Atlassian Future Pricing Calculations worked example: 50 user Jira and Confluence

This is the essence of a report I wrote up for one of my customers, with recommendations on what to do about Atlassian's move to Cloud.

I make this available because a lot of companies are having to evaluate the alternatives right now, and may benefit from seeing a worked example that includes short-term discounts. This company is on 50-user Jira and Confluence.

If you spot any factual errors or flaws in my logic, please let me know. I regret I cannot make available the spreadsheet the numbers are based on because it contains a Partners-only pricing table. Please contact me if you'd like a similar analysis done for your business.

Dear $CLIENT,

Atlassian are discontinuing their 'Server' (self-hosted) product line in favor of the Cloud alternatives. This affects us, as we are using both Jira Server and Confluence Server.

Atlassian's timeline is:

- 02 Feb 2021 : no new license sales. Yearly maintenance prices will increase.
- 02 Feb 2022 : no further license upgrades.
- 02 Feb 2024 : support ends

Atlassian is pushing the majority of customers to Cloud. The 'Data Center' (DC) product line, a clustered edition for large instances, will still be available, but its license tier only starts at 500 users and its price will be increasing by 15-180%.

Current/Past Pricing (2020)

In 2020 we paid **$14,476** for Jira and Confluence:

- $2,600 to renew Jira's 50 user license
- $2,000 to renew Confluence's 50 user license
- $2,763 for various plugins (notably Tempo, Balsamiq, Gliffy, Scroll)
- $3,504 for AWS hosting (two m4.xlarge servers)
- $3,600 for a support and upgrades contract (Red Radish Consulting)

The Jira/Confluence renewal prices were artificially low, as we are on an 'advantaged' (grandfathered) plan that escaped the 2019 price increases.

Summary: Future Pricing

The three options Atlassian make available to us are:

1. Stay with Server as long as possible, then migrate to DC (option 1).
2. Migrate to DC soon to get ourselves a 'advantaged' (grandfathered) license (option 2).
3. Migrate to Cloud (option 3).

Here are the anticipated costs for each option, taking into account projected user growth, various short-term discounts, as well as the AWS hosting and support contract costs of self-hosting:

	2020	2021	2022	2023	2024	2025	2026	2027
Server	$14,467	$14,434	$22,107	$22,107				
Server, then DC		$14,434	$22,107	$22,107	$108,196	$108,196	$108,196	$108,196
DC early (advantaged plan)		$70,916	$76,896	$76,896	$76,896	$76,896	$76,896	$76,896
DC, after Feb 1, 2021		$108,196	$108,196	$108,196	$108,196	$108,196	$108,196	$108,196
Cloud (base)		$17,320	$23,784	$26,712	$30,712	$33,640	$44,104	$48,496
Cloud Discount		55%	40%	20%				
Cloud		$12,645	$18,984	$24,312	$30,712	$33,640	$44,104	$48,496

We see that:

- DC is not a financially realistic option, as its minimum user tier is 500 users.

- Comparing the "Server" row with "Cloud (base)" to ignore short-term discounts, we see a relatively minor (10-20%) price increase of moving to Cloud.

Recommendations

We only have two real options here: migrate to Cloud, or migrate to another product entirely.

This is not a great situation, because currently Atlassian Cloud is a rather weak product. It has many limitations compared to its Server counterpart, a weaker plugin ecosystem, as well as performance and UI problems. See my post Goodbye to Atlassian Server products for an overview.

Additionally, the migration pathways for many plugins are unclear. Notably, Tempo has as yet no Server to Cloud data importer (it is apparently being worked on).

My recommendation is therefore to **begin planning a migration to Cloud in 2023**. The delay can only benefit us by:

- give Atlassian time to battle-test and improve its Cloud migration tools.
- give plugin vendors like Tempo time to sort out their migration pathways
- give Atlassian time to improve their core products.

Atlassian are giving significant short-term discounts to incentivize against waiting, but even with discounts the prices are comparable, and the cost of a bad migration due to Atlassian's immature tooling would be huge.

