APPTIO
an IBM Company

IBM Cloudability TotalCost

Beyond your public cloud bill: Capture and allocate total cloud program spend

Cloud costs don't end at monthly AWS, Azure and GCP bills

Hosting your business applications on public cloud can come with distinct financial advantages, like the shift from CapEx to OpEx. But it's important to remember that the monthly invoice you receive from each major cloud vendor represents only part of the cost story. Most common indirect costs include the fees paid for observability solutions that help ensure operational and security integrity across a fleet of cloud VMs. In addition to this, many organizations are now enhancing their business applications by adopting specialized third-party cloud services across technologies including CDNs and serverless data warehouses. Depending on your cloud footprint and how you allocate internal resources, indirect costs may also include supporting labor and additional cloud vendors like IBM and Oracle.

Key benefits

- Calculate cloud program TCO and unit economics
- Chargeback the total cost of running cloud
- Raise awareness of third-party costs
- Maximize accountability by tracking actuals to budget
- Connect total spend to business objectives

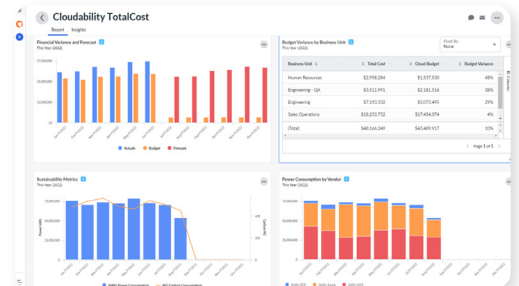## Full cost accountability requires accurate allocation of shared infrastructure

For both your direct and indirect cloud spend, it's inevitable that a part will inherently be shared infrastructure. Multi-tenant environments and applications are extremely common, with underlying costs driven by multiple products, customers, or teams. Finding ways to split up and accurately allocate this spend to the groups responsible helps IT leaders understand when rising cloud costs correlate to accelerating innovation and profitability — or inefficiencies that need to be addressed.

Extend FinOps to bring accountability to the total cost of running cloud

IBM Cloudability TotalCost enables cloud leaders and FinOps experts to connect public cloud spend to indirect cloud spend, including observability tools that support self-managed infrastructure, specialized third-party platforms and services, and labor. Advanced cost sharing capabilities are also provided to split shared costs and allocate them back to the business. When combined with the power of Apptio's leading FinOps tool, IBM Cloudability, it helps organizations capture and bring financial accountability to the total cost of running cloud.

IBM Cloudability TotalCost enables organizations to:

- Calculate cloud program TCO: Programmatically source indirect costs from third-party endpoints and combine with IBM Cloudability data to surface cloud TCO.

- Achieve a full chargeback: Use telemetry, proportional, or other rules to fairly split shared costs and assign them back to the business.

- Manage spend to plan/Hierarchical budgets: Monitor cloud costs using budget variance analysis and alert when costs reach certain thresholds.
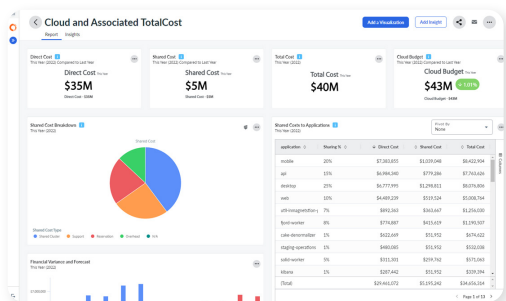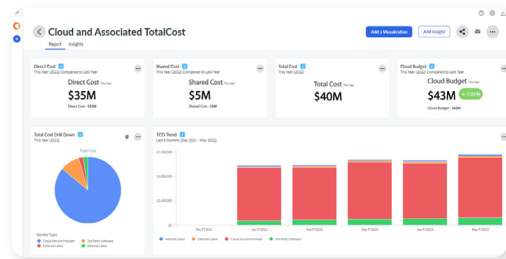

By connecting the full cost of running cloud to business deliverables, the FinOps team can also surface complete unit cost measurements. By tracking unit costs over time, stakeholders can objectively gauge trends in the economics of running cloud.

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Visualize the total cost of running cloud

Flexible, granular visibility into spend

Share curated dashboards that combine the direct and indirect costs of running cloud. Visualize costs from the major public cloud providers alongside third-party costs. Understand exactly what your observability (e.g., Splunk, New Relic, Datadog) and specialized third-party platforms (e.g., Snowflake, Databricks, Cloudflare) are charging you.

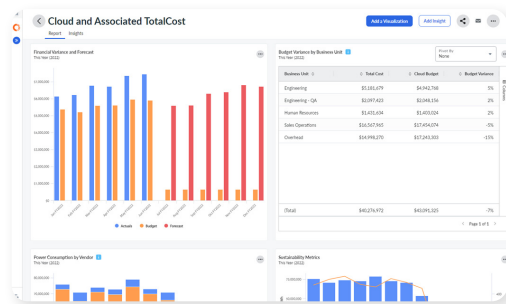
Allocate all cloud costs

Chargeback the total cost of running cloud

IBM Cloudability TotalCost builds on the advanced allocation features of IBM Cloudability to enable IT Finance to chargeback all cloud related costs. For shared costs, whether direct (e.g., shared AWS infrastructure) or indirect (e.g., Splunk, CrowdStrike), automatically apply intelligent allocation rules. Where available, educate these rules based on real world telemetry such as write operations to a database or API calls.

Manage spend to plan

Create cloud budgets and forecasts

Set budget targets and track monthly spend with centralized dashboards and reports to bring your business, engineering, and finance teams together. Monitor cloud costs using budget variance analysis and automate alerts when cloud costs reach certain thresholds so that business units can optimize or justify plans dynamically as needed. Easily tailor and distribute reports to keep your teams on track.

144%

projected growth in PaaS and SaaS spend from 2021 to 2023

— Gartner

Get Started

Apptio, an IBM Company, is the leading provider of cloud-based Technology Business Management (TBM) software that helps technology leaders manage the business of IT.

For more information about IBM Cloudability, visit **Apptio.com/Cloud**