

# 7 Simple Ways to Reduce Your **AWS Spend**



# Ask the **Speakers**



**JT Giri**

CEO & Founder



**Rodney Lester**

Principal Architect, AWS Well-Architected





Amazon Web Services (AWS) is the world's most comprehensive and broadly adopted cloud platform, offering over 175 fully featured services from data centers globally.

Millions of customers—including the fastest-growing startups, largest enterprises, and leading government agencies—are using AWS to lower costs, become more agile, and innovate faster.



nOps is a SaaS cloud management platform designed to help rapid-growth companies build, monitor, and run a well-architected AWS infrastructure that is secure, cost-optimized, reliable, efficient, and operationally excellent.

And, to help you keep it that way.



powered by  aws

 aws marketplace

 AWS Well-Architected

# 7 Simple Ways to Reduce Your AWS Spend

## AGENDA

### DETAILS *(All times PT)*

- **11:00 - 11:05 am** - Intro & Session Objectives *by JT Giri, nOps*
- **11:05 - 11:20 am** - Cost Management *by Rodney Lester, AWS*
- **11:20 - 11:50 am** - 7 Simple Ways to Reduce Your AWS Spend *by JT Giri, nOps*
- **11:50 - 12:00 pm** - Q&A *by AWS and nOps*

# AGENDA & TOPICS



## Cost Management

Optimize the most expensive costs on your AWS bill.



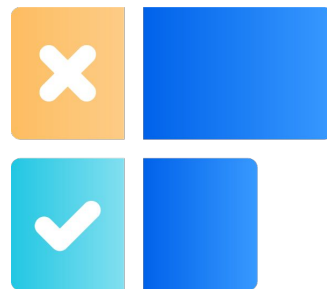
## 7 Simple Ways to Reduce Your AWS Spend

Implement tagging, chargebacks, discover unaccounted costs, more.



## Free AWS Health Check with nOps

Apply automation to cost-optimize your AWS environment continuously.



**Poll**

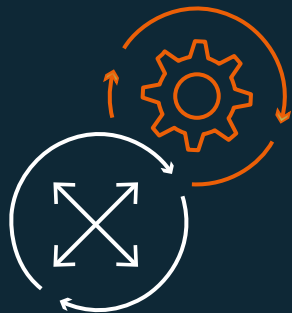


# Cost Management



**Rodney Lester**  
Principal Architect, AWS Well-Architected  
Amazon Web Services

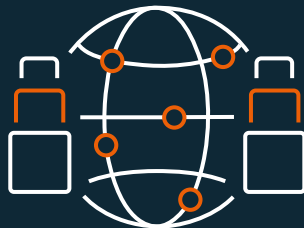
# Pillars of AWS Well-Architected



Operational  
Excellence



Security



Reliability



Performance  
Efficiency



Cost  
Optimization



# Managing Costs

“Driving costs down for our customers is part of the DNA of Amazon and therefore also part of the DNA of AWS.”

– Werner Vogels, CTO, Amazon



# Cost Optimization

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The ability to run systems to deliver business value at the lowest price point.

