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# Cloud Cost Optimization

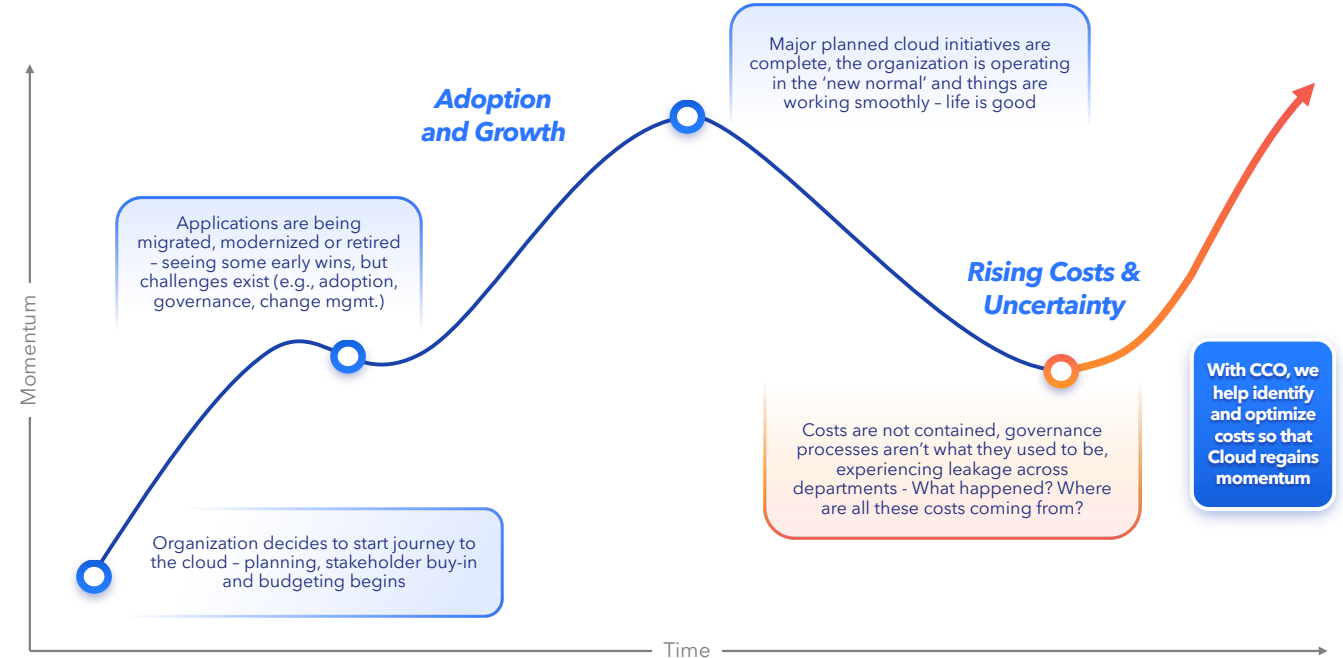
Providing value-focused insight into the cost, governance, and process efficiency of cloud environments



# The Truth About the Cloud Journey...

Is that it's not easy and becomes increasingly difficult to maintain positive momentum

After initial adoption, research indicates that organizations face rising costs and uncertainty in their cloud ecosystems – disrupting momentum and growth



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# Cloud Cost is now THE Top Concern for Executives

Most organizations said the desire "to better optimize current cloud resources" was their highest priority cloud initiative

## Results of a survey of 300 Finance and IT leaders

80%

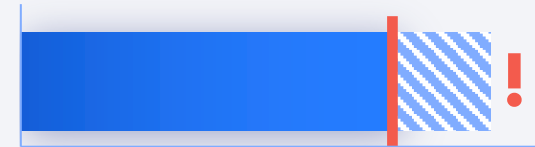
of 300 financial and IT leaders  
say that poor cloud financial  
management has had a negative  
impact on their business



