# Enabling Azure Cost Optimization

- ✓ Cost management governance
- ✓ Cost-relevant insights and recommendations
- ✓ Azure Advisor best practice recommendations
- ✓ Cost controls and guardrails
- ✓ Azure offers and licensing terms
- ✓ Optimizing workload costs
- ✓ Resources to help you save

c3it
A SAXON Group Company

# Enabling Cloud Cost Optimization

Azure Cloud Infrastructure optimization ensures efficient Resource utilization, Reducing costs and Enhancing Performance, Crucial for Maximizing business value.

## Hear from our customers

*"I appreciate your dedication and professionalism in carrying out this assessment and furnishing us with valuable information. It truly reflects the extensive knowledge and expertise possessed by the C3IT team, leaving me thoroughly impressed."*

*-- CTO of PayG*

# C3IT's Cost Optimization Offering

## Our Offering – Free Assessment of the Azure cloud Expenses

As part of our Cost Optimization Service offering , we unlock cost efficiencies and strategic growth with C3IT's **Free cloud assessment**.

This is the first step in establishing a strategic partnership to help achieve optimal performance and cost efficiency in your cloud environment. This assessment is designed to proactively identify opportunities for cost savings.

T&C Apply

## Purpose – To Assist in optimizing the Cloud Expenditure

By understanding your current cloud usage and needs, we can provide tailored recommendations that lead to significant financial benefits. Our industry experts tailor solutions to your unique needs, mitigating risks and optimizing resources, Build transparency, trust, and a lasting partnership as we navigate your cloud journey together.

Several customers have benefited with cost savings anywhere between **25% to 70%.**

## Why C3IT?

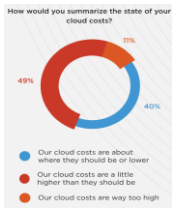
- C3IT is Microsoft's Solution partner

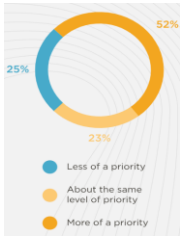
- Certified & Experienced professionals

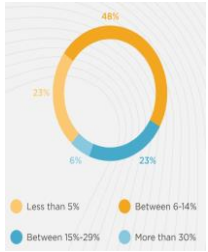
- Specialized in Cost optimization and Performance Optimization offerings at all layers & levels
- Specialized Discovery process
- Strong Technology leadership

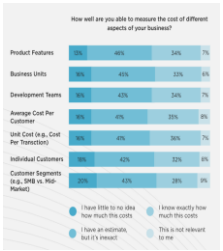
# Market Survey - Cost Optimization as priority service

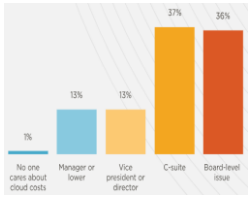
- 49% of respondents said cloud costs are higher than they should be.
- Only 3 in 10 organizations track cloud costs precisely.
- Finance teams experience 6-14% cloud cost variances
- 73% of respondents stated cloud cost is a C-suite/board-level concern
- 43% meet 1st yr cost saving targets, only 11% sustain savings for 3 yrs
- Over 50% prioritize cost optimization in 2024 compared to last year
- Only 35% use a consistent cost management framework across functions.

