

Cloud Cost Management



Cloud cost management is the organizational planning that allows an enterprise to understand and manage the costs and needs associated with its cloud technology. This means finding cost-effective ways to maximize cloud usage and efficiency.

As cloud infrastructure becomes more complex, cloud costs become opaquer and more difficult to track. The “pay for what you use” model used by most public cloud providers adds to the difficulty: If usage is monitored and managed appropriately, this model can result in significant savings, but it’s also easy for costs to spiral out of control. This is doubly true if decision making is decentralized across an organization, with individuals able to spin up instances (and accrue costs) with little or no accountability. Thus, it’s important for enterprises to employ a cloud cost management strategy to make the most of their infrastructure and keep costs down.

There are many factors that contribute to cloud costs, and not all of them are obvious upfront.

Costs can include:

- Virtual machine instances
- Memory
- Storage
- Network traffic
- Training and support
- Web services
- Software licenses

A strong cloud cost management strategy must take all these factors into account.

Why Cloud cost management?

Cloud costs are constantly shifting, and decision-making is often decentralized in large organizations, making visibility into expenses difficult. Rapid scalability is one of cloud computing’s major strengths, but it also makes it easy for IT staff to spin up services without considering the cost. Implementing a cloud cost management strategy can help an organization plan for future costs and consumption.

For companies that use multi-cloud combinations, it’s also important to practice effective multi-cloud cost management that takes the costs of several different public cloud providers into account. With a better understanding of costs and usage, a business can more effectively enforce accountability across the company and improve the performance and efficiency of its cloud technology.

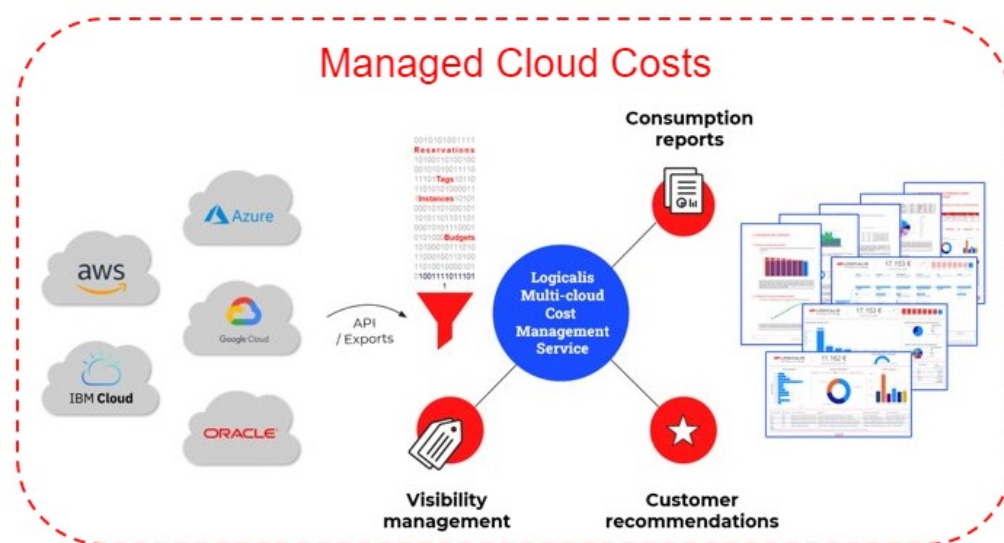


The Service

The Managed Cloud Cost Management service from Logicalis is an in house developed solution that is built on tooling developed by Logicalis and is delivered by our experts. The service provides a single pane of glass view of the cloud costs across all of your cloud subscriptions, which can then be broken down by service, department or user configurable tabs. **The service will provide recommendations across;**

- Reserving instances over 1-3 years
- Savings plans over 1-3 years
- Licence Optimisation
- Performance Optimisation
- Zombie Service Housekeeping
- Power Schedules for non 24/7 services
- Data Tiering policies
- Auto Scaling Policies

All simply accessed through the Logicalis Web portal from any device you want.



The Benefits

• **Decreased costs:** This is the most obvious benefit of cloud cost management. Businesses that take a proactive approach to planning for cloud costs can ensure they don't overspend on unused resources, and they're able to take advantage of discounts based on volume or advance payment.

• **Predictability:** A business that properly forecasts its cloud computing needs won't be surprised by a sudden increase in costs.

• **Efficient usage:** Taking a close look at spending also helps enterprises reduce waste and make the most of the resources they do pay for with techniques like automatic scaling and load balancing.

- **Better performance:** An important cloud cost management tactic is right-sizing, or ensuring that the public cloud instances you choose are the right fit for your organization's needs. Overprovisioning means overpaying; underprovisioning can cause performance to suffer—but with careful planning, businesses can ensure smooth performance without increasing costs.

- **Visibility:** It's impossible to practice good cloud cost management without detailed visibility into your organization's usage and cloud architecture. Fortunately, this visibility also serves many other business needs besides cloud cost management, including governance and security.