**57%** worry daily about  
cloud cost management

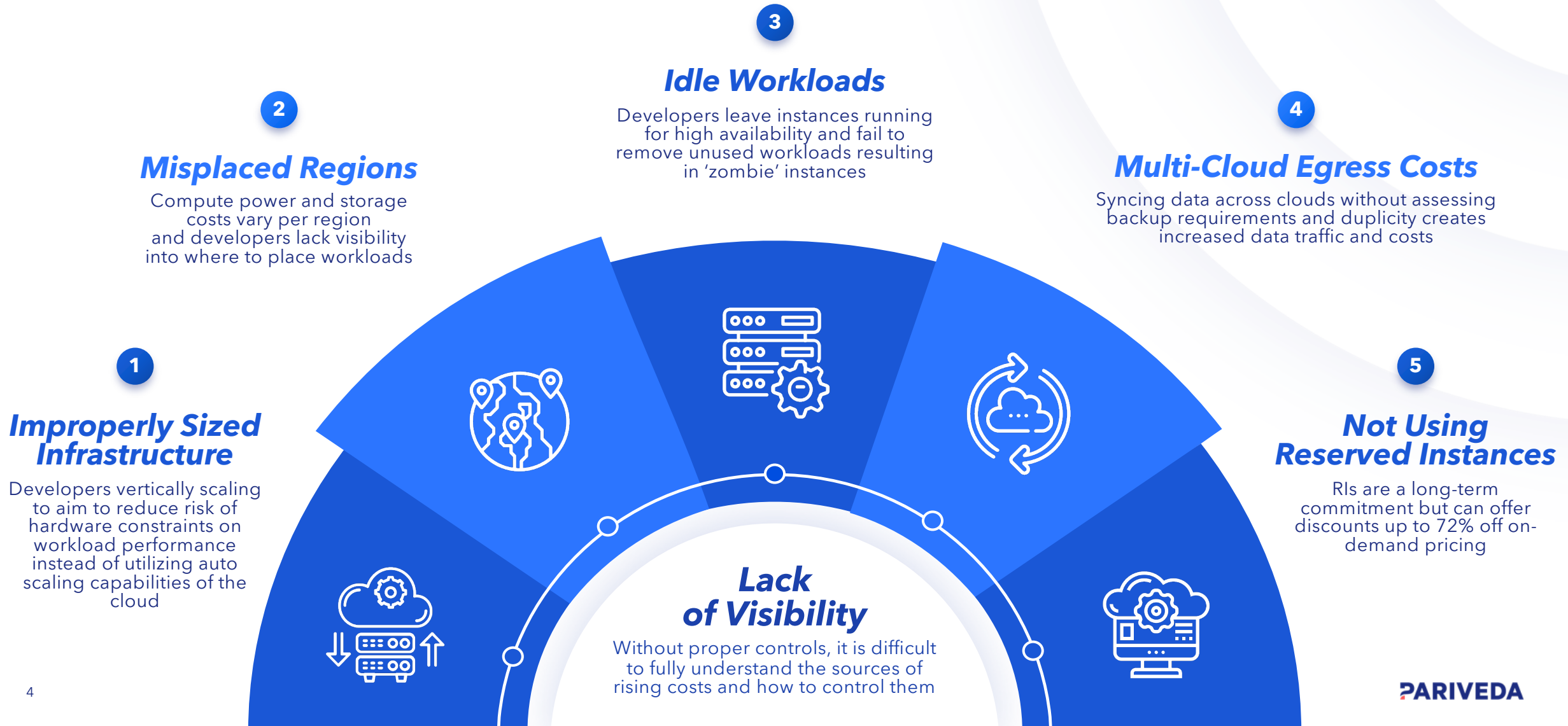
69%

regularly overspend their  
cloud budget by **25%**



# Common Hidden Costs in the Cloud

These areas can drive up the total cost of ownership drastically if not properly managed and maintained



# Cloud Cost Calculator

Download and open this PDF in Adobe Acrobat to enable calculations, then enter your information into the first column to calculate the potential impact of optimizing your cloud environment.

## Your Company's Info

### Annual Cloud Spend

Most recent estimate of 12-month cost of all cloud environments

### Compute Spend <sup>1</sup>

What percentage of the annual spend is on compute-based services

### Percent Reserved <sup>2</sup>

What percentage of current compute spend is covered by some form of reserved capacity

### Buy vs. Build Percent

What percentage of workloads are purchased 3rd party instead of custom built software

### Existing Optimization

The amount of savings already realized through internal cost savings initiatives

## Estimated Calculation

### Estimated Savings Amount

### Estimated Savings Percent <sup>3</sup>

# How much could you optimize?

1. Assuming average savings potential of 50% from RI/savings plans, we calculate additional potential savings by comparing this percentage with percent reserved relative to the starting number.  
<https://www.prosperops.com/blog/aws-savings-plans/>
2. Baseline optimal range should be 80-95% (assuming 80% in calculator to be conservative) depending on variability of usage (particularly for generally flat usage models. Though note for variable capacity workloads, this ideal number may change.  
<https://www.prosperops.com/blog/how-to-maximize-cloud-savings-on-cyclical-workloads-using-commitment-based-discounts/>
3. We estimate 25% into this calculation as a baseline then adjust based on your inputs. <https://www.cloudzero.com/blog/cloud-waste>



## Curious about the full potential of cloud savings?

We are ready to help you start realizing your cost savings, creating efficiencies, and driving your organization towards modernization.

We have 2-4 week assessments that can help you quickly realize the value and strategies to give you a roadmap forward.

