

Microsoft 365 Copilot vs Copilot Studio: Choosing the Right Agent Builder

Both Microsoft 365 Copilot's Agent Builder and Copilot Studio enable you to create secure, intelligent agents across Microsoft 365 and business systems. Whilst both tools build agents, they serve different needs based on your audience, deployment scope, functionality requirements, and governance needs.

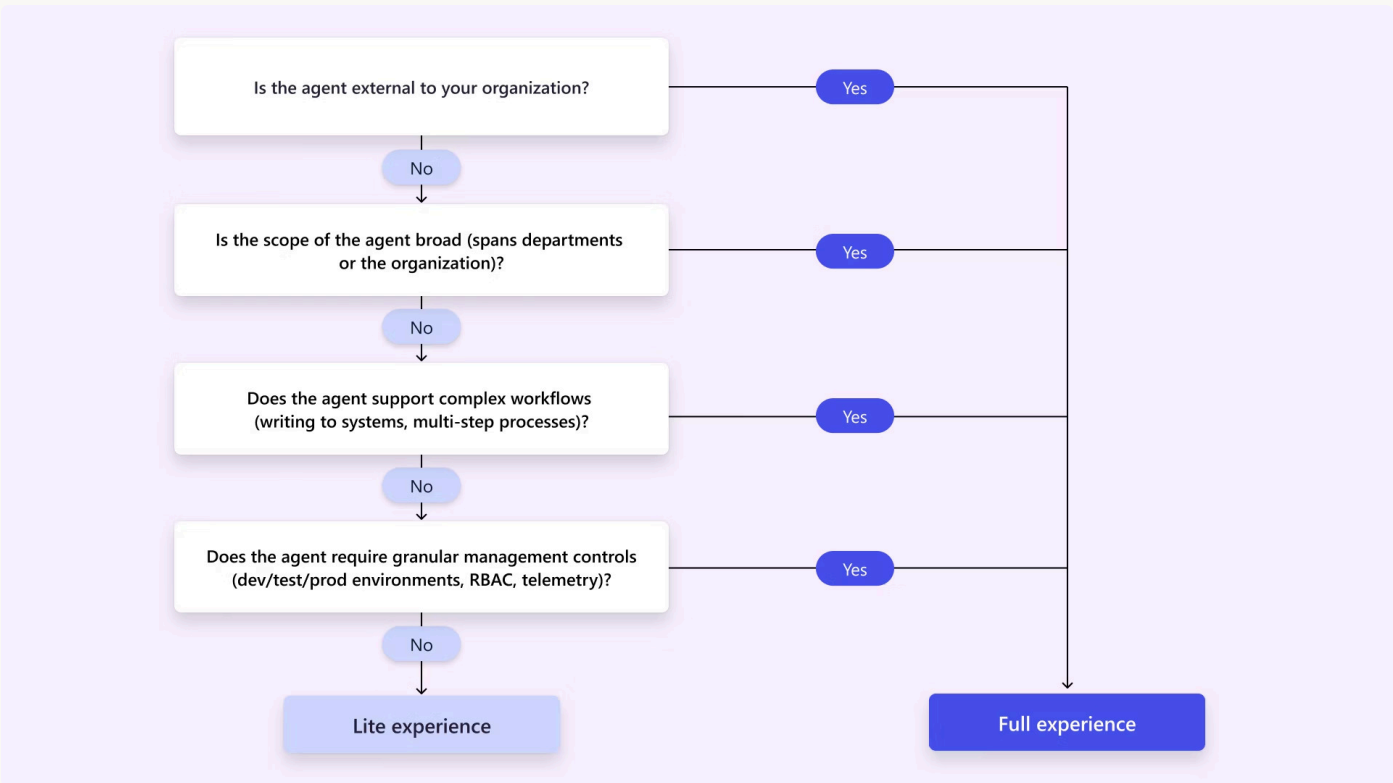
Microsoft 365 Copilot (Copilot Studio lite) Quick agent creation for yourself or small teams using natural language and existing content. Simple, accessible, and integrated directly into the Microsoft 367 Copilot experience—no code required.	Copilot Studio Advanced agents for broader audiences with complex workflows, custom integrations, and enterprise governance. A standalone web portal with rich tools for scalable solutions requiring granular control.
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Key Decision Factors

01 Audience Who will use the agent?	02 Deployment Scope How widely will you share it?
03 Functionality What tasks will it perform?	04 Governance Do you need lifecycle management?

