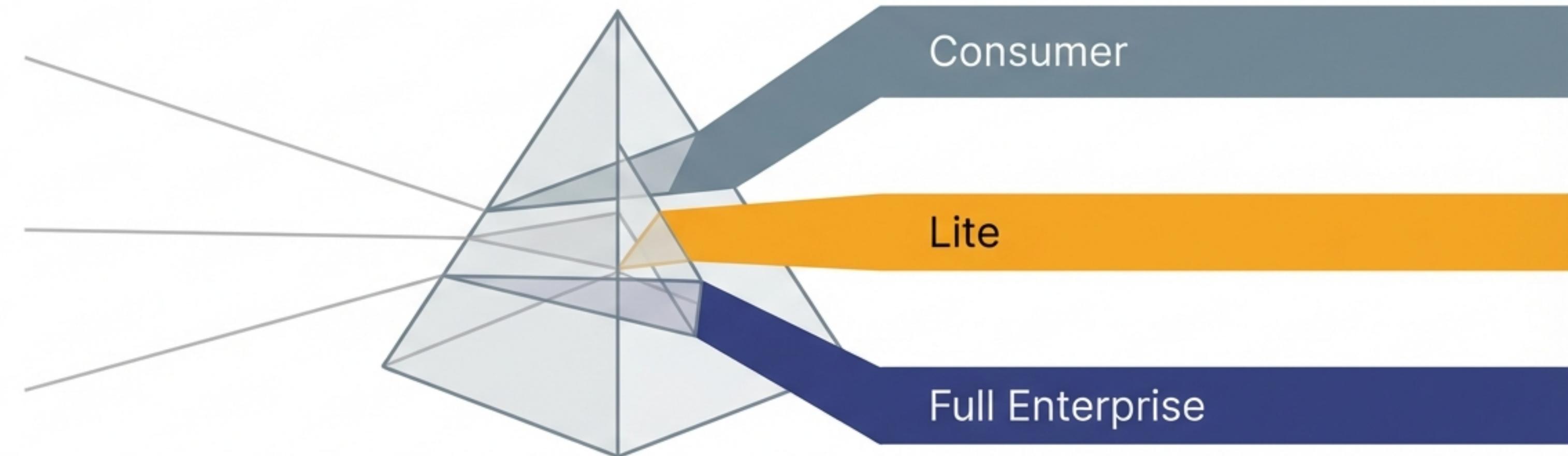


Decoding Microsoft Copilot: The Enterprise Decision Matrix

A strategic analysis of Consumer, Business Chat, and Full Enterprise capabilities.



Prepared for Enterprise Decision Makers

Three distinct products share one confusing name.

To make informed licensing decisions, we must distinguish between the three tiers of service. They range from personal assistants to fully integrated enterprise transformation tools.

Microsoft Copilot (Consumer)



- **Audience:** Individual users.
- **License:** Free or Pro.
- **Core Function:** Personal productivity & Web Assistant.

Copilot Lite (M365 Chat)



- **Audience:** Business users (Limited AI).
- **License:** Included in M365 Business/E3/E5.
- **Core Function:** Basic AI chat for business; safe but limited.

Microsoft 365 Copilot (Full)