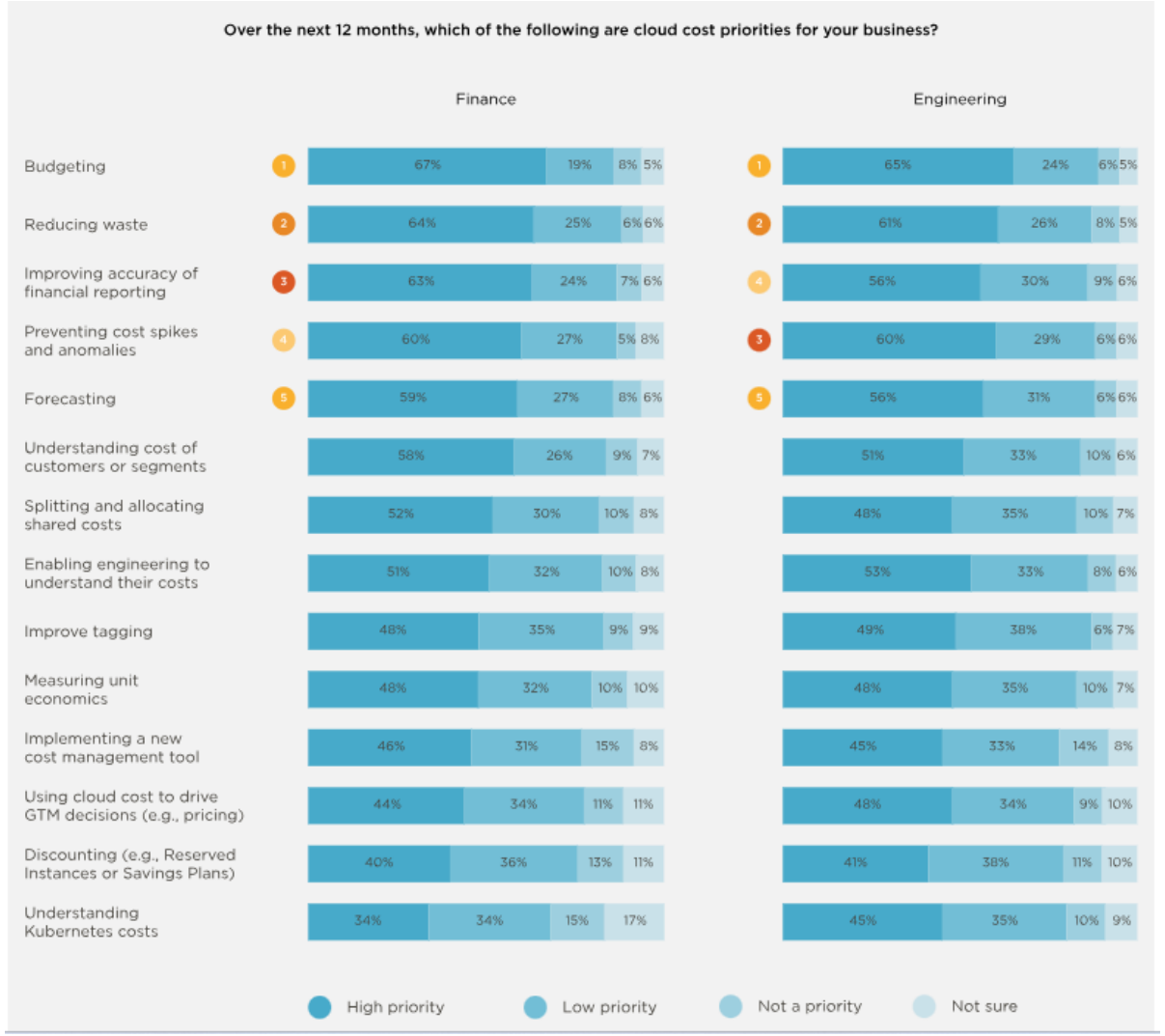



Credit : CloudZero , Vertice

# Cost Optimization Assessment Methodology

## A strategic approach to reduce costs and improve efficiency

### 01 Discovery Work Shop

Our workshop engages the technical users who are in charge of cost management, and helps us comprehend their environment, terminology and difficulties

### 02 Evaluate Azure Environment

With Reader Access only, we examine your system thoroughly and start preparing our report by Resource Group

### 03 Detect excessive & dormant resources

Discover resources that are inefficient and expensive. Adjust their size to optimize the cost