– Cost Optimization Pillar - AWS Well-Architected Framework



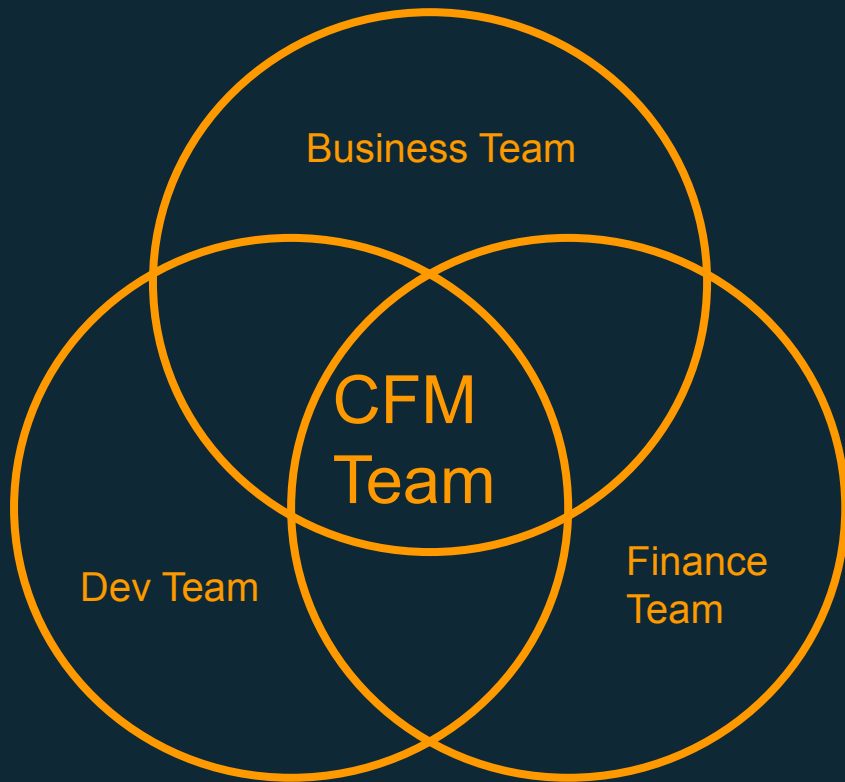
<http://bit.ly/cost-pillar>

# Cost Optimization Design Principles



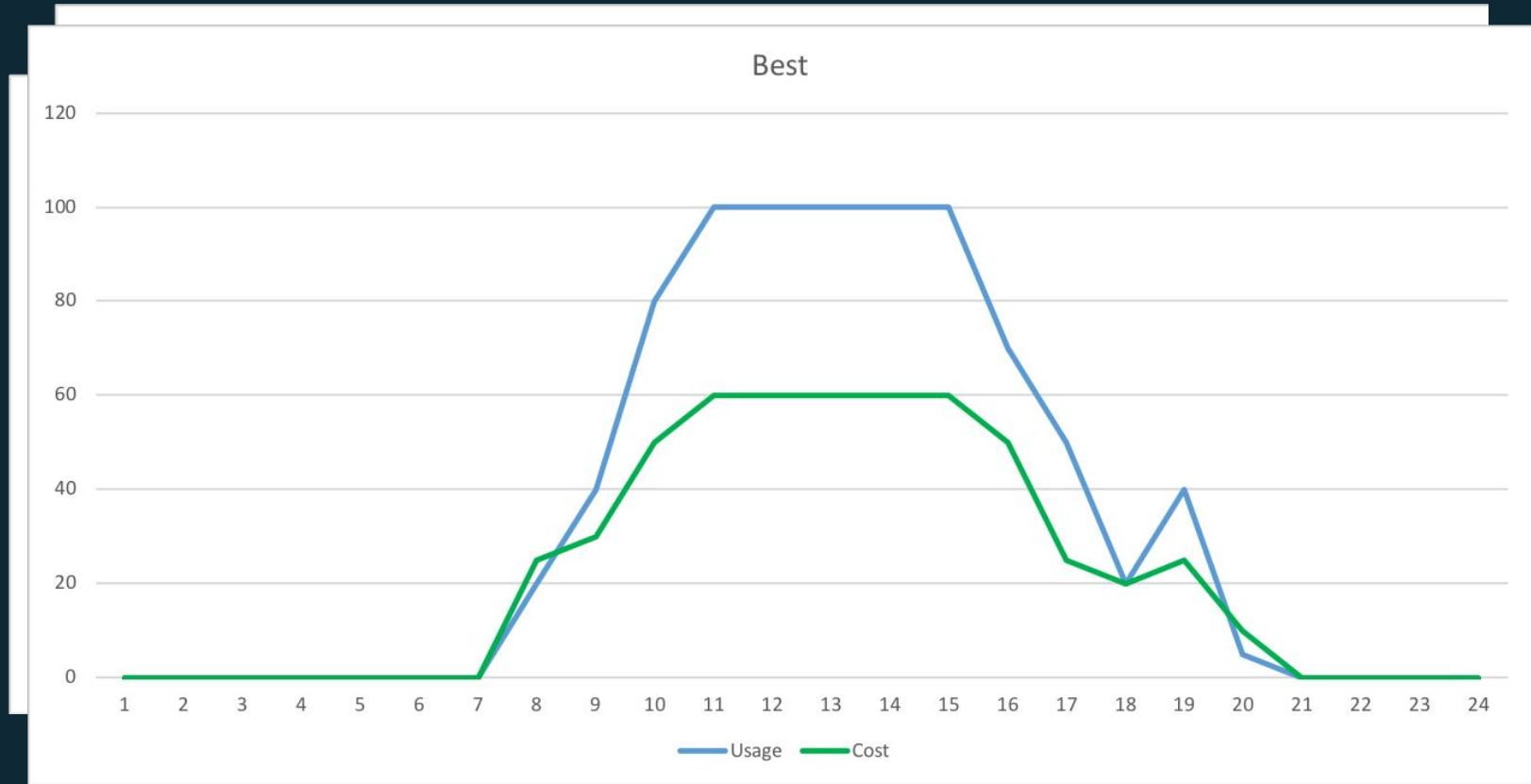
