PostNL Is Enabled To Manage Cloud Costs Themselves While Keeping An Independent Cloud Management Setup

PROBLEM

An early adopter of cloud services, PostNL has been completely in the cloud since 2013. Starting on Microsoft Azure, they moved to AWS for a newly developed application, creating a multi-cloud situation with AWS as the main Cloud Service Provider (CSP) and Azure for a selected group of mostly legacy workloads.

PostNL has 40-50 independent application teams managing applications on the cloud. They range from a Commercial-off-the-Shelf (COTS) application team through a SAP HANA team to DevOps teams developing custom software, data warehouses and BI/analytics solutions.

Their independent cloud management setup gave these applications teams freedom but this literally came at a cost: as cloud costs rose month after month, they didn't have insight into their problems nor any direction on how to solve them.

SOLUTIONS

Based on IDC Metri's reputation as being at the forefront of cloud economics, PostNL asked IDC Metri to help them reduce AWS costs, and to enable the Cloud Center of Excellence (CcoE) they set up, which bundles cloud knowledge including price models, to manage cloud costs by themselves.

PLAN IN ACTION

IDC Metri did an analysis on the PostNL AWS landscape, using the Quicksight based tooling developed by PostNL itself. Managing Savings Plans and Reserved Instances was out of scope, since this was already covered within the CCoE. Therefore, IDC Metri focused on licenses and application architecture of the top 15 applications. IDC Metri had regular meetings with the application teams to assess savings opportunities and to monitor follow up and results.

RESULTS

IDC Metri has saved about 8% of the costs focusing on licenses and architecture. Some examples:

- Suse Linux Enterprise for SAP were applied using a pay-per-hour basis. By purchasing a 1-year license in advance, 70% can be saved.
- 50% of the Amazon workspaces (+/- 150 instances) was never used; the team developed a process to Autodiscover these instances and to shut them down.

PostNL CCoE and IDC Metri have jointly developed processes that enables the CCoE to manage the costs themselves. During 2022, IDC Metri will continue to be part of cloud savings by bringing in new developments at the CSP's experiences with other clients.

ABOUT IDC METRI

Founded on the premise of measuring IT performance in a fact-based way to support innovation and to drive business value creation, IDC Metri helps organizations get the full value of their IT functions by maximizing IT budget planning, lowering technical debt and speeding time to market.

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