Business Case Teardown:

Identify Your Real-World On-Premises and Projected AWS Costs

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AWS Cloud Economics

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Areas of Business Value

Cloud Value Framework

Defining TCO

2

TSO Logic

Overview

Data Ingestion

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Q & A

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Achieving Business Value

Cloud Value Framework

Cost savings (TCO)

What is it?
Infrastructure cost savings/ avoidance from moving to the cloud

Example
50%+ reduction in TCO (GE)

Staff productivity

What is it?
Efficiency improvement by function on a task-by-task basis

Example
Over 500 hours per year of server configuration time saved (Sage)

Operational resilience

What is it?
Benefit of improving SLAs and reducing unplanned outage

Example
Critical workloads run in multiple AZs and Regions for robust DR (Expedia)

Business agility

What is it?
Deploying new features/ applications faster and reducing errors

Example
Launch of new products 75% faster (Unilever)

Cost impact

Value impact

Achieving Business Value

Cloud Value Framework

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= today's focus

Cost impact

Value impact

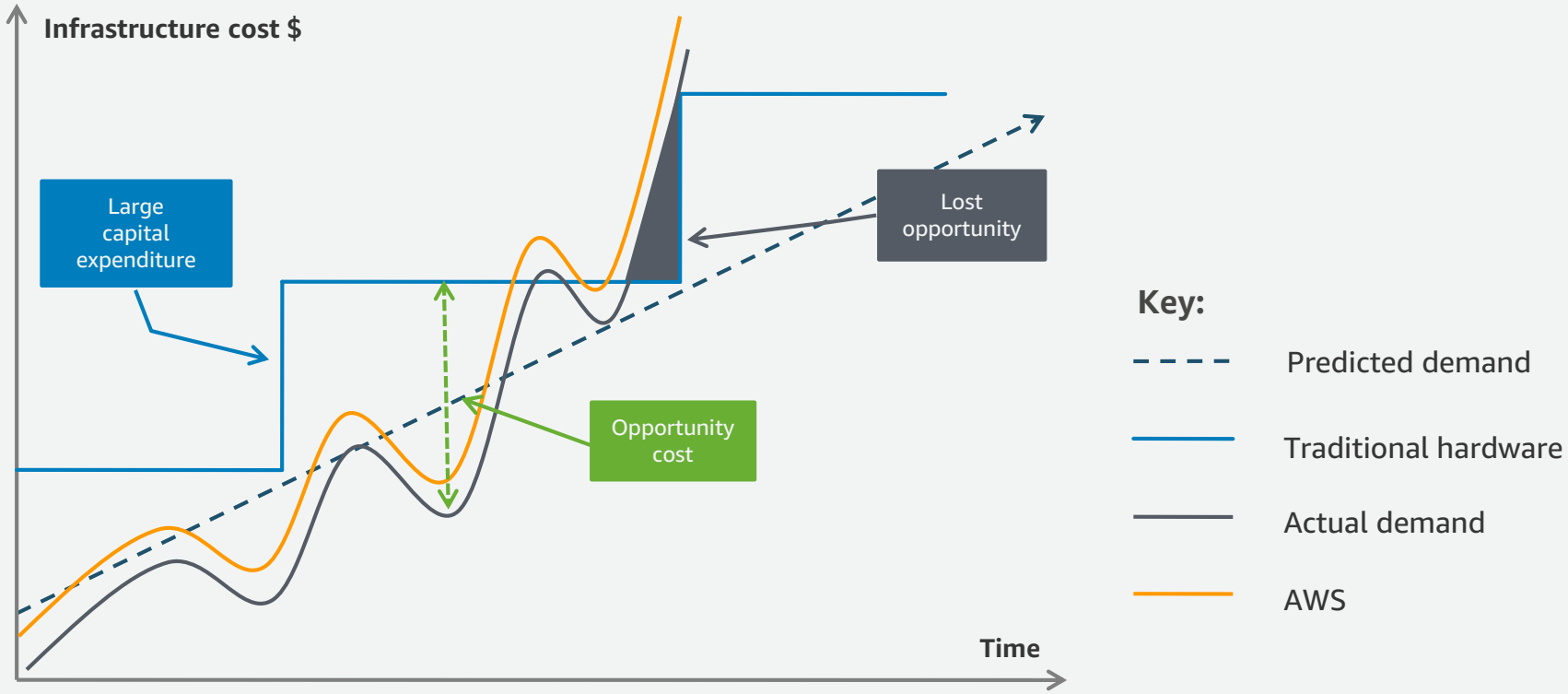
Cost savings: modeling on-premises cost

1. Server costs	Hardware—server, rack chassis PDUs, ToR switches (+maintenance)	Software—OS, virtualization licenses (+maintenance)	Facilities cost: Space, Power, Cooling
2. Storage costs	Hardware—storage Disks, SAN/FC switches	Storage software costs (+maintenance)	Facilities cost: Space, Power, Cooling
3. Network costs	Network hardware—LAN switches, load balancer	Recurring IS/ bandwidth costs	Facilities cost: Space, Power, Cooling

Diagram doesn't include every cost item. For example, software costs can include database, management, middle tier software costs. Facilities cost can include costs associated with upgrades, maintenance, building security, taxes, and others. IT labor costs can include security admin and application admin costs.

Illustrative

Cost savings: economics of the cloud



84%

of on-premises workloads are over-provisioned

16%

of on-premises workloads are accurately provisioned

Source: TSO Logic statistically analyzed 104,823 on-premise OS instances deployed across 20 companies evaluating cloud migration. The organizations range in size from a few hundred to thousands of employees, and span multiple industries. The analysis captured hundreds of millions of data points over six months to develop a fine-grained model of their real-world OS utilization, usage and provisioning levels.