# Implement Cloud Financial Management

# Build Cloud Financial Management Capabilities



# Adopt a consumption model

# Costs and Usage



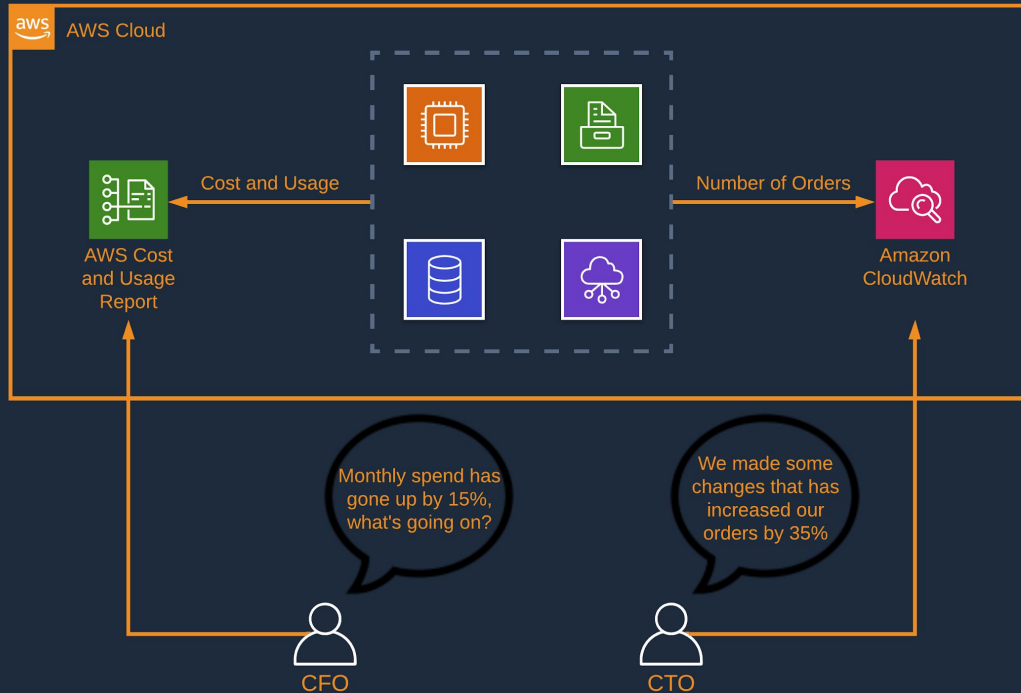
