



To whom it may concern,

I am sending this letter to provide an insight into IT pricing in Australia compared with the rest of the world, especially digital download purchases.

The first term of reference is whether a price difference exists between IT hardware and software including video games and consoles, e-books and music and videos sold in Australia both online and retail in compared to other markets such as the US, UK and Asia-Pacific.

There most definitely is a price difference between all these regions especially in Australia where prices are often double as will be explained below. This is especially so when items are purchased from the software vendors website where there is no extra cost involved in delivering the software download to you as opposed to someone in another country. A good example of this is items (listed in previous paragraph) that are purchased on a software vendor's official website where they sell software in different countries at different price points. Most notably are Microsoft Windows<sup>®</sup> online purchases from [www.microsoftstore.com.au/shop/en-AU](http://www.microsoftstore.com.au/shop/en-AU) where the Australian site charges USD\$458 for the Operating system. The US <http://windows.microsoft.com/en-US> sells it for USD\$220. *See Figure 1 and 2 to see an image of the websites in question.*

In theory these price differences exist to adjust for each markets currency value however as the graph shows (Figure 3) the AUD was high for a lengthy period. During the last 120 days on the graph the price of the software on the Australian store did not go down to match the rise in the Australian markets currency value.

The impact of this price difference affects a majority of Australians whether they be using Microsoft Windows for business or home use or even use in government institutions. Evidence shows that Microsoft is the most used computer operating system with a worldwide usage percentage of 88.9% (see Figure 4 and read the third line). A drop in the cost of the Microsoft Windows operating system would mean a saving for many computer users in Australia and result in businesses and government institutions spending far less on purchasing the Microsoft Windows operating system.

This issue can be addressed by bringing the price for Australians in line with the price in the US because the Australian Dollar and American dollar are almost even on value and Microsoft does not need to pay more money to distribute their software from their site.

In summary Australians are paying nearly twice the price for computer software for a reason that no longer exists thanks to the improved Australian Dollar value. A price reduction would benefit the government and businesses as well as saving the public money to spend on more important items.

Yours sincerely,

Andrew Tozer

Figure  
1:

The screenshot shows the Windows website homepage. At the top right, there are links for "Sign In", "United States", and "All Microsoft Sites". The main navigation bar includes "Home", "Explore Windows", "Products", "Shop", "Downloads", and "Help & How-to". Below this is a secondary navigation bar with "Shop home", "Windows 7", "Windows 7 PCs", "Before you buy", and "Special offers".

The first main section is titled "Choose the right PC" and includes the text "Answer a few quick questions and we'll guide you to the best choices out of our top picks." and a "Get started" button. It features an image of a laptop and a desktop PC.

The second section is titled "Explore all Windows 7 editions" and lists three editions:

- Windows 7 Home Premium**: "The best entertainment experience on your PC." Starting at \$119.99. Includes a "Learn more" button.
- Windows 7 Professional**: "Work from anywhere more easily." Starting at \$199.99. Includes a "Learn more" button.
- Windows 7 Ultimate**: "More computing power." Starting at \$219.99. Includes a "Learn more" button.

The third section is titled "Work or play?" and includes the text "The best way to pick the right PC is to know how you'll use it." and an image of three laptops.

Figure 2:

The screenshot shows the Microsoft Store interface for Windows 7. At the top, there are navigation links for 'Help / FAQ', 'Account', 'Sign In', and a location dropdown set to 'Australia'. A search bar is also present. Below the navigation bar, the 'Windows' category is selected, showing a sidebar with 'Windows 7' (expanded to show 'Home Premium', 'Professional', and 'Ultimate') and 'Windows Anytime Upgrade'. The main content area features a promotional banner for Windows 7 with the text 'Get to know Windows 7 Choose your edition now'. Three product cards are displayed: Windows 7 Home Premium (with a -30% discount), Windows 7 Professional, and Windows 7 Ultimate. Each card includes a 'Learn more' button and the price in AU\$. Below the products, there is a paragraph of text and a link to the 'Windows 7 Upgrade Advisor'. At the bottom, there are three options: 'Full Version', 'Upgrade to Windows 7', and 'Windows Anytime Upgrade'. Below this, a section titled 'Top 10 reasons to buy Windows 7' lists three reasons: 01. Get quicker access to all your stuff (use the Pin and Jump List), 02. Manage open windows more easily (resize and arrange windows), and 03. Quickly find what you're looking for (use Windows Search to find a...).

Figure 3:



Figure 4:

## Microsoft Windows

[edit]

*Main article: Microsoft Windows*

Microsoft Windows is a family of *proprietary* operating systems designed by *Microsoft Corporation* and primarily targeted to Intel architecture based computers, with an estimated 88.9 percent total usage share on Web connected computers.<sup>[7][11][12][13]</sup> The newest version is *Windows 7* for workstations and *Windows Server 2008 R2* for servers. *Windows 7* recently overtook *Windows XP* as most used OS.<sup>[14][15][16]</sup>

Microsoft Windows originated in 1985 as an application running on top of *MS-DOS*, which was the standard operating system shipped on most Intel architecture personal computers at the time. In 1995, *Windows 95* was released which only used MS-DOS as a bootstrap. For backwards compatibility, Win9x could run real-mode MS-DOS<sup>[17][18]</sup> and 16 bits *Windows 3.x*<sup>[19]</sup> drivers. *Windows Me*, released in 2000, was the last version in the Win9x family. Later versions have all been based on the *Windows NT* kernel. Current versions of Windows run on IA-32 and x86-64 microprocessors, although *Windows 8* will support *ARM* architecture. In the past, *Windows NT* supported non-Intel architectures.

Server editions of Windows are widely used. In recent years, Microsoft has expended significant capital in an effort to promote the use of Windows as a server operating environment. However, Windows' usage on servers is not as widespread as on personal computers, as Windows competes against Linux and BSD for server market share.<sup>[20][21]</sup>



Sources:

<http://www.x-rates.com/d/USD/AUD/graph120.png>

<http://windows.microsoft.com/en-US/windows/shop>

[www.microsoftstore.com.au/shop/en-AU/Microsoft/Windows/Windows-7](http://www.microsoftstore.com.au/shop/en-AU/Microsoft/Windows/Windows-7)

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