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Gabriel Wiebe

Senior Product Manager

TSO Logic, an AWS Company

About TSO Logic

Delivers an optimized business case for AWS

Determines the most cost-effective path to cloud

Maximizes Microsoft licenses for even bigger savings

The TSO Logic Solution

On-premises Analysis

Identifies on-premises compute, local storage, memory and Windows licenses

Analyzes what you have, how it's used and what it costs to operate

Uses agentless collector or self-reported data

Cloud Planning

Determines the best-fit, lowest-cost placement for each workload on AWS

Creates multiple "what-if" scenarios

Right-sizes overprovisioning to recognize significant savings

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Data Ingestion

Leverage Industry Benchmarks

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Illustrative

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Types of data ingestion

Self-Reported Data

Application performance monitoring

CMDB

Virtualization stack exports

Application dependency mapping tools

Agentless Collection

Software installs on a single VM

Leverages read only credentials

Data automatically or manually copied into TSO Logic's analytics engine

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Benefits

Self-Reported Data

Uses data the customer already has

Reduces friction

Quick turnaround

Agentless Collection

Real-time analysis of compute and storage

Communicates with existing data center systems

Includes bare metal and ad hoc instances

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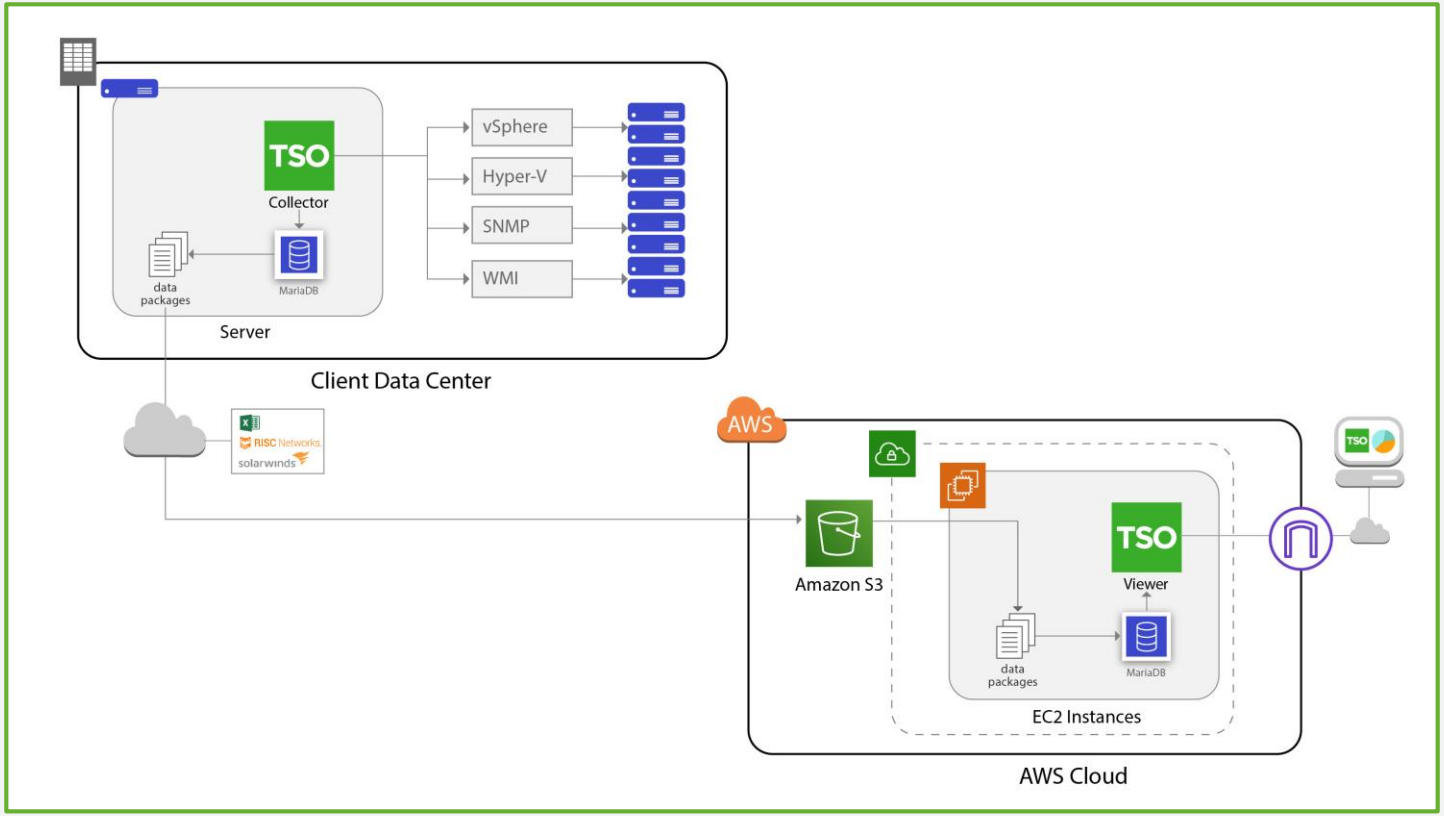
Where the data originate



TSO Logic Demo

Use Case

Situation	Financial services technology company wanted to monetize vast amounts of data, accelerate software development, and deliver higher level of resiliency to customers.
Complication	800 physical and virtual machines Multiple locations Aging infrastructure
Solution	To Be Determined
Results	To Be Determined

How do I….?

1. Identify What I Have
2. Quantify My Current Utilization
3. Quantify My Current Costs
4. Calculate My Projected AWS Costs
5. Develop A Windows Licensing Strategy

“How To” Demo

Use Case

Situation	Financial services technology company wanted to monetize vast amounts of data, accelerate software development, and deliver higher level of resiliency to customers.
Complication	800 physical and virtual machines Multiple locations Aging infrastructure
Solution	TSO Logic was used to capture granular detail for on-premises costs and utilization and identified right-sized cloud resources on AWS.
Results	37% of servers were zombies, which was costing $1 million Savings identified by moving nonproduction workloads and storage to AWS, continuing to use existing MSDN licenses.

