MS SA Customers Never Win !!!

Description

By Sheshagiri Anegondi

Software Assurance (SA) is a program by Microsoft to enable customers get access to upgraded versions at a discounted price.

SA is not support or maintenance – though many customers believe it is. Yes, SA comes with some benefits of a limited number of support calls, training vouchers, planning services etc but it is not a fee for ongoing maintenance as with most other vendors.

Microsoft uses SA to get higher revenue in another manner too. Some desirable features are given in a product and then removed. These features are 'added back' if the customer purchases SA.

Hence it is extremely important to understand the product use rights under SA and the rights not under SA. Not knowing the rights can put the customer at legal and financial risk.

The Maths of SA

Coming to the Maths of SA – well, **customers never win.** Maybe they did get some benefit many years ago when Microsoft used to release newer versions within a couple of years.

Let us look at the calculation:

At 29% of license price per year for a 3 years, customers end up getting a **13% discount** if a new SA covered product is released by Microsoft and adopted by the customer.

In case the customer skips a version (this is normally the case) and carries SA for two EA cycles (ie for 6 years) then the effective license price for the upgrade is **174%** of the license fee.

Where is SA worth the price?

Unfortunately, SA is worth the price only in those situations where free features have been converted into features available only on procuring SA. An example of this **is "License Mobility through SA"** in SQL Server 2012 allowing the customer to distribute VMs throughout a hyper-visor cluster. Clearly this is an additional tax of 25% for a feature that was originally freely available !!!

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You might want to read more about our CEO <u>Sheshagiri Anegondi (Sheshu)</u>. He is amongst the foremost Oracle License Experts globally.

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