# Pay for what you use



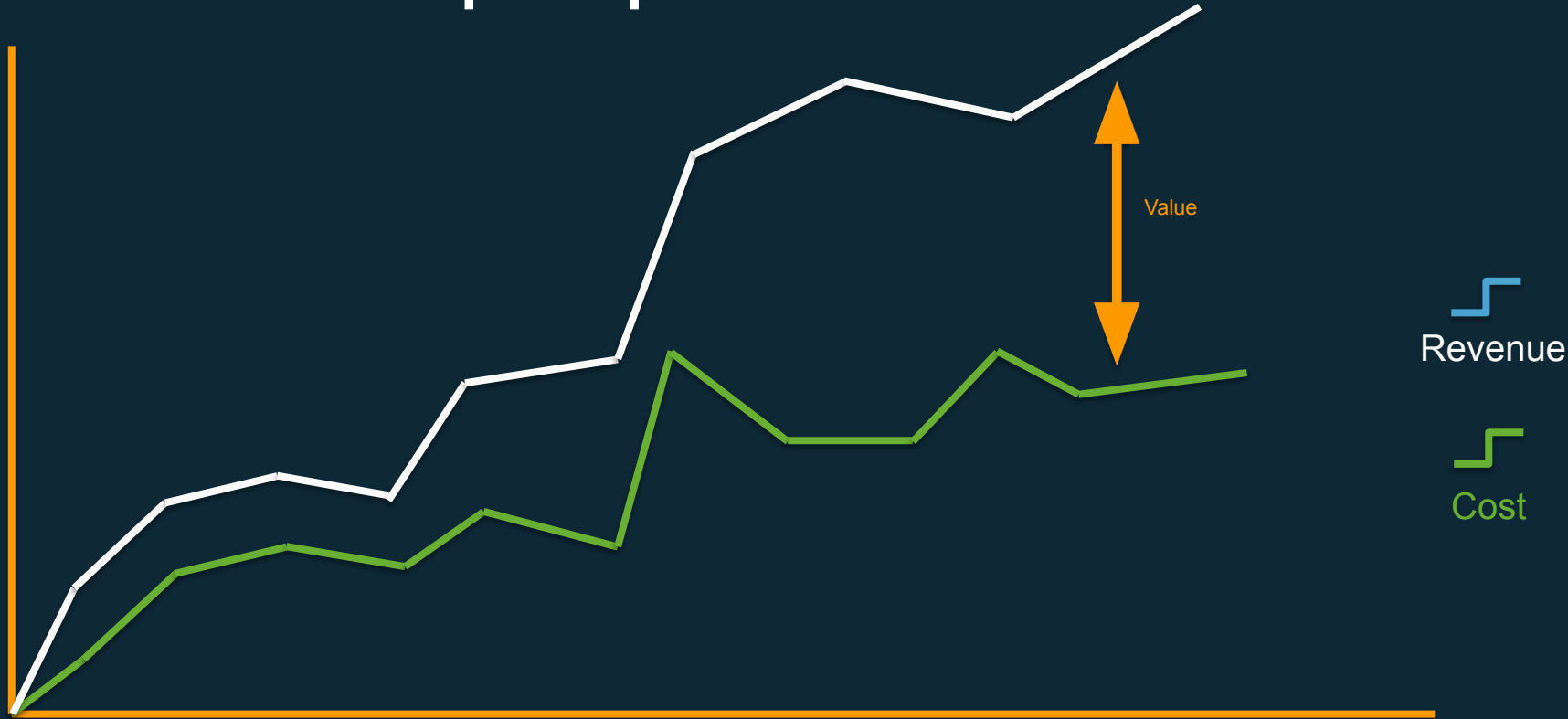


# Measure overall efficiency

# Look at the complete picture: Cost vs. Investment

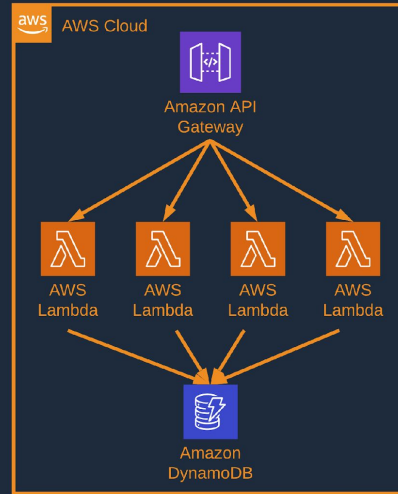
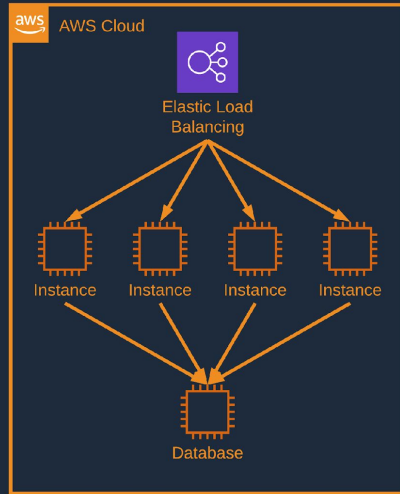