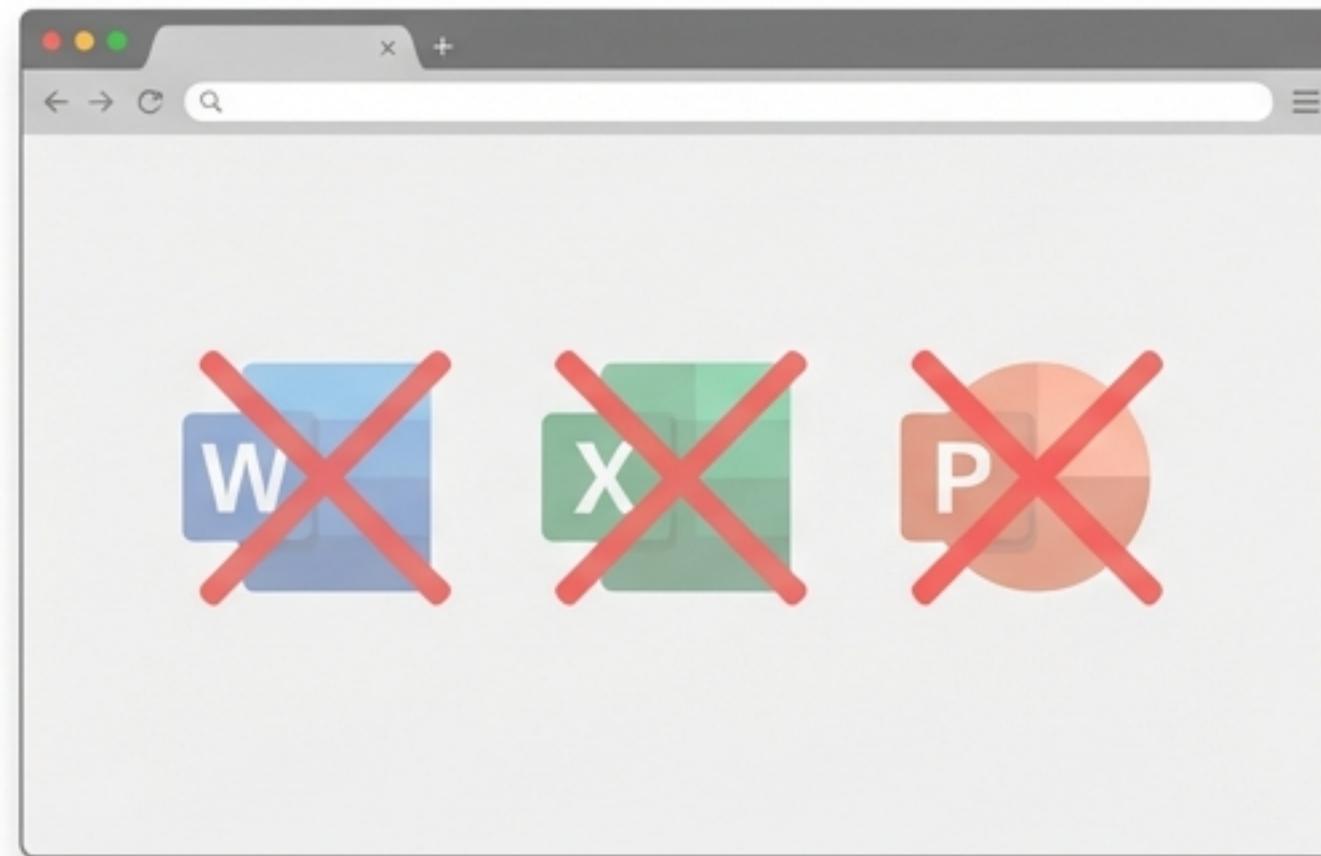


- **Audience:** Enterprise business users.
- **License:** Paid Add-on (~\$30/user/month).
- **Core Function:** Enterprise transformation & full integration.

True productivity requires deep application integration.

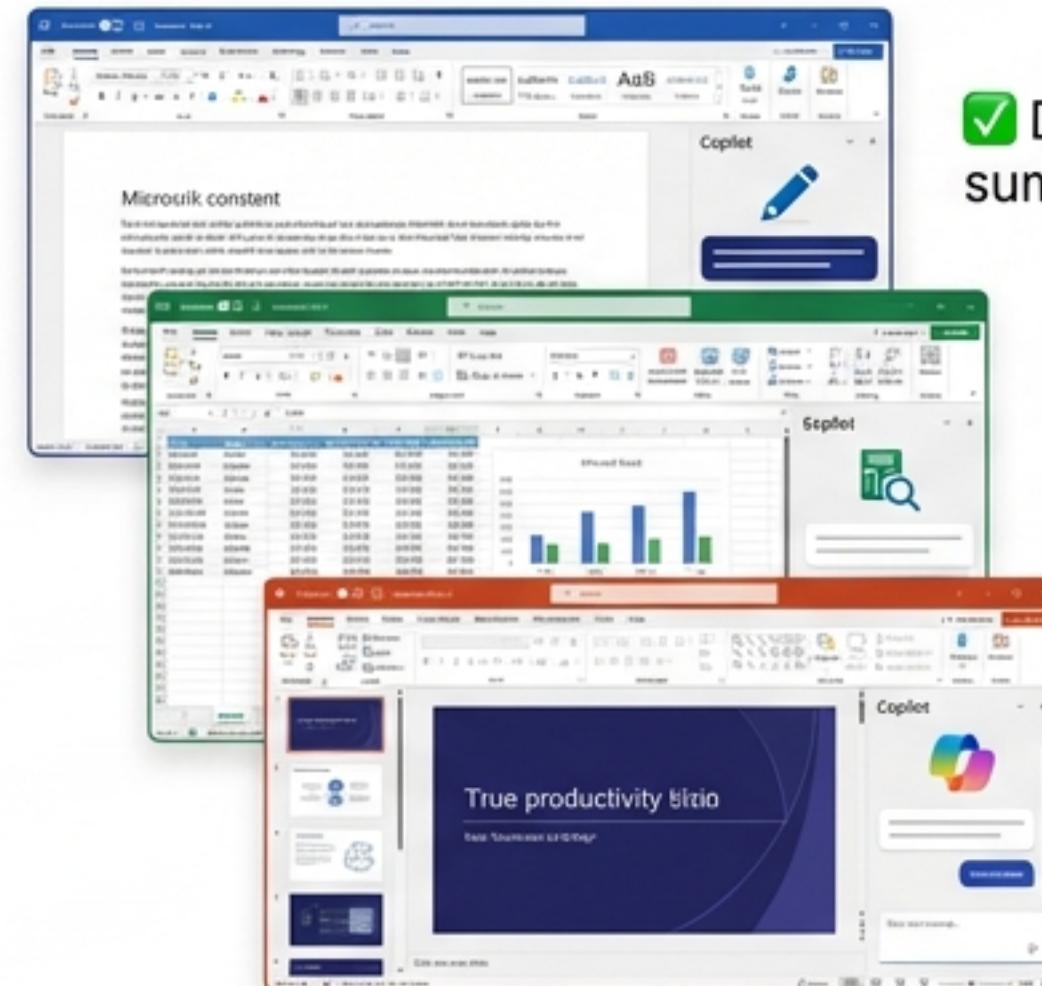
For an AI assistant to impact workflow, it must live inside the creation tools. This is the first major “cliff” between the tiers.

