineer

Tiered systems cause a hidden cost of the time you waste while escalating through entry-level engineers.

DCG routes all incidents **directly to experienced Microsoft-certified engineers, reducing time-to-engineer dramatically**

Introducing the trusted alternative to Microsoft Unified Support

DCG's Advanced Support was designed to solve the exact financial, operational, and performance gaps that Unified cannot.

5

> "Pay for what you use. Keep what you don't. Get more than you expect."

Unlike Unified Support,
DCG's pricing is built for flexibility.

Connect with DCG for a Personalized Assessment

Pay for Real Engineering Hours
You buy actual engineering capacity.

Typical contract example:

720 Engineering hours per year

Access to **Senior Microsoft-certified engineers**

Service Level Delivery Commitment Guarantee

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Transparency into Every Hour

Every hour spent is documented and visible

- Ticket details
- Workstream time entries
- SLA benchmarks
- Root cause summaries
- Escalation notes

This makes it possible to calculate:

- **Cost per incident**
- **Cost per engineering hour**
- **Cost per resolution**

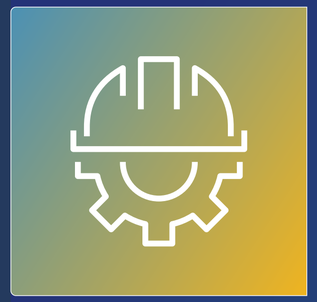
Faster Resolution = Lower Operational Cost

DCG's time-to-engineer and time-to-resolution numbers outperform the market

<15-minute
average response for critical incidents

<1-hour
average response for standard tickets

Engineer familiarity
reduces repetitive context-setting



Engineering Continuity

DCG removes the **“roulette wheel”** of engineer assignment

You get:

- A dedicated support team
- Engineer familiarity with your environment
- Consistency of communication
- Consistency of root-cause knowledge

This reduces duplicate troubleshooting efforts, lowering costs and time loss.

Built-In Cost Optimization

DCG encourages continuous improvement, including:

- Microsoft licensing optimization
- Workload rightsizing
- Cloud cost governance
- Security posture assessment
- Operational efficiency support

Your cost does not rise arbitrarily and aligns with performance and value.

Family Health International (FHI)

Frustrated by Microsoft's lack of consistency and forfeited unused hours » Switched to DCG for personalized support, faster resolution, and flexible contract hours

Cornerstone Commissioning Inc

Needed a dedicated point of contact and consistent engineering engagement » DCG delivered superior account management and incident support

By working with DCG for support of their Microsoft products and services, FHI has experienced a dramatic improvement in the quality and responsiveness of their Microsoft Support. This has driven additional business units within FHI to begin utilizing **DCG's Advanced Support for their Microsoft products and services.**

Tom Maloney,

Director, Infrastructure & Operations, FHI

Example: How a USD211,680 DCG Advanced Support Contract Outperforms a $675,000 Unified Contract

Using the sample Unified invoice from earlier, let's compare a typical DCG annual contract:

DCG Contract Example

- **720 engineering hours** per year at **$245/hr**
- **$176,400** Annual total
- **CSAM & governance** services included
- **SLA performance** Guaranteed

Unified vs DCG: Annual Cost Comparison

Category	Unified	DCG
Total Annual Cost	$675,000	$176,400
Customization	None	Full control
Engineering Access	Tiered	Direct senior engineers
SLA Credits	No	Yes
Cost Transparency	Low	High

Licensing Optimization Drives Additional Savings

As shown in DCG's real client example

$943,812
in licensing cost reduction

$2.8M
potential 3-year savings

70%
risk-adjusted ROI

4-month
breakeven

Unified Support Cost Logic

Cloud Spend ↑ = Unified Cost ↑
EA Spend ↑ = Unified Cost ↑
M365 Adoption ↑ = Unified Cost ↑

- Incident volume
- SLA performance
- Time-to-resolution
- Engineering utilization

DCG Cost Logic

- Engineering Hours Used = **Cost**
- Performance = **Value**
- Optimization = **Savings**

You only pay for engineering time that delivers results.

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Metric	Microsoft Unified Support	DCG Enterprise Support
Cost per Incident	$10K - $16K	$2,250
Response Time	1 Hour	<15 min (Critical)
Contract Flexibility	Fixed, annual	Block-hour, rollover
Escalation Paths	Standard	Direct to Senior engineer
Average Savings	——	32% vs Unified*

The Future of Enterprise Support

Support is evolving from reactive ticket resolution to proactive, data-driven partnership.

Procurement and finance leaders have the power to transform support from a sunk cost to a strategic asset. They must start by mapping their current support spend, identifying all line items, and calculating cost per incident. Next, benchmark these figures against industry standards and alternative providers. DCG's support cost decoder tool simplifies this process, providing instant visibility into potential savings.

Ready to learn where you stand in the ROI Battle?

See What You Could Save in 12 Months

Get a support model benchmark comparing **Unified vs DCG based on your actual usage, engineering needs, and Microsoft ecosystem.**

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