



With Geopolitical tensions and Trump Tariffs causing havoc across the globe, ERA Group are here to provide insights and strategies on areas within your business you can control.

Microsoft's licensing shifts—combining price drops and hikes—mean it's time to act now and lock in savings. Dive into the sustainability revolution in managed print, and discover why paper is making a comeback in a digital world. With rising national insurance and minimum wage costs, CFOs can turn this challenge into a chance to boost efficiency. Plus, find out how ERA Group is helping businesses uncover hidden foreign exchange and payment fees, unlocking significant savings.

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Microsoft Licensing Changes in 2025: Why UK Businesses Should Act Now

By Pritesh Patel

Microsoft has announced upcoming changes to its licensing costs under the Cloud Solution Provider (CSP) and New Commerce Experience (NCE) models, with a mix of price reductions and increases set to take effect in 2025. These changes present both opportunities and risks for UK businesses, making it crucial to review licensing strategies now to optimise costs and avoid unnecessary expenses.

Price Reductions (February 1, 2025):

- Microsoft will reduce pricing for its commercial cloud services in GBP by approximately 5-6%.
- This adjustment is part of Microsoft's currency alignment strategy to ensure global pricing consistency, benefiting UK businesses.

Price Increases (April 1, 2025):

Annual Subscriptions (Monthly Payment Plan):
A 5% price increase will apply to annual commitments paid monthly.

Product-Specific Increases:

Power BI Pro: From £7.70 to £11-12 per user per month.
Power BI Premium Per User: From £15.40 to

£18.00-£20.00 per user per month.

Teams Phone Standard: From £6.20 to £7.50-£8.00 per user per month.

These changes will impact businesses of all sizes in the UK, particularly those with large Microsoft 365, Office 365, Dynamics 365, or Power Platform deployments.

Why UK Businesses Should Act Now

1. Optimise Costs Before Price Increases

UK organisations renewing their licenses before April 1, 2025, can lock in current lower rates and delay the impact of upcoming increases.

Businesses can capitalise on the February price reduction before the subsequent hikes in April.



2. Strategic Licensing Adjustments

Reviewing your licensing structure now allows you to determine the most cost-effective approach, whether through license consolidation, downgrades, or shifting to annual billing.

Consider migrating workloads to alternative Microsoft licensing models to optimise spending.

3. Avoid Unnecessary Spending on Unused Licenses

Many UK businesses overpay due to inactive or redundant licenses. A thorough review ensures licenses are aligned with actual usage, eliminating waste.

4. Take Advantage of Flexible Contracting Options

The shift to NCE pricing means UK businesses need to evaluate their commitment terms. Those currently on monthly subscriptions should consider switching to annual commitments before the April price hike to avoid the 5% increase.

5. Ensure Compliance and Future-Proof IT Budgets

Microsoft's licensing models are complex, and non-compliance can lead to unexpected costs. A professional review will help ensure compliance while planning for future needs.

Why Partner with ERA for a Microsoft Licensing Review?

- **Buying Power:** ERA Group procure tens of millions of pounds in Microsoft licensing annually, enabling us to leverage significant buying power and secure the best possible terms for our clients.
- **Expertise in Cost Optimisation:** We specialise in reviewing technology costs, ensuring UK businesses maximise value while minimising waste.
- **Tailored Licensing Strategies:** Our approach aligns licensing with business objectives, ensuring the right mix of subscriptions and commitment terms.
- **Proactive Cost Management:** We help UK businesses secure cost-effective licensing structures ahead of price hikes.
- **Vendor Negotiation:** We assist in negotiating with Microsoft or CSP providers to secure the best terms.

With Microsoft's licensing changes approaching, now is the time for UK businesses to review and optimise their IT spending. Engaging with us today ensures that your organisation takes full advantage of available cost-saving opportunities while mitigating the risks of price increases. Contact us now to schedule your Microsoft licensing review and secure the best possible pricing for your business in 2025.



Green Innovation: How Sustainability Targets Are Reshaping Managed Print

By Neil Pinner

Businesses are under growing pressure—from both legislation and customers—to adopt greener print solutions. The managed print industry is at a crossroads, where sustainability is no longer just a nice-to-have but a business imperative. Companies that fail to innovate risk falling behind as the landscape shifts towards eco-friendly, cost-effective, and energy-efficient print solutions.