### 04 Report rapid gains

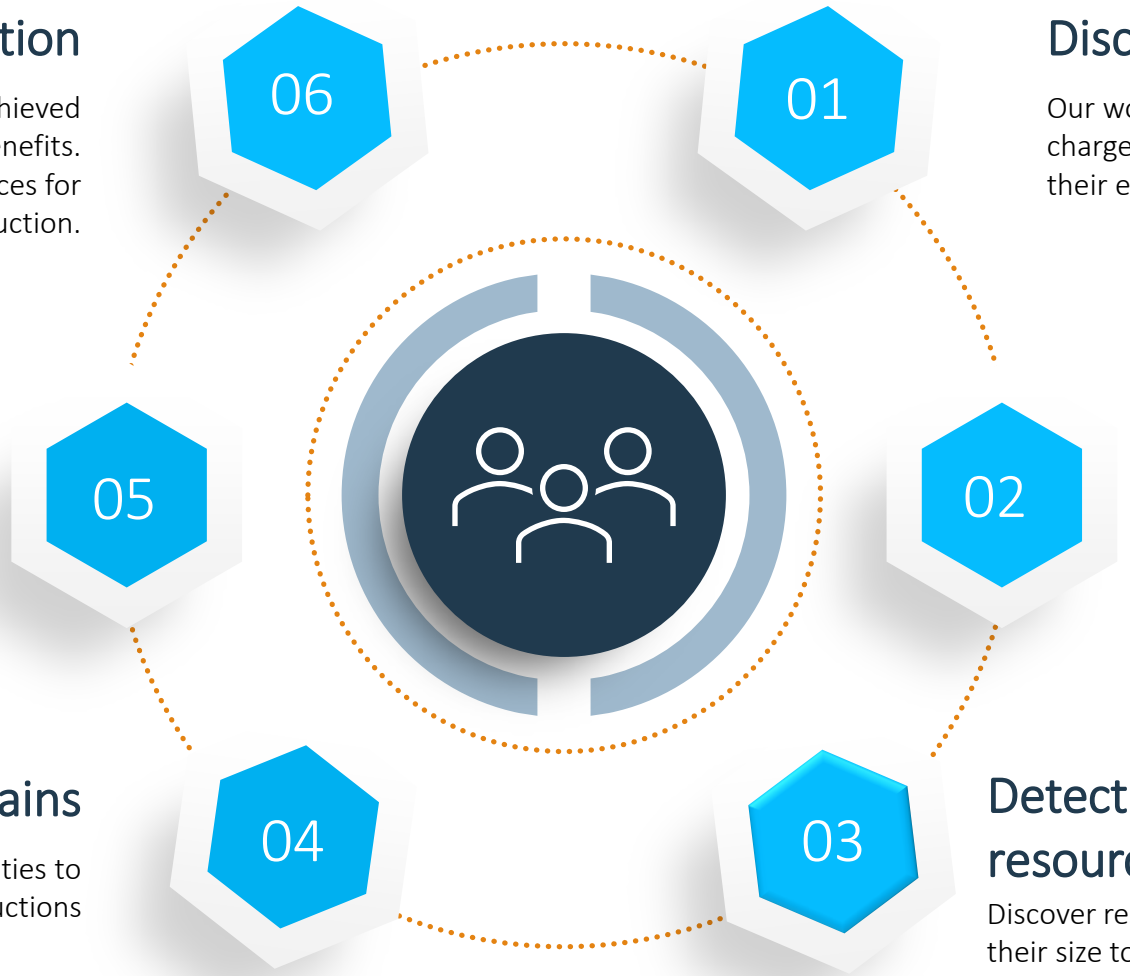
Prioritize the easiest and safest opportunities to achieve significant cost reductions

### 05 Evaluate Cost Governance Process

Our examination will cover how you currently handle your budgeting and forecasting, as well as your resource creation and management

### 06 Report and Presentation

Our presentation will encompass the outcomes achieved and the strategic measures required to maximize benefits. Additionally, we will delineate the requisite resources for adjustments and explore opportunities for cost reduction.



# C3IT's Azure Cost Optimization Framework

C3IT would gather data from cx's on

- Existing cost details
- Inventory of Azure services
- Usage patterns
- Performance metrics
- ongoing Operational Costs
- Governance mechanism

**Phase -I**

**Data Gathering & Cost Analysis (Free Assessment)**

Perform Cost Analysis at Management Group, Subscription, Resource Group, Resource level & Identify the opportunities of cost savings

C3IT would Provide the outcome of the Assessment

- Observations
- Metrics
- Reports

**Phase -II**

**Recommendation on Cost Optimization & Strategy Roadmap**

Prioritization of Cost Optimization & share Cost optimization implementation Roadmap