If we delay a Cloud migration till 2023, in the meanwhile we should follow the steps suggested below: 1) renew products before Feb 2, 2021 to beat the price increases, 2) upgrade our user tier to 100 users before Feb 2, 2022, after which it would be too late.

My second recommendation: since we are being forced into a disruptive migration, we should **evaluate alternative products**, Cloud and non-Cloud, commercial and open source. Atlassian has many competitors these days, and the competition is likely to be even stronger in 2023. See https://www.goodbyeserver.org and https://bye-bye-server.com/ for some resources.

Future Pricing Calculations

We now show how the numbers above are derived. Note: the primary source of calculations is a spreadsheet, which I unfortunately cannot publish due to containing Partners-only information:
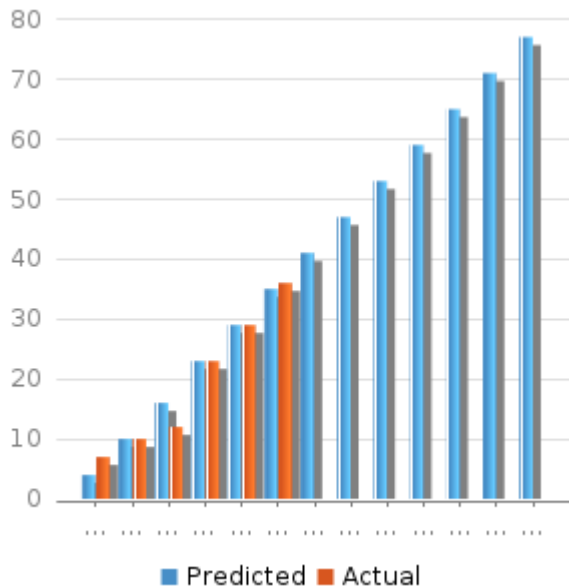
					2020	2021	2022	2023	2024	2025	2026	2027
				Server	$14,467	$14,434	$22,107	$22,107				
Atlassian Options Comparison				Server, then DC		$14,434	$22,107	$22,107	$108,196	$108,196	$108,196	$108,196
				DC early (advantaged plan)		$70,916	$76,896	$76,896	$76,896	$76,896	$76,896	$76,896
				DC, after Feb 1, 2021		$108,196	$108,196	$108,196	$108,196	$108,196	$108,196	$108,196
				Cloud (base)		$17,320	$23,784	$26,712	$30,712	$33,640	$44,104	$48,496
				Cloud Discount		55%	40%	20%				
				Cloud		$12,645	$18,984	$24,312	$30,712	$33,640	$44,104	$48,496
Jira			Users	Actual	36							
				Predicted	37	47	58	71	84	99	116	133
				Bracket		50	60	80	80	100	110	140
	Server				$2,600	$2,600	$5,500	$5,500				
	DC (adv)			$		$18,320	$20,400	$20,400	$20,400	$20,400	$20,400	$20,400
	DC			$		$42,000	$42,000	$42,000	$42,000	$42,000	$42,000	$42,000
				$ (base)		$3,500	$7,000	$7,000	$7,000	$7,000	$13,000	$13,000
	Cloud			$ (discounted)		$1,575	$4,200	$5,600	$7,000	$7,000	$13,000	$13,000
Confluence			Users	Actual	41							
				Predicted	41	54	70	87	107	129	154	180
				Bracket		60	70	90	110	130	160	180
	Server				$2,000	$2,000	$4,300	$4,300				
	DC (adv)			$		$13,400	$17,300	$17,300	$17,300	$17,300	$17,300	$17,300
	DC			$		$27,000	$27,000	$27,000	$27,000	$27,000	$27,000	$27,000
				$ (base)		$5,000	$5,000	$5,000	$9,000	$9,000	$9,000	$9,000
	Cloud			$ (discounted)		$2,250	$3,000	$4,000	$9,000	$9,000	$9,000	$9,000
Access				User Bracket		50	60	80	80	100	110	140
				$		$1,500	$3,000	$3,000	$3,000	$3,000	$6,000	$6,000
Plugins	Gaia for Jira - Project Templa	Gaia	Server		$300	$300	$500	$500				
	Jira Workflow Toolbox	JWT	Server		$75	$75	$150	$150				
	Quick Subtasks for JIRA		Server		$0							
	Adaptavist ScriptRunner for J	ScriptRunner	Server		$50	$50	$125	$125				
	Tempo Timesheets	Tempo	Server		$825	$825	$1,650	$1,650				
	Balsamiq Wireframes for Con	Balsamiq	Server		$450	$450	$850	$850				
	Gliffy Diagrams for Confluenc	Gliffy	Server		$630	$630	$1,178	$1,178				
	Scroll Word Exporter	Scroll	Server		$433	$400	$750	$750				
	Multivote for Confluence	Multivote	Server			$0	$0	$0				
	Tableenhancer for Confluence		Server									
	JavaMelody Monitoring Plugin		Server									
			Server Total		$2,763	$2,730	$5,203	$5,203				
		Gaia	DC			$3,500	$3,500	$3,500	$3,500	$3,500	$3,500	$3,500
		JWT	DC			$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200
		ScriptRunner	DC			$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200
		Tempo	DC			$9,000	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000
		Balsamiq	DC			$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
		Gliffy	DC			$9,692	$9,692	$9,692	$9,692	$9,692	$9,692	$9,692
		Scroll	DC			$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500
		Multivote	DC			$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000
			DC Total			$32,092	$32,092	$32,092	$32,092	$32,092	$32,092	$32,092
		JWT	Cloud			$600	$720	$960	$960	$1,200	$1,320	$1,680
		ScriptRunner	Cloud			$1,500	$1,800	$2,400	$2,400	$3,000	$3,300	$4,200
		Tempo	Cloud			$1,800	$2,160	$2,880	$2,880	$3,600	$3,960	$5,040
		Balsamiq	Cloud			$600	$720	$960	$960	$1,200	$1,320	$1,680
		Gliffy	Cloud			$2,280	$2,736	$3,648	$3,648	$4,560	$5,016	$6,384
		Scroll	Cloud			$540	$648	$864	$864	$1,080	$1,188	$1,512
			Cloud Total			$7,320	$8,784	$11,712	$11,712	$14,640	$16,104	$20,496
Hosting Cost	Hosting	AWS m4.xlarge, 2 instances (prod + staging)			$3,504	$3,504	$3,504	$3,504	$3,504	$3,504	$3,504	$3,504
	Support & Upgrades				$3,600	$3,600	$3,600	$3,600	$3,600	$3,600	$3,600	$3,600
			Hosting Total		$7,104	$7,104	$7,104	$7,104	$7,104	$7,104	$7,104	$7,104