Regulation: The Driving Force Behind Change

Governments worldwide are tightening sustainability policies to curb carbon emissions and electronic waste. In the UK, for example, the Environment Act 2021 and net-zero targets for 2050 are pushing the industry toward a circular economy. Businesses that don't comply face reputational risks, financial penalties, and potential loss of contracts, as clients increasingly prioritise sustainable suppliers.

Key regulations like Extended Producer Responsibility (EPR) schemes now hold

manufacturers accountable for the entire lifecycle of their products, from production to disposal. The message is clear: sustainability isn't optional—it's essential.

Sustainability as a Customer Priority

Beyond regulations, customers are actively demanding greener printing solutions. Sustainability commitments now shape procurement decisions, with businesses seeking transparency on their environmental footprint. Tools like PaperCut Grows and Print Releaf help companies track and offset their printing impact, proving that sustainability isn't just about compliance—it's a competitive advantage.



Industry Innovations: Meeting the Demand for Greener Printing

To stay ahead, print manufacturers and managed print service (MPS) providers are rolling out innovative solutions:

- **Eco-Friendly Hardware:** Modern laser devices are designed with sustainability in mind, using recycled materials and longer life spans to reduce waste.
- **Refurbished Equipment:** Programs like Agilico's Zero initiative are cutting carbon emissions by 500kg CO₂e per refurbished device.
- **Heat-Free Printing:** Epson's PrecisionCore inkjet printers use up to 85% less energy than traditional laser printers, cutting costs while reducing environmental impact.
- **Sustainable Consumables:** From soy-based inks to biodegradable toner cartridges, the industry is shifting away from petroleum-based materials toward greener alternatives.
- **Closed-Loop Recycling:** HP and Xerox now integrate recycled plastic into ink and toner cartridges, keeping waste out of landfills.

Cloud & AI: The Smart Future of Printing

The rise of cloud-based printing and digital workflows is accelerating the shift toward paper-light environments. Smart print management powered by AI and machine learning is helping businesses optimise resources, reduce waste, and cut print volumes by up to 40%.

The Path Forward: A Balancing Act for Business Leaders

With regulations setting the direction, customers driving demand, and the industry innovating in response, the managed print

landscape is evolving rapidly. Successful IT and business leaders in 2025 will treat market reviews as an opportunity—not just to cut costs, but to align with environmental goals while ensuring quality and long-term supplier partnerships.

Sustainability isn't just the future of managed print—it's happening now.
The question is: is your business ready?



Why Paper and Direct Mail is Gaining Trust in a Digital World

By Keith Copestake

A lot of businesses talk about going paperless these days, claiming it's all about saving the environment and cutting costs. But the truth is, it's not as simple as that. Digital marketing and communications come with their own set of environmental impacts, and not many people are fully aware of just how much they cost us. Plus, there's growing distrust around digital channels, and it's not hard to see why.

The Digital Dilemma

Since the rise of personal computers in the 1960s, technology has been moving at a breakneck speed. From mobile phones to AI, the world is more connected than ever before, and we're constantly bombarded with digital content. But here's the catch: it's not all positive. The environmental impact of digital technology is huge and often overlooked.

Take the ICT industry, for example. In 2020, it accounted for 4-6% of global electricity use and more than 2% of global greenhouse gas emissions. And it's only going to get worse as demand for digital services grows. The mining for rare earth minerals and the increasing e-waste problem add to the environmental burden, making it clear that "going digital" isn't as consequence-free as some make it out to be.



Paper's Sustainable Edge

While it's easy to think of paper as something of the past, it has a lot going for it when it comes to sustainability. Most paper in Europe comes from well-managed forests that are carefully maintained. In fact, European forests have grown by an area bigger than Switzerland since 2005, thanks to sustainable forest management. And modern paper mills are making huge strides in cutting down energy use, generating most of their electricity from renewable sources. Compared to the digital world, paper's carbon footprint is smaller, especially when it comes to long-term sustainability.

Plus, unlike digital devices, paper doesn't require constant power to work. It's simple, effective, and easy to recycle. The industry is one of the best at recycling, with paper having the highest recycling rate of any material in Europe—around 71%. So, when you're using paper responsibly, it's a far more sustainable option than many people realise.