Which Agent Builder Should You Use?

Use this decision tree to quickly determine the right platform for your needs. Answer each question to find whether the Lite experience (Microsoft 365 Copilot) or Full experience (Copilot Studio) best suits your requirements.



Source: Microsoft

If you answer 'Yes' to any of these questions—external agents, broad organisational scope, complex workflows, or granular management needs—Copilot Studio's full experience is the right choice. If all answers are 'No', Microsoft 365 Copilot's Agent Builder provides everything you need with a simpler, more accessible interface.

Detailed Feature Comparison

Feature	Microsoft 365 Copilot	Copilot Studio
Access Point	Microsoft 365 Copilot app	Copilot Studio web portal (
User Type	Information workers	Makers and developers
Target Audience	Individuals or small teams	Department, organisation, or external customers
Agent Type	Lightweight Q&A agents with organisational knowledge	Complex agents with multi-step workflows and business system integration
Key Capabilities	<ul style="list-style-type: none">Natural language authoringContent-focused Q&A scenariosRespects Microsoft 365 permissionsUses Copilot orchestrator and foundation models	<ul style="list-style-type: none">Broad publishing optionsMulti-step logic and workflowsAdvanced AI models and Azure AI integrationPrebuilt and custom connectorsAutonomous capabilitiesLifecycle management and analytics
Management	Microsoft 365 admin centre	Power Platform admin centre with fine-grained controls

Use Case Examples

Microsoft 365 Copilot

- Project FAQ bots answering questions from documentation
- Product documentation assistants for internal manuals
- Onboarding agents for new team members

Copilot Studio

- Customer support agents creating tickets and escalating issues
- IT help desk triage agents routing requests
- Sales assistants for CRM with approval workflows

Transitioning Between Platforms

Start in Microsoft 365 Copilot Build quickly with natural language for immediate team needs	Copy to Copilot Studio Preserve your work whilst unlocking advanced capabilities	Scale Enterprise-Wide Deploy with governance controls and broader integration

☒ **Note:** If you create an agent in Microsoft 365 Copilot and later need advanced features, you can copy your agent to Copilot Studio without starting over. This ensures your work is preserved whilst gaining access to richer customisation, governance controls, and expanded connectors.

Governance Principles

Microsoft 365 Copilot Agent Builder

No New Privileges Agents respect existing Microsoft 365 permissions and user access controls
Built-in Visibility Standard audit logs, activity reports, and DLP/retention policies apply automatically

Admins manage agent visibility, sharing, lifecycle policies, and compliance through the Microsoft 365 admin centre. They can view inventory, enable/disable agents, configure billing, and enforce compliance using Microsoft Purview.

Copilot Studio

Structured Development Application Lifecycle Management enables dev, test, and production environments
Connector Governance Admins control which systems agents can connect to, reducing unauthorised access risk
Environment Policies DLP, role-based access, and auditing enforced at environment level
Flexible Deployment Publish across Teams, websites, and custom endpoints with granular access controls

Admins use the Power Platform admin centre to manage environments, connectors, lifecycle policies, compliance, and telemetry for comprehensive oversight.

Licensing Requirements

Both Agent Builder in Microsoft 365 Copilot and Copilot Studio are included with a Microsoft 365 Copilot add-on licence for authenticated users. Without a Copilot licence, you can use Copilot Credits or a pay-as-you-go plan to access either experience.

You can also use Agent Builder in Microsoft 365 Copilot for free to build agents grounded on web knowledge only.