How many users?

Before considering costs, we need to know how many users we expect to cater for in future. By examining the 'Created date' of accounts, we can track how many user accounts were created per year, and extrapolate that into the future.

Jira	Confluence

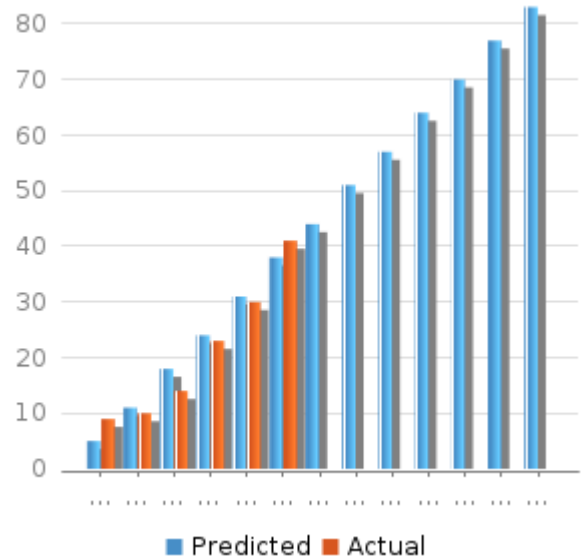Jira has a 50 User license, with 36 license slots used as of 13 Nov 2020. License use is increasing linearly each year