The Trust Factor: Why People Are Turning Back to Paper

One of the big reasons people are rediscovering paper is because of trust. With digital marketing, there's a lot of noise, and

unfortunately, a lot of it is not trustworthy. From fraudulent emails to fake ads and AI-generated content, people are becoming more skeptical about what they see online.

Paper, on the other hand, is a lot harder to manipulate. You don't have to worry about clicking the wrong link or falling for a scam when a piece of direct mail lands on your doorstep. It's reliable in a way digital channels just can't match.

Why Paper Still Wins in Some Areas

Paper is tactile, it can be shared, gifted, and stored without needing to plug it into a charger. Sure, it's not always as quick to distribute as an email, but in many cases, it's far more impactful. People still like getting a physical letter or brochure in the mail because it feels real—it's not just another message lost in an inbox.

The Bottom Line: Digital or Paper? It's About Balance

Take a step back, consider the environmental impacts, and think about what works best for your audience. It's not about one being better than the other—it's about choosing the right tool for the job. At ERA Group, we help businesses run more smoothly and maximise their Marketing budget while maintaining quality.



Increased Employers National Insurance and National Minimum Wage - Threat or Opportunity for CFOs to Improve Efficiency

By Paul Gravatt

Nobody I've spoken to, and nothing I've read since Rachel Reeves announced the increases to Employers' National Insurance Contribution (ERNIC) and, to a lesser extent, the National Minimum Wage (NMW), suggests there is any good news for employers in this ill-considered government policy.

Spoiler alert: this article will not reveal otherwise!

However, that's not to say CEOs and CFOs cannot use this unwelcome "attack" by the government on growth and employment as a catalyst for positive change and improvement.

There are broadly two ways in which our specialist consultants at ERA Group can help organisations in this respect:

Cost Optimisation

Commission a full "opportunity assessment" by inviting ERA Group to review the costs on your purchase ledger for the last 12 months.

Our expertise, strategic approach to supplier management, and leverage are highly likely to deliver sustainable annual cost reductions—as well as numerous intangible benefits and process improvements—that will far outweigh

the c.10% hike in payroll costs that employers will face from April due to the ERNIC and NMW increases.

Furthermore, this will be achieved with no reduction in the quality of goods or services purchased. And, given ERA Group's "contingent fee" business model, the assessment will be conducted entirely at our risk.

Prefer to just raise prices?

If you can, go for it! But the two things are not mutually exclusive. Take the opportunity to grow profits by increasing revenue and reducing costs.

Restructuring

If you're reading this article, you probably already know that strategic cost reduction is at our core—it's what we do.

However, beyond this, ERA Group, in conjunction with strategic partners, offers an opportunity to review your entire approach to attracting and, more importantly, retaining talent. Retaining talent, by the way, also reduces costs.

Very few organisations can grow successfully without putting people at the forefront of

their strategy. Yet, many CFOs either pay lip service to "people and culture," see it as "an HR thing," or overlook it altogether.

Worse still, there may be a temptation for a knee-jerk reaction to ERNIC/NMW hikes by reducing headcount to cut short-term expenses—often at the cost of long-term growth.

Retention and attraction of top talent is essential for profitable growth and serves as a strong risk mitigation measure.

Creating an environment and structure where staff feel empowered, valued, and aligned with the organisation's goals is a powerful driver of long-term sustainable growth and profitability.

Conversely, organisations with high staff turnover and weak workplace culture suffer from inefficiencies and the continual costs of training and retraining. Constantly recruiting replacements, rather than adding new roles, drains resources and damages profitability.

A review of corporate structure and a holistic approach to talent acquisition and retention often creates opportunities to:



- Improve staff retention and strengthen existing staff, customer, and client relationships.
- Reduce recruitment and training costs.
- Minimise staff costs while simultaneously increasing take-home pay.
- Provide a flexible environment to better reward high-performing staff, improving workplace culture and inclusivity.
- Transition to a sustainable, fixed staffing cost model.
- Isolate the operating company from future employment law changes, mitigating risk.
- Remove legacy liabilities linked to employment law, eliminating “barriers to exit” for businesses looking to sell in the coming years.
- Maximise tax efficiency on sale.

