# SUBMISSION TO INQUIRY INTO IT PRICING

From:

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## Contents

# ADOBE

I have worked in the software industry since 1992, and have been purchasing software for my business since 1999. The software company that I deal with that has the most obvious geographical discrepancies in their pricing is **Adobe**. I use several Adobe products in my business, specifically Acrobat Pro and Captivate; many of my colleagues also use Adobe's Technical Communication Suite. It is these products that I'll use for my examples.

As someone living in Australia, I cannot buy these downloadable products from the Adobe store at the US prices – Adobe will not take my Australian credit card, nor will it accept my Australian address. When I try to enter these details, the Adobe website forces me to the Australian Adobe online store webpages, where the prices are incredibly inflated over those available to US customers.

These are *downloadable* products – not the boxed CD/DVD versions, so there is no shipping or handling involved.

For the examples below, these conditions apply:

- All are for the downloadable version of each product.
- All prices are from US or Australian (AU) Adobe Store, not retailers like Amazon or bricks and mortar retailers in Australia or the US.
- All prices are single licenses for home use, not volume business licenses.
- All exchange rates are taken from www.xe.com on 25 June 2012 (almost on par).
- All prices from the US and AU Adobe stores are as at 25 June 2012.
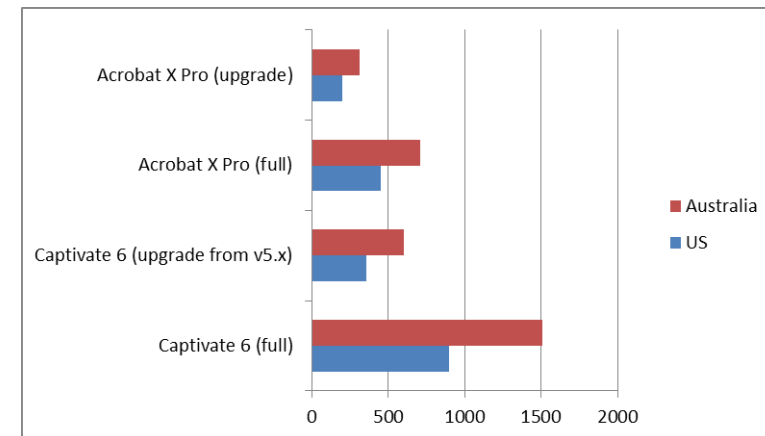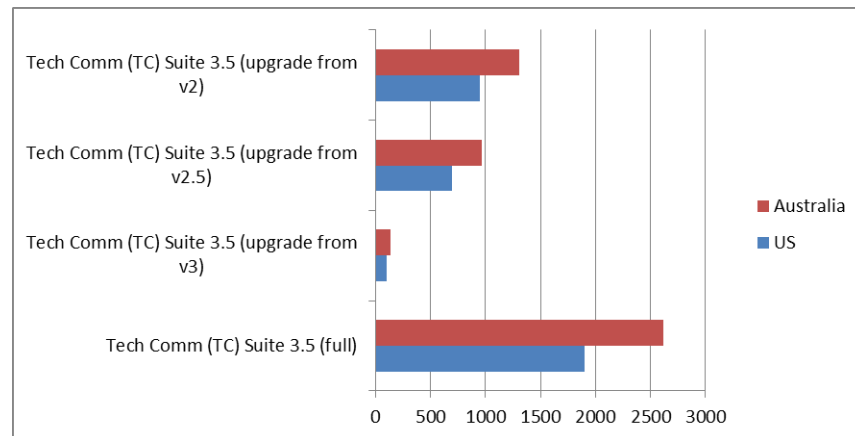- Australian Adobe store prices are shown both including GST and excluding GST.

In essence, the price differentials between the US Adobe store and the converted US$ price from the Australian Adobe store indicate that **Australians are paying anything from 138% to 168% of the US price (where GST is included) and between 125% and 153% of the US price (no GST)**. The Australian 10% GST difference does NOT account for the great price differentials between the Australian and US prices.

I have received several 'reasons' from Adobe representatives as to why Australian prices are so much greater than those in the US, but none of these reasons holds weight, in my opinion (see References, p7).