# Look at the complete picture: Cost vs. Investment



**Stop spending money on  
undifferentiated heavy lifting**

# We add bits, you add bytes



Hey, can you look at how we can improve deployments?



Engineer

I'm sorry I can't, I need to patch these instances



Engineer

Hey, can you look at how we can improve deployments?



Engineer

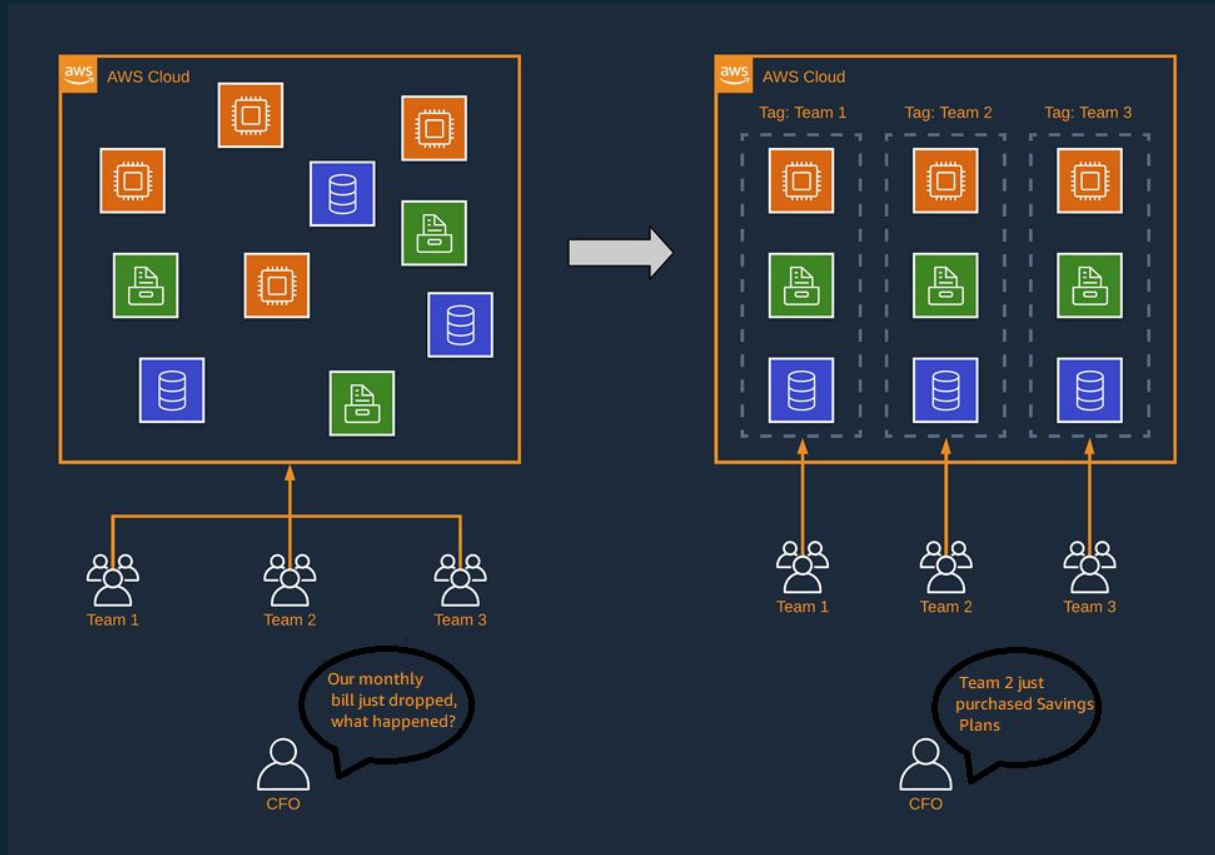
I'm already on it =>



Engineer

# Analyze and attribute expenditure

# Identify usage and cost



# Cost Optimization design principles

- Practice Cloud Financial Management (CFM)

