



**TRANSITION**  
TECHNOLOGIES

A hand is shown holding a glowing lightbulb. Inside the lightbulb, a blue cloud is visible. The background is a dark purple gradient with glowing blue and red circuitry lines and dots, suggesting a digital or technological theme.

# **How do you get up to 70% savings by Cloud Cost Audit**

A case study of successful cloud cost optimization for a manufacturing client



In today's digital landscape, cloud cost management has become a critical factor for businesses aiming to **maximize their return on investment in cloud technologies**. Implementing a FinOps approach, which blends financial management with operational insights, can significantly enhance cost efficiency.



Cloud cost management involves monitoring, measuring, and controlling cloud spend with providers like **AWS (Amazon Web Services)**, **Microsoft Azure**, and **Google Cloud**. It focuses on finding cost-effective ways to maximize cloud usage and efficiency and is also known as the Cloud Cost Optimization (CCO).



In this material that serves as an insight, we will delve into the benefits of our **Cloud Cost Audit service, a crucial part of our holistic Cloud Cost Optimization offer**, using a **real case study from a manufacturing client** to illustrate the process and its impactful results.

## How to start? Identifying areas for Cloud Cost Optimizations

IT leaders striving to reduce cloud infrastructure costs encounter numerous challenges, which can lead to missed savings and additional benefits. While various optimization strategies are available, each demands different levels of effort and offers varying impacts. Broad generalizations often overlook critical factors unique to each workload. Moreover, devising a practical action plan typically requires collaboration among multiple teams rather than the effort of a single leader.

**The cloud is integral to digital transformation**, offering significant value while also introducing new challenges, notably the unexpected surge in cloud expenses.

Managing these rising costs is imperative, as the CFO will seek explanations and may intervene and question the wisdom of some cloud investments. Common patterns in customer projects reveal that **treating the cloud like a traditional Data Center often leads to uncontrolled cloud costs**.



The **FinOps approach** was created to address these issues, aiming to **optimize cloud expenses without compromising business value**. Ongoing cost optimization is essential, and there are multiple strategies to achieve it. Implementing transparency, governance, and an optimization strategy in three main phases is vital for FinOps success.

Understanding your starting point is crucial for devising an appropriate plan to enhance FinOps maturity within your organization and for customizing the FinOps roadmap. A key component of this roadmap should be achieving cloud cost transparency.

## —Analyzing cloud usage

Well, to do it, first of all, we **need to know on which cloud services and virtual machines we spend our money**. Why? Because:

“ **You can't manage what you don't measure.**

*Peter F. Drucker*



And you need to see all the cost data to make informed decisions. For the most precise outcomes, **leaders need to collaborate with various stakeholders to collect their insights and reach a consensus**. This collaborative approach is essential because optimizing cloud costs in infrastructure as a service (IaaS) or platform as a service (PaaS) **demands an in-depth understanding of the application or workload**. Additionally, implementing technical and process changes involves practical considerations that require input from different perspectives.

## —Cloud Cost Audit: A first step to leverage FinOps in cloud cost management

In a perfect world, often painted by the cloud providers in commercials, the cloud is presented as the best solution and the answer to all your pain points. And, of course, it is much cheaper than your old, well-known on-premises setup. This beautiful image shatters with the first invoice containing unexpected costs for cloud services.

Why? Don't get us wrong—the **cloud has extraordinary benefits, a powerful positive impact on business results, and boosts innovation**. But it is also a “living creature” that, if left unattended, can get out of control. A cloud cost optimization strategy and FinOps approach in place will protect you against unexpected spending on this technology.



Our **Cloud Cost Audit** service is the first step toward a financially optimized cloud environment. Let us tell you the story of how it helped our client **reduce costs and save 63% of their cloud spending**.

### 1 Understanding the challenge

The journey with **Cloud Cost Audit for our customer**, a large manufacturer in CEE, began with a meeting and an in-depth conversation. During the interview, it became evident that they were incurring excessive costs on their cloud infrastructure. **They expressed a desire to understand these costs better and find ways to reduce them.**

### 2 The solution? Proposing the Cloud Cost Audit

Recognizing the potential for significant cost savings, we proposed conducting a **Cloud Cost Audit**. This would involve thoroughly examining their cloud usage and spending patterns to identify inefficiencies and areas for optimization. The client agreed, and the first step was to grant us read-only access to their **AWS cloud accounts**.

### 3 Preliminary analysis and scope of the Audit

With access provided, we performed a preliminary analysis of their cloud environment. This initial review highlighted several areas of concern, **confirming the need for a comprehensive audit** to fully **understand the specifics**. The client was then informed about the hours and resources required for the Audit.

### 4 A deep dive into AWS accounts and cloud costs

TT PSC's experts audited two of the client's AWS accounts: QA and PROD. **It took two weeks for each account**, which is a **typical duration**. Our team meticulously analyzed every aspect of their cloud usage. A product of the **Cloud Cost Audit** is a detailed **Report containing a set of recommendations** along with potential savings in dollars calculated based on historical usage and AWS pricing. Cost-saving recommendations described in the Report are categorized as follows:



#### Fast and Simple

Days

In most cases, this category concerns misconfigured or completely redundant resources but does not affect the solution architecture. The turnaround time is days, and sometimes just hours. Very often, we can see the effect of lower costs the next day.

#### Examples:

- Configuration changes
- Costs avoidance
- Elimination of waste



#### Medium

Days-weeks

In that category, we face problems that require more planning. Additional analysis of the potential impact on other components or services of the organization is often required. This is especially important in the case of irreversible operations, e.g., termination of potentially redundant resources that were initially uncertain. For this reason, we can expect cost reductions within days or weeks.