Predicted ■ **Actual**

Year	Predicted	Actual
2015	4	7
2016	10	10
2017	16	12
2018	23	23
2019	29	29
2020	35	36
2021	41	
2022	47	
2023	53	
2024	59	
2025	65	
2026	71	
2027	77	

This shows that if current growth continues **we will hit our 50-user license limit in 2022**, and will be forced into Jira's next user tier, 100 users.

```
jira=> -- Depends on https://github.com/redradishtech/jira-
interesting-sql-queries/blob/master/active_users.sql

jira=> select year, new_users, sum(new_users) over (order by
year) AS total_active from (select to_char(created_date,
'YYYY') AS year ,count(*) AS new_users from queries.
active_users  group by 1 order by 1 asc) x;
```

Confluence is also on a 50 user license, with 41 license slots used as of 13 Nov 2020. Growth appears linear.

Predicted ■ **Actual**

Year	Predicted	Actual
2015	5	9
2016	11	10
2017	18	14
2018	24	23
2019	31	30
2020	38	41
2021	44	
2022	51	
2023	57	
2024	64	
2025	70	
2026	77	
2027	83	

As with Jira, **Confluence will hit its 50 user limit in 2022**.

Hosting Costs

When comparing self-hosted options with Cloud, we need to take into account our own hosting expenses (the cost of two m4.xlarge servers) and maintenance contract fees.

	2020	2021	2022	2023	2024	2025	2026	2027
Hosting	$3,504	$3,504	$3,504	$3,504	$3,504	$3,504	$3,504	$3,504
Support & Upgrades	$3,600	$3,600	$3,600	$3,600	$3,600	$3,600	$3,600	$3,600
	$7,104	$7,104	$7,104	$7,104	$7,104	$7,104	$7,104	$7,104

These costs are included in the 'Server' and 'DC' totals above.

Option 1: Server (for 3 more years)

2021

We are on 'advantaged' plans, and we know price increases are coming for 'advantaged' plans on 2/Feb/2021.

Jira's renewal date would be Aug 2021, and Confluence's would be May 2021.

But, but **renewing early** before the price increase, we can save a bit of money (renewing early does not reset the maintenance window). This is "Option 3: Renew on server early and lock in your existing price".

So at a minimum, **prior to Feb 2, 2021** we should:

- Renew Jira till Jul 4, 2022, for **$2,600**
- Renew Confluence till Feb 2022, for **$2000**
- Renew plugins, whose prices are only likely to go up

2022

Jira will then be due for renewal in Aug 2022, and Confluence in May 2022.

We expect we'll need to upgrade our user tier from 50 users to 100 in 2022. However, Atlassian plan to stop selling such license upgrades after Feb 2, 2022!

So once again we must jump in early, upgrading our user tier before Feb 2, 2022 so we're not stuck on the 50 user tier forever.

So once again we must jump in early. Prior to Feb 2, 2022 we must upgrade Jira and Confluence from 50 to 100 users.

As for pricing, our 'advantaged' status will have ended on Feb 2, 2021, so the 'New price for advantaged plans' prices from the Future server pricing tables page applies:

Jira		Confluence
Users	**New price for advantaged plans**	**Users**
1-25	USD 1,600	1-25
26-50	USD 3,000	26-50
51-100	USD 5,500	51-100
101-250	USD 10,900	101-250
251-500	USD 16,400	251-500
501-2,000	USD 20,100	501-2,000
2,001-10,000	USD 25,200	2,001-10,000
10,001+	USD 30,100	10,001+

The costs in Jan 2022 would thus be:

- **$5,500** for Jira (annual price for the 51-100 user tier)
- **$4,300** for Confluence (annual price for the 51-100 user tier)

2023

A user tier upgrade resets the maintenance clock, so our 100-user licenses would expire in Jan 2023. We would again pay:

- **$5,500** for Jira (annual price for the 51-100 user tier)
- **$4,300** for Confluence (annual price for the 51-100 user tier)

(assuming Atlassian don't increase the prices again – something we might want to protect against by renewing for 24 months in 2022)

Our licenses last right up to Jan 2024, after which Atlassian end all support.