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- Adopt a consumption model

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- Measure overall efficiency

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- Stop spending money on undifferentiated heavy-lifting

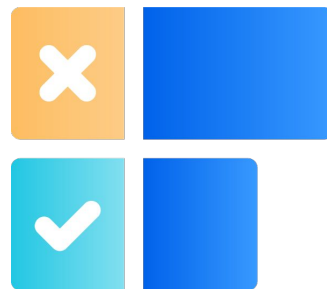
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- Analyze and attribute expenditure





# Resources

- [AWS Well-Architected Framework](#)
- [AWS Well-Architected Cost Optimization Pillar](#)
- [AWS Well-Architected Cost Optimization Questions and Best Practices](#)
- [AWS Well-Architected Labs – Cost Optimization](#)
- [Amazon Builders' Library](#)
- [Cloud Financial Management with AWS](#)



**Poll**

# 7 Simple Ways to Reduce Your AWS Spend



**JT Giri**  
CEO & Founder  
nOps



**Corey Quinn** @QuinnyPig · Feb 12, 2020

Myth: Your AWS bill is a function of how many customers you have.

Fact: Your AWS bill is a function of how many engineers you have.

 50

 961

 3.8K



**Freedom of cloud comes with  
accountability of teams.**

# 7 Simple Ways to Reduce Your AWS Spend

1. Rightsize.
2. Chargebacks.
3. Unused resources.
4. Unaccounted costs.
5. Networking costs.
6. Cost trends.
7. Schedule an AWS Well-Architected Framework Review.

# 1 Continuously **rightsized** your infrastructure.

- Constantly align resources with demand and business needs.
- Get started quickly but analyze historical usage to rightsize resources.







# 2 Use **chargebacks** to build better accountability.

- Bring a culture of better accountability.
- Assign budgets for teams and business units on a monthly and quarterly basis.



## Chargebacks Center

Create chargebacks and export bills and invoices with most used tags and accounts

All Chargebacks

By Accounts

By Tags

Saved Chargebacks

CHARGEBACKS	BUDGET	CREATED	LAST
	On	On	Month's Bill
★ Invoice Template	\$500	14 Dec, 2020 (4:31 PM)	\$400 (\$200 Less than last mo
★ Invoice Template	\$500	14 Dec, 2020 (4:31 PM)	\$400 (\$200 Less than last mo
★ Invoice Template	<input type="button" value="Set budget"/>	14 Dec, 2020 (4:31 PM)	\$400 (\$200 Less than last mo



You haven't created any chargebacks yet! Create chargebacks an

[+ Create New Chargeback](#)

## Create New Chargeback



### Chargeback Name\*

e.g business unit name or team name or cost center name

### Tag Chargeback

Business Unit

### SET BUDGET

### Budget Amount

e.g business unit name or team name or cost center name

### Budget Period

Monthly  Quarterly  Yearly

Notify me via email

### Email Address (Receive alerts of overbudget)

Enter your email address

FILTERS (Select filters to filter out the resources for this chargeback)

### AWS Accounts

All Accounts

### Regions

All regions

### AWS Services

All AWS products

### SELECT TAGS

### Select Tag Name \*

Name

### Select Tag Value

Value

[+ Add Another Tag](#)

# Chargebacks Center

Monthly Comparison ▼

All Chargebacks ▼

[+ Create New Chargeback](#)

Create chargebacks and export bills and invoices with most used tags and accounts