Consumer & Lite



✗ No deep integration. Limited to browser chat.

Full Enterprise



✓ Draft, rewrite,
summarize

✓ Analyze,
formulas, insights

✓ Generate
decks

Key Takeaway: Consumer and Lite versions effectively stop at the browser edge. The Full version operates directly within the document of the document canvas.

Elevating communication from basic chat to intelligent management

While the 'Lite' version offers basic chat support in Teams, it lacks the context-aware capabilities that drive meeting efficiency and email management.

Lite: Basic Chat Support (⚠ Limited)

A screenshot of the Microsoft Teams desktop application. It shows a basic chat interface with a user icon and a message bubble containing the text "Here is what I found on the web.". The overall interface is minimalist and lacks advanced features.

Full: Meeting Recap & Action Items (✓)

A screenshot of the Microsoft Teams desktop application in 'Full' mode. It shows a meeting recap section on the right side of the screen. The recap includes a list of decisions made (e.g., "Approved G3 budget", "Agreed on launch timeline"), open tasks assigned to John and Sarah, and suggested follow-up actions like sharing notes and updating a project tracker. The interface is more complex and integrated than the Lite version.

✗ No deep integration. Limited to browser chat.

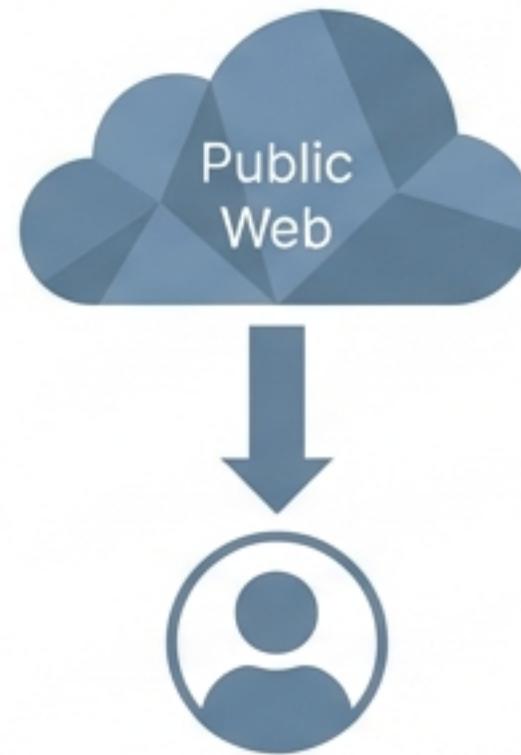
✓ Analyze, formulas, insights

	Consumer & Lite	Full Enterprise
Outlook Integration	✗	✓ Draft & summarize emails
Teams Integration	⚠ Basic Chat	✓ Recap & Action Items

The Intelligence Difference: Web vs. The Graph

The “Microsoft Graph” is the gateway to your organizational context—your files, emails, and meetings.

Public Web



Consumer: X
Public web only.
Generic.