## Summary of prices

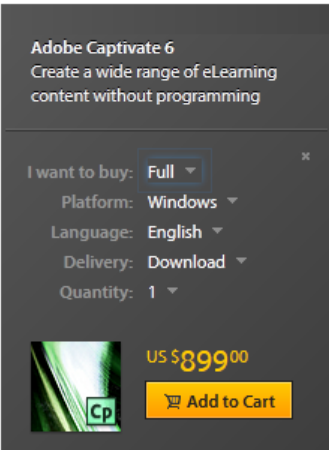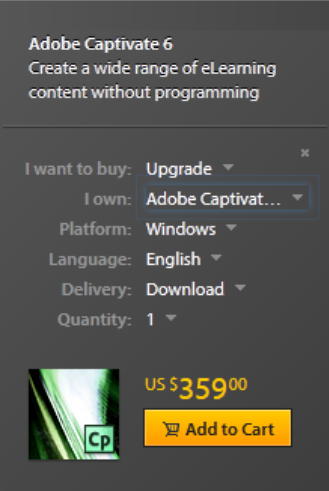(NOTE: AU$ prices converted to US$ to enable 'like-with-like' comparison)

| | US store | Australian store | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | US$ | AU$ inc GST | US$ | US$ diff | ~% diff | AU$ ex GST | US$ | US$ diff | ~% diff |
| Captivate 6 (full) | **899** | 1506 | **1509.75** | 610.75 | 168% | 1369.09 | **1372.5** | 473.5 | 153% |
| Captivate 6 (upgrade from v5.x) | **359** | 599 | **600.5** | 241.5 | 167% | 544.55 | **545.95** | 186.95 | 152% |
| Acrobat X Pro (full) | **449** | 709 | **710.83** | 261.83 | 158% | 644.55 | **646.21** | 197.2 | 144% |
| Acrobat X Pro (upgrade) | **199** | 315 | **315.81** | 116.81 | 159% | 286.36 | **287.1** | 88.1 | 144% |
| Tech Comm (TC) Suite 3.5 (full) | **1899** | 2612 | **2618.73** | 719.73 | 138% | 2374.55 | **2380.15** | 481.15 | 125% |
| Tech Comm (TC) Suite 3.5 (upgrade from v3) | **99** | 136.12 | **136.44** | 37.44 | 138% | 123.75 | **124.04** | 25.04 | 125% |
| Tech Comm (TC) Suite 3.5 (upgrade from v2.5) | **699** | 962 | **964.27** | 265.27 | 138% | n/a | | | |
| Tech Comm (TC) Suite 3.5 (upgrade from v2) | **949** | 1305 | **1308.08** | 359 | 138% | n/a | | | |

## Captivate 6

Screenshots of prices obtained from these websites:

- US: http://www.adobe.com/products/captivate.html
- Australia: https://store3.adobe.com/cfusion/store/index.cfm?store=OLS-AU&view=ols_prod&category=/Applications/Captivate&distributionMethod=FULL&nr=0#category=/Applications/Captivate&loc=en_au&store=OLS-AU&view=ols_prod

## Acrobat X Pro

Screenshots of prices obtained from these websites:

- US: http://www.adobe.com/products/acrobatpro/buying-guide.displayTab3.html
- Australia: https://store3.adobe.com/cfusion/store/index.cfm?store=OLS-AU&view=ols_prod&category=/Applications/Captivate&distributionMethod=FULL&nr=0#category=/Applications/Captivate&loc=en_au&store=OLS-AU&view=ols_prod

| US | Australia |
|---|---|
| Acrobat X Pro<br>Experience the full power of Acrobat Dynamic PDF.<br><br>I want to buy: Full ▾<br>Platform: Windows ▾<br>Language: English ▾<br>Delivery: Download ▾<br>Quantity: 1 ▾<br><br>US $449⁰⁰  🛒 Add to Cart | Adobe Store - Australia<br>Store Home  Software ▾  Other Pr<br>SOFTWARE QUICK LINKS:  Select<br><br>Adobe Acrobat X Pro<br><br>Full from<br>A$709.00 inc GST*<br>A$644.55 ex. GST<br><br>Upgrade from<br>A$315.00 inc GST*<br>A$286.36 ex. GST |
| Acrobat X Pro<br>Experience the full power of Acrobat Dynamic PDF.<br><br>I want to buy: Upgrade ▾<br>I own: Acrobat 9 Pro ▾<br>Platform: Windows ▾<br>Language: English ▾<br>Delivery: Download ▾<br>Quantity: 1 ▾<br><br>US $199⁰⁰  🛒 Add to Cart | |

## Technical Communication Suite 3.5

Screenshots of prices obtained from these websites:

- US: http://www.adobe.com/products/technicalcommunicationsuite.html
- Australia: https://store3.adobe.com/cfusion/store/index.cfm?store=OLS-AU&view=ols_prod&category=/Applications/Captivate&distributionMethod=FULL&nr=0#store=OLS-AU&category=/Applications/TechComm&loc=en_au&view=ols_prod&categoryOid=7017593

# REFERENCES

- 2008 blog post I wrote about Adobe's Captivate pricing:
  http://cybertext.wordpress.com/2008/07/12/how-do-they-get-away-with-it/
- 2012 blog post I wrote about Adobe's Captivate pricing:
  http://cybertext.wordpress.com/2012/01/20/adobe-pricing-sucks/
- 2012 blog post I wrote in response from an Adobe Europe representative as to why there is a
  price differential: http://cybertext.wordpress.com/2012/03/22/adobe-explains-why-their-pricing-is-different-in-various-countries/