## Team 1

Created on 12 Feb, 2021



Business Unit

**Paid** ✎

● Budget: **\$18000** ● Last Month Cost: **\$20000** ● This Month Cost: **\$19000**  
(-\$2000)



[See chargeback details](#)

## Testing Engineering

Created on 12 Feb, 2021



Business Unit

**Unpaid** ✎

● Budget: **\$18000** ● Last Month Cost: **\$20000** ● This Month Cost: **\$19000**  
(+\$2000)



[See chargeback details](#)

## Team 2

Created on 12 Feb, 2021



Business Unit

**Paid** ✎

● Budget: **\$18000** ● Last Month Cost: **\$20000** ● This Month Cost: **\$19000**  
(-\$2000)



[See chargeback details](#)

# 3 Delete unused resources.

- Find unused volumes attached to stopped instances.
- Find load balancers without EC2 instances.
- Configure alerts for real-time notifications for unused resources.





# 4 Identify unaccounted costs.

- Analyze tags to find resources without tags.
- Review tag distribution to expensive resources.





# 5 Address your **networking costs.**

- Many types of network spend:
  - DataProcessing-Bytes or REGIONNAME1-DataProcessing-Bytes
  - DataTransfer-Out-Bytes or REGIONNAME1-DataTransfer-Out-Bytes
  - **DataTransfer-Regional-Bytes or REGIONNAME1-DataTransfer-Regional-Bytes**
- Data transfer in the same AZ is free, so if your workload does not need cross-AZ for high availability, consider running it in one AZ.

[Blog post](#) on reducing networking costs.





# 6 Monitor your cloud cost trends.

- Review cost trends daily and get to the source with root cause analysis.



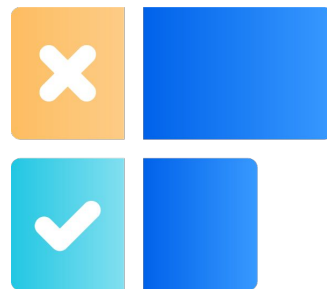


# 7 Align your infrastructure with **AWS Well-Architected.**

- Evaluate pros and cons of your decisions real time.
- Regularly do Well-Architected Reviews.







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## Next steps

# Free AWS Health Check with nOps

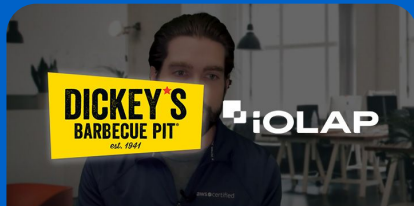
- Identify high-risk issues (HRIs) immediately.
- Optimize AWS costs – typically 18-50% cost savings.
- Customer credits for Well-Architected issue remediation.\*

*\* From AWS, when you proceed with remediation within 30 days of an AWS Well-Architected Review.*



# Typical 18–50% cost savings

nOps case studies



CLIENT STORY

**Dickey's Barbecue Pit & iOLAP use nOps to identify 24% AWS cost savings and manage ongoing infrastructure health.**

[WATCH 3-MINUTE VIDEO CASE STUDY →](#)

24%



CLIENT STORY

**Grupo JCPM**

Grupo JCPM accelerates delivery of ecommerce platform on AWS to meet COVID-19 needs of retail customers..

[READ CASE STUDY →](#)

19%



CLIENT STORY

**6Connex**

How nOps helped 6Connex reduce AWS cloud costs by 50%, and comply with security best practices to meet the ISO information security standard.

[READ CASE STUDY →](#)

50%

Uber



“nOps allows us to operationalize costs and get them in front of the engineers directly, saving **15% in the first month** of implementation. Awesome tool!”

– Uber Advanced Technologies Group





# nOps Resources



nOps Free Trial



How Uber Reduced AWS Costs 15% in 30 Days



nOps Case Studies



451 Research Report - nOps



APN Blog Post - AWS Well-Architected, by JT Giri



Video - Get Well-Architected for Continuous Compliance & DevSecOps



Blog - AWS Networking Data Transfer Costs



**Q&A**

# Ask the **Speakers**



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**Rodney Lester**

Principal Architect, AWS Well-Architected



Thank **You**