C3IT would provide

- Prioritized recommendations for cost saving opportunities
- Strategy roadmap for the implementation

Discuss

- Logistics & Financials

**Phase -III**

**Implementation of Cost optimization Recommendations**

C3IT team works with cx's engineering team to provide High quality solutions in 2 phases

- Immediate Impact
- Long term sustainability

C3IT would provide

- Cost savings summary
  - At Management Group/Subscription/ Resource Group/Resource level
  - Comparative stats before & after cost optimization

**Add - on**

**Cost Optimization Managed Services Offering**

C3IT team would provide ongoing support towards Cost optimization

- Build & adjust cost optimization strategy (ongoing)
- Automate cost tracking and management
- Ensure ongoing cost savings

Microsoft Azure

# Cost Assessment Summary - Day wise Approach

## Phase 1 (Azure Cost Analysis)

**Day 0**

Initial Discovery (Engage with the customer)

**Day 1**

Detailed Discovery - Azure Ecosystem

**Day 2**

Cost Assessment & Analysis

**Day 3**

Optimization Briefing on

Cost Analysis & Savings opportunity report

# Cost Assessment Details - Day wise Approach -- Day 0, Day 1

| Phases | Day wise Approach (Summary) | Deliverables |
|---|---|---|
| **Phase 1 (Azure cost Analysis)** | **Day 0 -->** **Initial Discovery [Engage with the customer (Cx)]** | • Assess current Azure estate and cloud journey.<br>• Identify current challenges and future expectations.<br>• Review past optimization efforts by in-house or external teams.<br>• Present C3IT's Cost Optimization Methodology<br>• Discuss C3IT's phased approach.<br>• Highlight additional value-add services (Performance, Reliability, optimization)<br>• Provide details of C3IT's Azure engineers and their specializations |
| | **Outcome of Day 0 :** Upon approval, schedule Project Kick-off meeting & Get Reader access to explore the Cx's Azure environment | |
| | **Day 1 -->** **Discovery - Azure Ecosystem** | • Identify Management Groups, Subscriptions, Resource Groups, and Resources.<br>• Analyze usage patterns on different time scales (Month/Week/Day/Hour).<br>• Understand detailed usage patterns across Subscriptions, Resource Groups, and Resources (Monthly, Location, Meter, Meter Subcategory, Environment, Charge type, Billing period, Service tiers, Tags, etc.).<br>• Conduct a detailed examination of permutations and combinations to derive pattern logic.<br>• Document the observations. |
| | **Outcome of Day 1 :** Document the Inventory list & Usage patterns | |

# Cost Assessment - Phase wise Approach -- Day 2, Day 3

| Phases | Day wise Approach (Summary) | Deliverables |
|---|---|---|
| **Phase 1 (Azure Cost Analysis)** | **Day 2 -->** **Cost Assessment & Analysis** | • Identify Long-Term Cost Savings Opportunities.<br>• Identify Quick-Win Opportunities.<br>• Assess Risks to Business Data Security and Vulnerabilities.<br>• Identify Resource Waste, Scheduling, and Scaling Opportunities.<br>• Evaluate Automation Opportunities in Azure Costing.<br>• Analyze Workloads and Interdependencies between Performance and Cost.<br>• Conduct Cost Analysis at Subscription, Resource Group, and Resource Levels.<br>• Explore Reusable Cost Optimization Techniques.<br>• Analyze Existing Licenses Usage and AHB Opportunities.<br>• Conduct Cost Drivers and Tagging Analysis.<br>• Review and Assess the Existing Cost Governance Process, including Monitoring and Alerts. |
| | **Outcome of Day 2 :** Document the Cost Analysis report (Strategy to Tactical level) | |
| | **Day 3 -->** **Azure Cost Analysis, Savings & Optimization Briefing** | • Provide a Cloud Inventory Summary for the Customer (Cx).<br>• Outline Cloud Cost Challenges and Resource Distribution Across Regions.<br>• Offer a Comprehensive Cloud Spend Summary for Cx.<br>• Deliver a Sample Cloud Cost Consumption Report from High Level to Granular Detail.<br>• Present an Analysis of Resource Groups, Services, and Metered Categories.<br>• Propose Strategies for Reserved Instances, Savings Plans, Spot Instances, and Pay-as-You-Go.<br>• Implement Tagging and Cost Allocation Strategies.<br>• Deliver an Analysis Report on Current Strengths and Improvement Opportunities.<br>• Summarize Usage Patterns and Conduct Cost Trend Analysis.<br>• Compare Current State vs Future State of Cx Cloud Spend.<br>• Identify Day-wise, Month-wise, and Quarter-wise Cost Savings Opportunities.<br>• Pinpoint Savings at Subscription, Resource Group, and Resource Levels.<br>• Highlight Savings Opportunities by Service Tier and Environment (Dev/UAT/Prod).<br>• Propose Savings through Resource Utilization and Right Sizing.<br>• Summarize Overall Cost Savings Opportunities in % and $/local currency, emphasizing Cost-Effective Services.<br>• Present Opportunities for Enhanced Cost Governance. |
| | **Outcome of Day 3 :** • 1 to 2 hrs of presentation to the cx on Cost Analysis report and Optimization opportunities & Next steps<br>• Provide 10-page Cost Analysis Report tailored for Cx's environment based on current usage & resource demand | |