#### Examples:

- Service substitution
- Elimination of waste
- Rightsizing



#### Complex

Weeks-months

This category always requires significant changes to the architecture of a solution that are never quick or easy to implement. Hence, a work period of several weeks must be considered before the estimated savings are achieved.

#### Examples:

- Implementing the Cloud Native concepts like Serverless
- Modernizing infrastructure workload with more elastic architecture
- Spot Instances implementation

This categorization provides our clients with guidance on the effort required to implement the recommendations described, making it easier to prioritize decisions.

## 5 Significant savings achieved

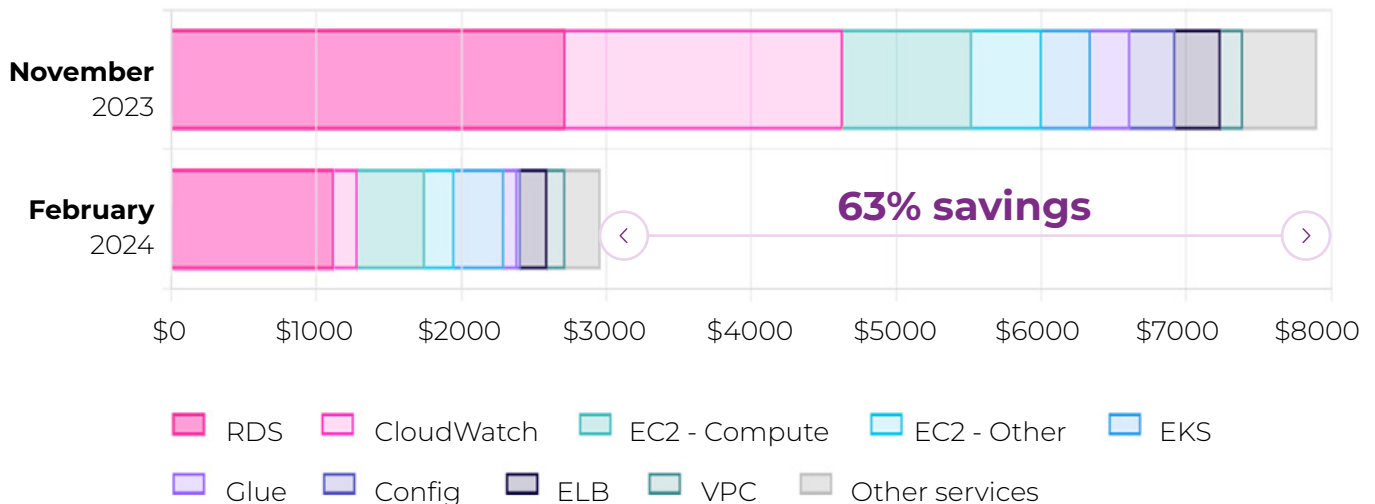
The findings from our audit were illuminating. We identified numerous opportunities for optimization, and upon implementing our recommendations, the client saw immediate benefits. The cost savings were substantial: 40% in their QA environment and 44% in PROD.

**The client was so impressed with the preliminary results that they requested our assistance in thoroughly and fully implementing the recommendations.**

## 6 Final implementation and monitoring

After completing the optimization process, we waited a month to monitor the new billing period without any changes in the infrastructure. This period allowed us to validate the effectiveness of the implemented strategies.

The final results exceeded expectations, **achieving a remarkable 63% reduction in cloud costs** in the QA environment.



## Benefits of our Cloud Cost Audit service

- Detailed Cost Analysis:** Our audit provides a comprehensive understanding of cloud spending, helping identify inefficiencies and opportunities for cost reduction.
- Tailored Recommendations:** We offer actionable insights tailored to the client's cloud infrastructure's specific needs and usage patterns.
- Significant Cost Savings:** Clients typically see substantial savings of 20-30% on their monthly cloud spending. However, as this case study demonstrates, even 63% savings are possible.
- Enhanced Operational Efficiency:** By optimizing cloud resources, clients can improve the performance and efficiency of their operations.
- Expert Implementation Support:** We offer end-to-end support, from identifying issues to implementing solutions and validating results.

## Is your organization looking to optimize cloud costs?

Our **Cloud Cost Audit** for enterprises can provide the insights and solutions you need to **improve your cloud cost management** and reduce your next cloud bill. Contact us today to learn how we can support your cloud cost optimization journey and **drive your business forward**.

[Let's talk](#)

## FinOps approach in Cloud Cost Optimization to slash cloud bills

The FinOps approach to cloud cost optimization involves a strategic blend of financial accountability, operational control, and continuous improvement. By integrating financial operations into the cloud management process, businesses can **gain real-time visibility into their cloud spending**, enabling proactive management and optimization. This approach fosters a cost awareness and accountability culture, empowering teams to make data-driven decisions that significantly reduce cloud expenditures.

Embedding a FinOps approach into your organization's culture is not a piece of cake. As proof that it's worth the effort, we suggest **starting slowly by auditing your cloud costs for at least one AWS or Azure account**. Understanding what we spend money on in the cloud compared to what we need and knowing how much we can save is a helpful basis for convincing management to move forward with FinOps implementation. **We know it isn't easy, but in the long term, it will pay off.**

## Conclusion

As mentioned in the previous paragraph, our **Cloud Cost Audit** service, grounded in the principles of FinOps, empowers businesses to take control of their cloud expenditures and start achieving significant cost savings. This case study of a manufacturing client underscores the transformative impact of a thorough cost audit, leading to more efficient and financially sustainable cloud operations.



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