Graph

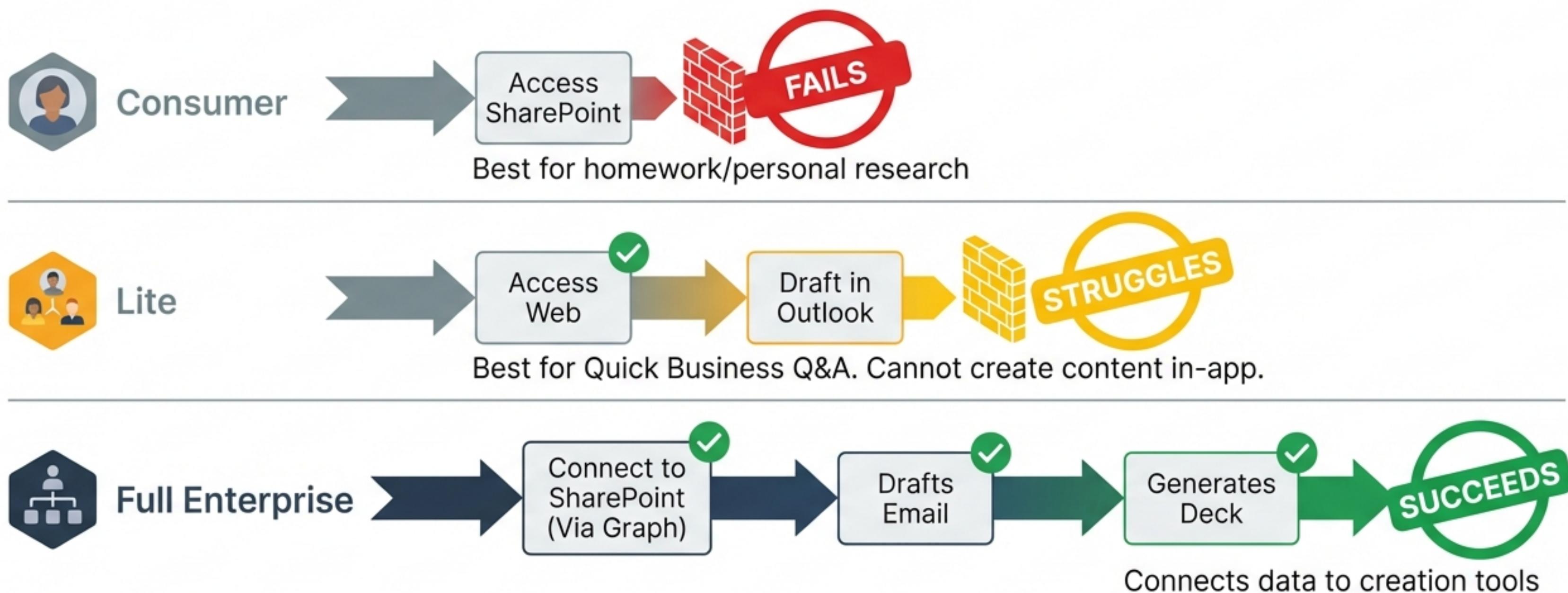


Full: ✓
Graph-based contextual access.
Grounded in Company Data.

Without the Graph, AI creates generic content.
With the Graph, it creates relevant content.

The 'Complex Workflow' Stress Test

Task: Generate a RAS report based on SharePoint data, draft an email summary, and create a pitch deck.