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Value realization study—Live Nation

Cost savings (TCO)

- 18% initial TCO savings
- 40% reduction in TCO through cost optimization after 1st year
- 58% reduction in TCO to date

Staff productivity

- 50% reduction in traditional IT tasks
- 10x improvement in # new of projects
- Improved automation and backup processes with managed services

Operational resilience

- 99.9% vs. 99.999% availability
- Improved security posture
- Near zero performance complaints

Business agility

- 10x increase in innovation pipeline
- Rapid experimentation
- 90%+ business user satisfaction with cloud services

Progress

Internal migration + 17 months + Focus = 118 apps in cloud & 58% TCO savings

Live Nation is a $10B revenue company that owns, leases and operates entertainment venues.
Full case study: Live Nation estimated 18% cost savings with AWS…Their result? 58%

Resources to Get You Started

TSO Logic Demo Video

https://www.youtube.com/watch?v=z6IshDJgWRQ

AWS TCO Calculator

https://awstcocalculator.com

Case Studies and Research

aws.amazon.com/solutions/case-studies

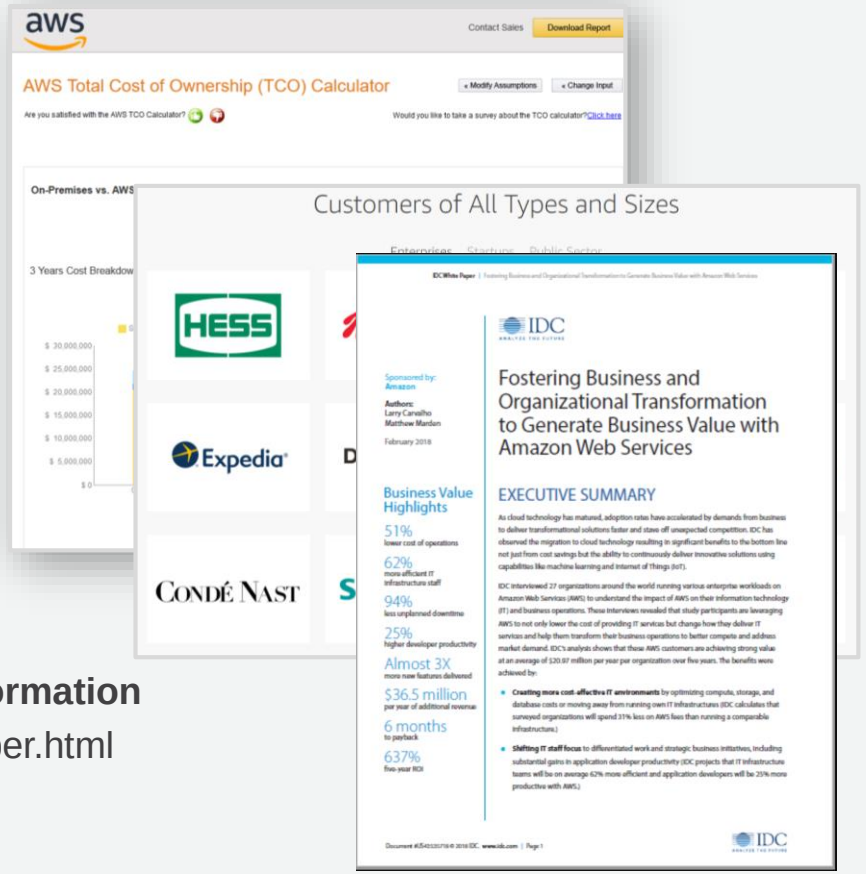
Live Nation Value Realization Study

aws.amazon.com/blogs/media/tag/live-nation/

IDC: Fostering Business and Organizational Transformation

pages.awscloud.com/Global_IDC_Enterprise_Whitepaper.html

AWS Account Manager



Thank You!

Questions?