# Cost Assessment – Indicators , Quick win and Long term Wins strategy

START

Free Azure Cost Assessment

Cost Assessment Report

## Signals

- Customer (Cx) Regularly notice unexpected Azure Cloud Spend.
- Cx's workloads jump from peak to low

Signals You need Azure Cost optimization

- Cx has switched to Azure long time ago
- Cx's Azure can be redistributed more effectively

**Milestone 1 (Discovery phase)**

- Identify the Root cause for Cost spend

## Quick wins

- Eliminate Unused Resources
- Eliminate orphaned Resources
- Right size Underutilized Resources

Top 6 quick tips of cost savings

- Make use of AHB (Azure Hybrid Benefit
- Based on the usage patterns, leverage Reserved Instances/ Savings Plans/Spot Instances

**Milestone 2 (Cost Analysis)**

- Explore Savings Opportunities up to 40%

## Long term wins

- Tune storage performance
- Utilize serverless technologies
- Select the most cost-effective Azure services
- Set up autoscaling

Long term strategy & Best practices

## Best Practices

- Automate cost tracking and management
- Utilize cost management alerts
- Adjust your cost optimization strategy(ongoing)

**Milestone 3 (Cost Assessment report)**

- Provide Cost assessment report
- Explore Savings Opportunities up to 70%

# Sample Assessment Report to Customer

| Critieria | Cost Saving % (v2-payg-ase) | Cost Saving % (v2-payg-ase) | Cost Saving % (v2-ase-payg-south) | Cost Saving % (other Resource groups) | Cost Saving % (at Subscription level) |
|---|---|---|---|---|---|
| Resource Utilization | | | | | |
| VMs | | | | | |
| App Services | | | | | |
| SQL DB | | | | | |
| Log Management | | | | | |
| Others | | | | | |
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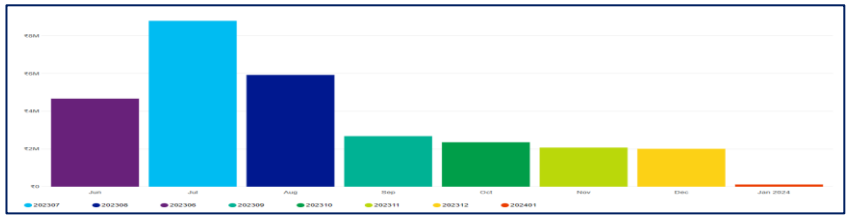