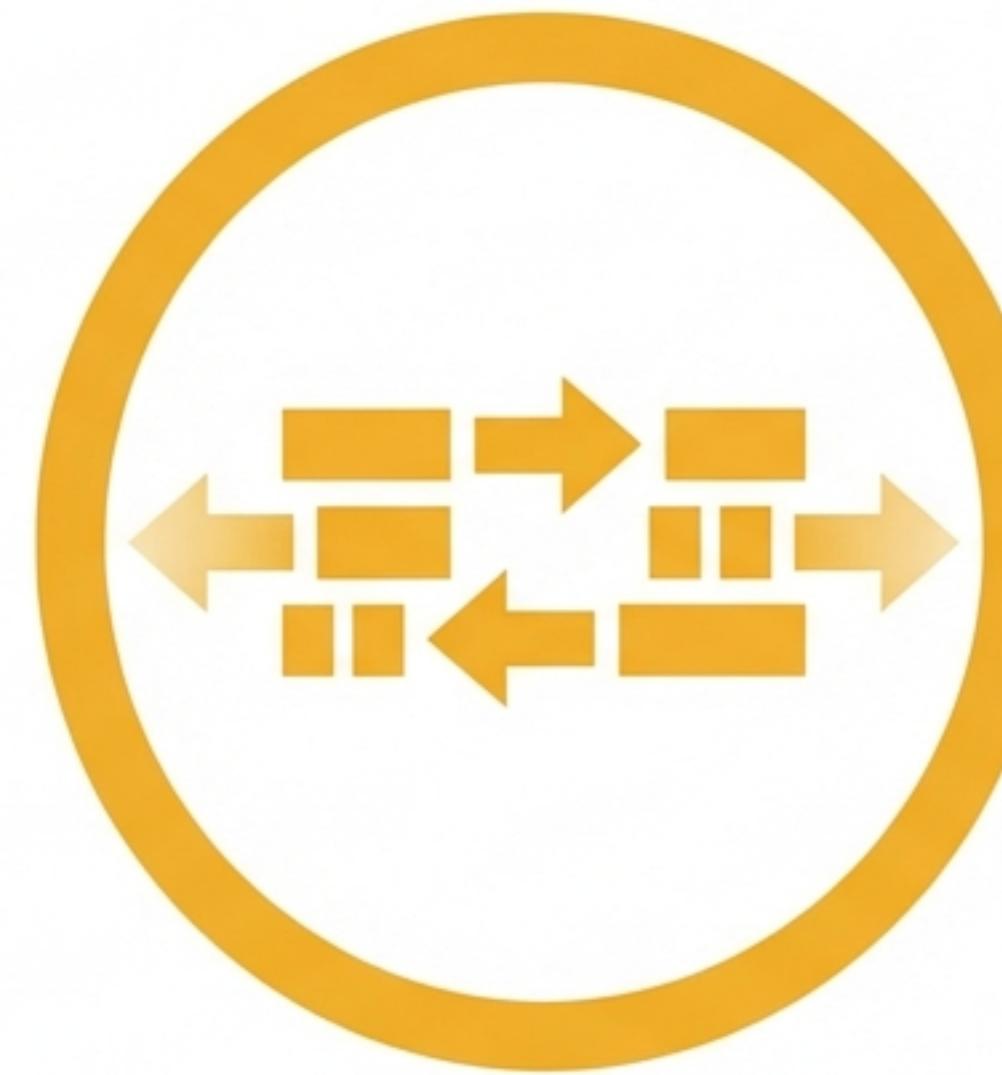


Defining the Security Boundary



Consumer Boundary

Risk Level: High for enterprise data.



M365 Service Boundary

Risk Level: Low (Commercial data protection), but lacks tenant-specific controls.



M365 Tenant Boundary

Risk Level: Lowest. Data never leaves the specific enterprise tenant environment.

If you can't audit it, you can't deploy it.

Regulated industries require comprehensive visibility into AI usage. The "Lite" version leaves gaps in discovery and retention.

	Consumer	Lite	Full Enterprise
Compliance (Purview, eDiscovery)	X No enterprise compliance.	! Limited.	✓ Full enterprise compliance.
Data Retention Policies	X Not enterprise controlled.	! Partial.	✓ Full M365 retention.
Audit Logs	X None.	! Limited.	✓ Full audit via Purview.

Control and Extensibility

Protection (DLP)



Consumer

X None

Lite

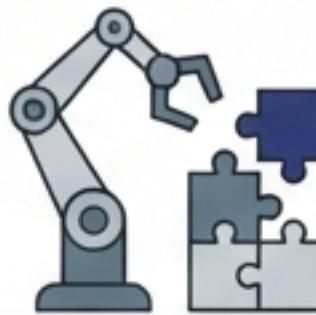
! Limited

Full

✓ Fully supported (DLP & Sensitivity Labels)

Future Proofing (Agents)

Copilot Studio / Agent Creation.



Consumer

X

Lite

! Depends on license

Full

✓ Yes, with full Custom Agents using Org Data.

Key Insight: The Full license is the only platform that allows for safe customization and programmable agents.

The Strategic Comparison Matrix.

Feature	Consumer	Lite (Business Chat)	Full Enterprise
FOUNDATION			
License Type	Personal Account	Business Standard	Enterprise E3/E5
Typical Cost	Free	Included (Limited)	\$30/user/month
INTEGRATION			
Works in Word/Excel/PPT	✗	✗	✓
Outlook/Teams	✗	⚠	✓
INTELLIGENCE			
Graph Access	✗	⚠	✓
Grounding	✗	⚠	✓
GOVERNANCE			
Security Boundary	Public / Shared	Tenant-level (Basic)	Full Enterprise Isolation
Audit Logs	✗	⚠	✓
DLP	✗	⚠	✓

Matching the License to the Value



The investment in the Full license is justified not by the chatbot, but by the integration with the Graph and the Office apps where value is created.