An effective people strategy and structure deliver intangible value by boosting morale and productivity while also potentially generating significant cost and cash flow savings. These savings may far exceed the additional costs arising from ERNIC and NMW.

For a no-obligation discussion on how an Employment Structural Review could help your organisation overcome imminent challenges and support long-term profitable growth, please contact your ERA Group Principal Consultant or reach out to Paul Gravatt at pgravatt@eragroup.com or +44 7860 780 770.



Transforming the Way Businesses Manage FX Fees

By Chris Smith

For businesses processing thousands of transactions annually, payment fees can feel like an unavoidable cost of doing business. While these fees might seem small at first glance, they can quickly add up to a significant financial burden. Banks impose charges for processing payments, but often, these fees go unnoticed or unchallenged, and many businesses continue to pay more than necessary.

As a CFO or Finance Director, you understand the importance of optimising costs and ensuring that every penny counts. Payment fees, when left unchecked, can erode profitability and divert resources from areas that could drive growth. It's not just about the visible fees; it's the hidden ones—such as inflated FX spreads and

intermediary charges—that can quietly drain your revenue.

Payment Fees That Add Up

Imagine processing millions—or even tens of millions—of pounds annually, only to see a significant percentage disappear into these hidden fees. Banks often embed



additional costs that are difficult to spot in transactions, such as intermediary fees and inflated exchange rates. Our research has shown that in some cases, businesses unknowingly pay up to £2 million annually in these extra charges.

The most concerning part is that many companies don't question these fees because they're often viewed as standard practice. However, with the right knowledge and tools, businesses can start uncovering these hidden costs.

What to Look Out For:

- **Excessive FX Spreads:** FX providers often add their margin to exchange

rates, resulting in significant hidden costs over time.

- **Intermediary Bank Charges:** These additional charges can be high and difficult to track, particularly for cross-border transactions.
- **Payment Processing Fees:** Unnecessary charges, including high transaction fees, can quickly add up, especially if volumes are high.

What You Can Do:

1. **Audit Your Transactions:** Review your past payment and FX transactions to identify unnecessary costs.

2. **Challenge Providers:** Question your current providers about their fee structures and explore alternative options.
3. **Benchmark Costs:** Ensure that your FX and payment fees align with market standards.

How We Can Help

At ERA Group, we work with businesses to uncover unnecessary costs and provide ongoing support to ensure your financial operations are streamlined and cost-effective. We specialise in:

- **Conducting FX Audits:** We analyse your payment systems to identify hidden charges and excessive fees.

- **Tailored Strategies:** We provide customised plans to help reduce or eliminate these fees, ensuring your financial health.
- **Ongoing Support:** As market conditions change, we continue to monitor your payment structures to ensure long-term savings.

While we don't believe in simply accepting fees as a part of doing business, we do understand that managing these fees requires expertise. If you're ready to understand where you're being overcharged and how to reduce those costs, we're here to help.

MarketINTEL

Insight and market analysis to achieve better value from suppliers



We are very pleased with the work that ERA has done for us. Julian and his team of specialists have found significant savings, provided valuable insights and streamlined our procurement in ways that we didn't have time to consider. They did so unobtrusively, equipping us with the information necessary to make decisions autonomously. We now see them as a trusted advisor for our cost needs and look forward to entrusting them with further projects in the future. ””

MALCOLM GRAY,
CHIEF FINANCIAL OFFICER,
THE PRIMARY FIRST TRUST



I recognised the level of expertise that the consultants brought to the table and it became evident that this was not just a benchmarking exercise; ERA has a much broader remit. The logistics specialist spent half a day to ensure he really understood our capabilities and what we could provide for his client. It was this thorough and responsible approach that lead us to appoint ERA to review additional eras of expenditure within our organisation. ””

DAVID SANDERSON,
JOINT OWNER,
S&S DISTRIBUTION



Given the results we have achieved and the good spirit of cooperation we have experienced, I can't recommend ERA highly enough. I think many companies can get much more than just great savings out of an ongoing partnership with ERA. It is about having control over external costs and by consulting experts like ERA, within a wide range of supplier industries, we can ensure that best practices, industry specific developments, regulatory aspects and other matters that may adversely affect one's performance are handled in a timely manner. ””

THOMAS HØPNER,
CFO,
ANTICIMEX DENMARK



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