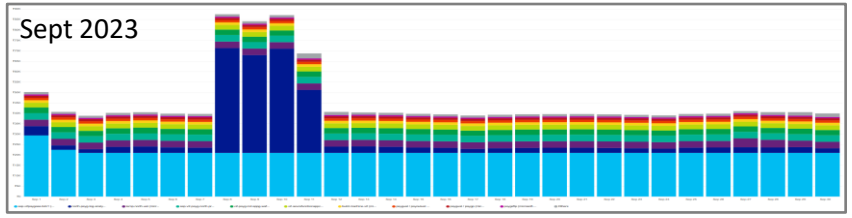


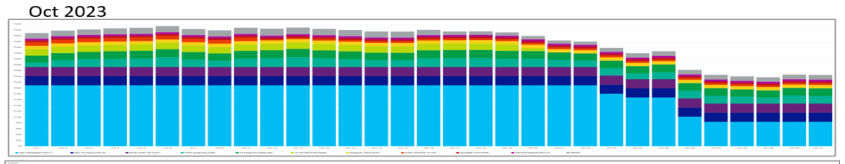


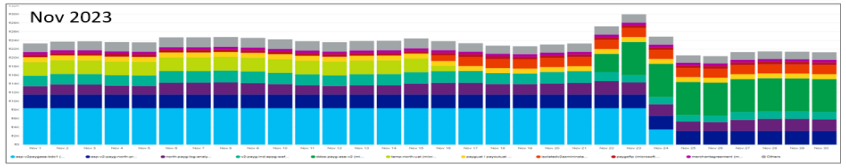


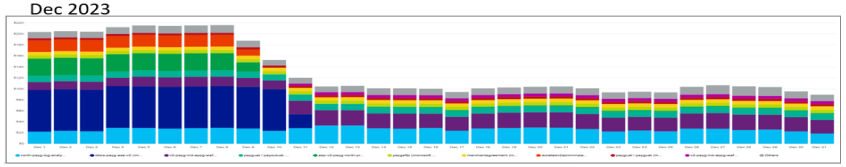


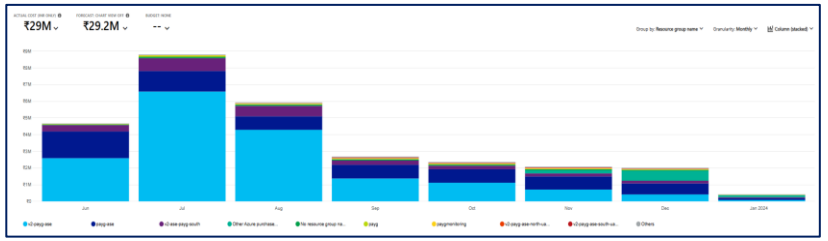


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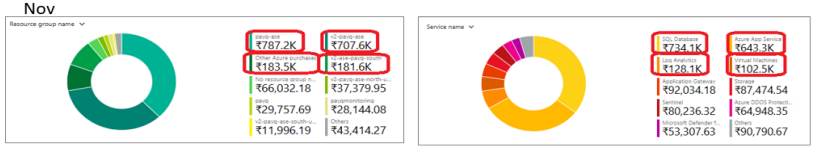


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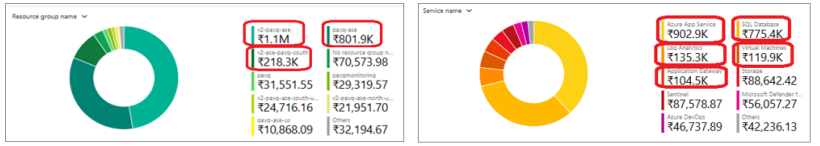