Server plugin licensing

Plugin licensing for Server will increase as we move from the 25-50 to 51-100 user tier:

	2020	**2021**	**2022**	**2023**
Gaia	$300	$300	$500	$500
JWT	$75	$75	$150	$150
	$0			
ScriptRunner	$50	$50	$125	$125
Tempo	$825	$825	$1,650	$1,650
Balsamiq	$450	$450	$850	$850
Gliffy	$630	$630	$1,178	$1,178
Scroll	$433	$400	$750	$750
Multivote		$0	$0	$0
	$2,763	$2,730	$5,203	$5,203

Option 2: Data Center

The price for Data Center after Feb 1, 2021 is listed as the 'New Atlassian list price' from the future DC pricing tables:

Jira	Confluence

Users	New price for existing subscriptions	New Atlassian list price	Users
1-500*	USD 20,400	USD 42,000	1-500
501-1,000	USD 34,500	USD 72,000	501-1,000
1,001-2,000	USD 60,700	USD 120,000	1,001-2,000
2,001-3,000	USD 91,100	USD 165,000	2,001-3,000
3,001-4,000	USD 121,400	USD 210,000	3,001-4,000
4,001-5,000	USD 151,800	USD 255,000	4,001-5,000
5,001-6,000	USD 182,200	USD 300,000	5,001-10,000
6,001-7,000	USD 212,500	USD 345,000	
7,001-8,000	USD 242,900	USD 390,000	

The problem (for us) with Data Center is that licensing only *starts* at 500 users. For Jira this means **$42,000**. For Confluence it means **$27,000.** The price increases flow on to plugins too. For instance, in 2021 our expenditure on plugins would go from $2,730 to $32,092:

	2020	2021	2022	2023	2024	2025	2026	2027
Gaia		$3,500	$3,500	$3,500	$3,500	$3,500	$3,500	$3,500
JWT		$1,200	$1,200	$1,200	$1,200	$1,200	$1,200	$1,200
ScriptRunner		$2,200	$2,200	$2,200	$2,200	$2,200	$2,200	$2,200
Tempo		$9,000	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000
Balsamiq		$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
Gliffy		$9,692	$9,692	$9,692	$9,692	$9,692	$9,692	$9,692
Scroll		$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500
Multivote		$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000
		$32,092	$32,092	$32,092	$32,092	$32,092	$32,092	$32,092

Option 3: Move to Cloud

Which Cloud tier?

Atlassian have 4 tiers in their Cloud products: Free, Standard, Premium and Enterprise (see the Pricing page):

Plans and pricing

How many users do you have? `50`

Billing cycle: Monthly ⬤ __Annual__

Free	Standard	Premium	Enterprise
$0	**$3,500**	**$7,000**	Talk to our sales team about pricing for Cloud Enterprise
Always free for 10 users	a year User tier: 26 - 50	a year User tier: 26 - 50	
Get started	Start trial	Start trial	Contact us

The differences between tiers are seen in the business end of the feature table:

	Free	Standard	Premium	Enterprise
Business continuity & disaster recovery	✓	✓	✓	✓
Audit logs	-	✓	✓	✓
Anonymous access	-	✓	✓	✓
Admin insights	-	-	✓	✓
IP allowlisting	-	-	✓	✓
Sandbox COMING SOON	-	-	✓	✓
Release tracks COMING SOON	-	-	✓	✓
Data residency	-	-	-	✓
Storage	2 GB file storage	250 GB file storage	Unlimited storage	Unlimited storage
Support ↗	Community Support	Local Business Hours	24/7 Premium Support	24/7 Enterprise Support
Uptime SLA ↗	-	-	99.9%	99.95%
Org-Level Billing	-	-	-	✓

Learn about features

Our data easily fits in the 250Gb file storage limit. Assuming GDPR / data residency is not a concern, we should do fine with the **Standard** tier.

