CLOUDZERO   **ProsperOps**

Drift

How SaaS company Drift manages and optimizes
AWS costs with CloudZero and ProsperOps

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Challenge

Cloud cost optimization is complex, even for the most sophisticated Amazon Web Services (AWS) customers. That was the case for Drift, a B2B SaaS company whose conversational marketing platform helps businesses connect and build trust with customers. For Drift, and most modern SaaS companies, optimizing cloud costs relies on flawless collaboration between two key stakeholders: finance and engineering.

Drift's finance and engineering teams had implemented their own methods for understanding the AWS bill and cost optimization performance, but they were still unable to achieve optimal savings.

Drift needed a way to identify cost drivers and notifications when usage and cost trends changed. However, it was difficult for Drift to collect this information due to the following challenges.

Manual Management and Reporting

Drift was regularly running analyses to predict cloud spend and monitor usage and discount instruments. Because they were managing this manually, it was impossible to quickly react to changes in the environment.

Lack of Visibility into Cost Drivers

Drift wanted to better direct optimization efforts, but they needed to understand what resource types, products and projects were driving up cloud costs.

Insufficient Tools

Cloud cost optimization tools under consideration weren't a slam dunk. Many provided optimization recommendations, but Drift's engineering team would still be faced with manual work to execute tasks. Pricing, too, was not favorable. In many cases, Drift would have been charged a percentage of the overall AWS bill, in lieu of the value of the service.

As a result, Drift was consistently unable to extract maximum value from their cloud computing investment, receiving only a 27% discount on just 57% of their discountable resources.
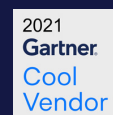
Customer

- Industry: B2B Cloud Software
- AWS Accounts: 10+
- AWS EC2 Instances: 50+
- Monthly AWS Optimizations: 4,600
- Benchmark ESR: 24.1% (before ProsperOps)
- ESR with ProsperOps: 41.2% (February 2023)
- Lifetime Savings: $3.2M

Solution

CloudZero: Understand the Real Cost of Engineering Decisions

Drift turned to CloudZero to understand how the engineering team could make better cost optimization decisions. Specifically, Drift wanted to attribute AWS costs to distinct product features and ultimately strengthen its unit economics. Doing so would help them understand how cloud spend connects to different business initiatives. It would also clarify communication between finance and engineering.

The team also wanted a more efficient way to manage month-to-month costs and identify optimization opportunities. CloudZero's cost intelligence gave Drift more clarity into their Cost of Goods Sold (COGS), helping them slice and view costs in new ways, including by product or customer.

> "[With CloudZero], we can see where the actual money is going, where it makes most sense to direct our engineering efforts and how to plot these metrics against customer usage over time."
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> **Matthew Jackson**
> *DevOps @ Drift*

This helped the engineering team make better tradeoffs and understand the real cost of architectural decisions. Cloud cost anomaly detection also enabled the team to discover and adjust for unexpected cost spikes as they happened, rather than after the AWS bill arrived.

> "We were constantly working against some sort of anomaly with our in-house data model and updating it monthly," said Matthew Jackson, Head of DevOps at Drift. "Now we can use CloudZero and segment our AWS costs by the biggest ticket items like EC2 compute or ElasticSearch data clusters, then drill down. We can see where the actual money is going, where it makes most sense to direct our engineering efforts and how to plot these metrics against customer usage over time."

Automating RIs and Savings Plans with ProsperOps

Knowing that Drift would also benefit from automating the portfolio of discount instruments, CloudZero referred the team to ProsperOps. ProsperOps complements CloudZero's approach by autonomously building, managing and optimizing a portfolio of AWS Reserved Instances and Savings Plans—without the need for meetings, updates or manual intervention from engineers.

> "Before, we spent hours each month reviewing RI usage and coverage rates across instance types, trying to use back-of-the-napkin math to get 90-95% utilization," said Jackson. "We were constantly changing instance types based on upcoming projects. This process was expensive in terms of time spent and could easily be derailed when incident management, or other types of questions, came up. If the wrong thing happened at the wrong time, reservation renewals got delayed."

Schedule a demo or request a free Savings Analysis to quantify your outcomes with ProsperOps.

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