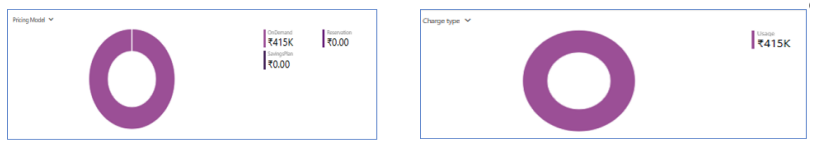


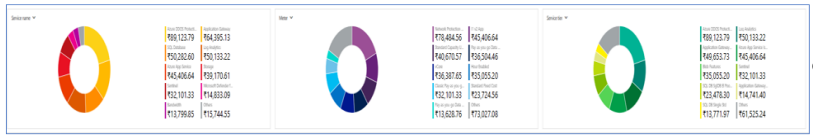


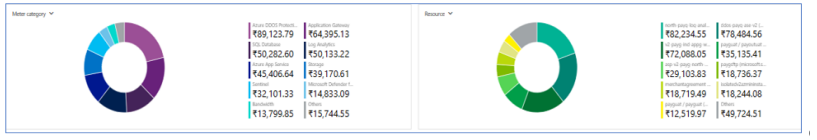


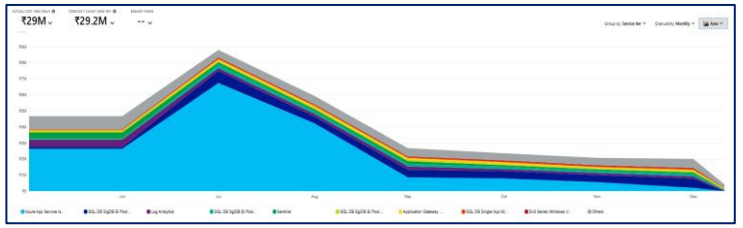


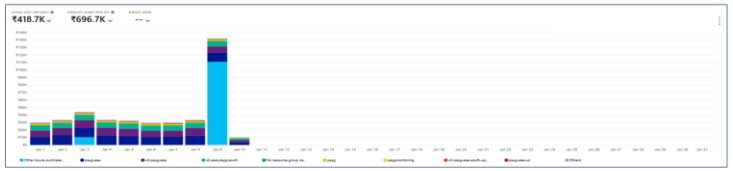


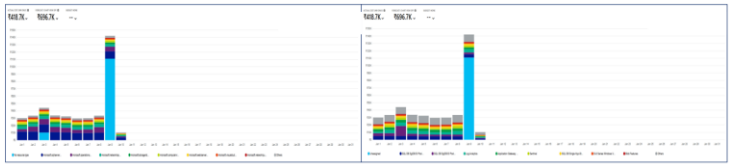

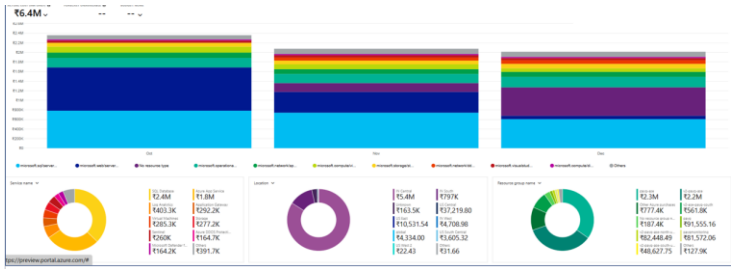


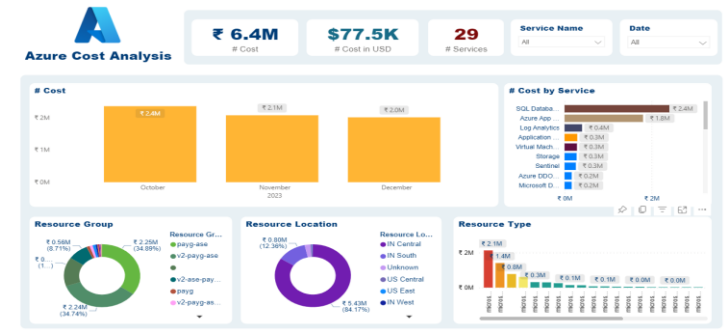

# Next Steps

## In the upcoming phase, Phase II,

Azure architects will conduct a comprehensive analysis of all Azure Resource groups and Resources. Prioritized recommendations and an implementation strategy roadmap will be presented.

## Subsequently, in Phase III,

After customer discussions, the implementation will advance through Dev, UAT, and Production instances/servers during off/lean business hours. Any minimal downtime will be communicated in advance. The outcome of each phase has been represented in the above framework

## Further, in Add-on phase

Following the implementation of cost optimization techniques, our focus is on maintaining continuous oversight of Azure costs and proactively devising strategies for further savings while prioritizing performance efficiency. Additionally, we empower our customers with transparent reporting to enhance their understanding of cost dynamics.

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Thank you!
Feel free to approach us
if you have any questions.
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