Cloud pricing

Cloud pricing can be obtained from Atlassian's Cloud pricing calculator for Jira and Confluence. There is no equivalent pricing table that I can find (the Future cloud pricing tables 'New Price New License' column would apply, but there is no table for Cloud Premium). It is best to pick 'Annual' billing cycle, as this works out cheaper per year and also is required for 'loyalty discounts' (more on them below).

Loyalty Discounts

Atlassian is offering a Cloud loyalty discount for users migrating from Server/DC to Cloud. The discount schedule is:

- Before July 1, 2021: 55%
- Before July 1, 2022: 40%
- Before July 1, 2023: 20%

thereafter full price.

So our yearly pricing with Cloud would be:

Year	Discount	Jira Tier	Jira Base Cost	Jira Cost	Confluence Tier	Confluence Base	Confluence Cost	Access Cost	Total
2021	55%	26-50	$3,500	$1,575	51-100	$5,000	$2,250	$1,500	**$6,900**
2022	40%	51-100	$7,000	$4,200	51-100	$5,000	$3,000	$3,000	**$14,400**
2023	20%	51-100	$7,000	$5,600	51-100	$5,000	$4,000	$3,000	**$18,200**
2024		51-100	$7,000	$7,000	101-200	$9,000	$9,000	$3,000	**$26,000**
2025		51-100	$7,000	$7,000	101-200	$9,000	$9,000	$3,000	**$26,000**
2026		101-200	$13,000	$7,000	1201-1400	$9,000	$9,000	$6,000	**$39,000**
2027		101-200	$13,000	$7,000	1201-1400	$9,000	$9,000	$6,000	**$39,000**

(Note: figures are from Atlassian's spreadsheet. Prices for Access diverge slightly from the website)

Cloud Plugins

The table below shows the plugins we currently have, and whether there are Cloud equivalents.

Note that Cloud editions of plugins are often limited vs. their Server counterparts. So for instance, although ScriptRunner is available for Cloud, it won't support our REST API endpoints which is what we primarily use it for.

Also, each plugin available in Cloud will have its own migration story. E.g. Tempo currently has no data importer.

Jira Plugins	Cloud?
Gaia for Jira - Project Template Manager	
JIRA Service Desk	
Jira Workflow Toolbox	(limitations)
Quick Subtasks for JIRA	
Adaptavist ScriptRunner for JIRA	(limitations)
Tempo Timesheets	
JavaMelody Monitoring Plugin	
Confluence	
Balsamiq Wireframes for Confluence Server	
Gliffy Diagrams for Confluence	
Scroll Word Exporter	
Multivote for Confluence	
Tableenhancer for Confluence	
JavaMelody Monitoring Plugin	

Cloud plugins are generally more expensive than Server. E.g. our 2021 plugin spend would go from $2,730 to $7,320:

	2020	2021	2022	2023	2024	2025	2026	2027
JWT		$600	$720	$960	$960	$1,200	$1,320	$1,680
ScriptRunner		$1,500	$1,800	$2,400	$2,400	$3,000	$3,300	$4,200
Tempo		$1,800	$2,160	$2,880	$2,880	$3,600	$3,960	$5,040
Balsamiq		$600	$720	$960	$960	$1,200	$1,320	$1,680
Gliffy		$2,280	$2,736	$3,648	$3,648	$4,560	$5,016	$6,384
Scroll		$540	$648	$864	$864	$1,080	$1,188	$1,512
		$7,320	$8,784	$11,712	$11,712	$14,640	$16,104	$20,496

Atlassian Access

Atlassian Access is Atlassian's centralized user database for Cloud. It is required if we wish to sync with existing LDAP. Access also provides 2FA, SSO, SAML and other advantages. Access pricing is as follows:

	2020	2021	2022	2023	2024	2025	2026	2027
User Bracket		50	60	80	80	100	110	140
$		$1,500	$3,000	$3,000	$3,000	$3,000	$6,000	$6,000

Please see the summary at the beginning for comparison of these three options, and my recommendations.