IDC

International Telecommunications Company Reduces Cloud Costs by More Than 30% After Discovering Cost Savings Avenues

PROBLEM

Over a two-year period, an international telecommunications company moved the greater part of its IT landscape to the cloud where it applied a dynamic model. It was a multi-cloud approach with AWS and Microsoft Azure as Cloud Service Providers (CSPs). Contract management, account management and generic security was handled by a System Integrator (SI) where the SI acted as a broker between the telecommunications company and the CSPs as well as provided additional CoOp services including to act as a consultant on optimizations. Additionally Wipro for AWS and Atos for Azure played the system integrators role for Infrastructure and Technical Application Management.

During the migration, cloud costs rose well above what had been budgeted. This should have been covered by the CoOp services but the telecommunications company wanted a second opinion from an independent partner to see if they could speed up the savings process.

SOLUTIONS

The solution was to partner with IDC Metri, who brings extensive knowledge in AWS and Azure price structures to the table to suggest ways to cut costs. Most system integrators and cloud consulting companies do have technical knowledge on both cloud platforms, but less on pricing. Therefore, IDC Metri, who has expertise in both areas, was the right partner for the telecommunications company.

They asked IDC Metri to guide them on cost savings in addition to their CoOp services.

PLAN IN ACTION

IDC Metri analyzed the cloud costs using the tools that the telecommunications company had available: CloudCheckr for AWS and Azure Cost Control for Azure, later extended with Cost Explorer and Quicksight (both AWS). The analysis was shared with the telecommunications company, and processed into a list of possible savings. IDC Metri also joined into the regular meeting with the SI, Wipro and Atos regarding cost savings to assess the possible savings there and monitor the follow up. This alignment has been developed into a monthly forecasting process.

RESULTS

By October 2021, costs have been reduced by 30% for AWS and 4% for Azure when compared to the alternative of not investigating all cost savings avenues. In the case of Azure, the migration was completed at the end of 2021, and actions are in process to increase the amount of savings. During the first quarter of 2022, IDC Metri will work with them to focus on the Azure savings and on transferring the monthly forecasting and monitoring process to the telecommunications company itself.

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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