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# DON'T LET CLOUD SPENDING GO TO WASTE

The business trend to multi-cloud environments is firmly entrenched. However, managing the complexity of multiple cloud services from diverse providers could lead many to overspend. Going it alone in implementing a multi-cloud strategy could potentially dilute the benefits you expect to realize.

An overwhelming majority of enterprises – 85% according to RightScale's [2017 State of the Cloud](#) report – have adopted a multi-cloud strategy. According to RightScale's survey, optimizing cloud costs is the top initiative across 53% of all cloud users and 64% of mature cloud users. But survey respondents estimate 30% of cloud spend is wasted and few are taking necessary steps to reduce that, such as shutting down unused workloads or shifting workloads to lower-cost clouds or regions.

"Cloud deployment is complicated and error-prone, and multi-cloud deployment – especially ensuring you don't violate traffic policies – is even more complicated," [asserts Tom Nolle](#), president and founder of CIMI Corp. As enterprises pursue multi-cloud, multi-vendor strategies, many are likely to be surprised by the integration costs they will have to absorb.

Enterprises are pursuing multi-cloud to "accommodate the incremental nature of IT adoption," [writes Rackspace CTO John Engates](#), and because "some workloads run better on one cloud platform while other workloads achieve higher performance and superior cost-efficiency on another platform."

## CONFUSED AND FRUSTRATED

There are literally too many options for enterprises to effectively keep track of. As Tony Bishop of Equinix writes in [Data Center](#)

[Knowledge](#), "There are multiple ways to buy cloud services – on-demand, pre-paid, reserved capacity, monthly enterprise agreements – and this trend will accelerate in 2017." That is a major source of confusion and frustration, he adds.

Overprovisioning and overspending for unused cloud capacity is a common issue, [observes Alan R. Earls in SearchCloudComputing](#). "IT teams need to continuously reevaluate resources to prevent overspending and make sure cloud capacity isn't excessive," he writes.

As benchmarking agency Cloud Spectator determined in [recent tests of 10 leading infrastructure-as-a-service providers](#), there is a 7.7X difference between the highest value provider and the lowest value. "More than ever, the enterprise consumer is at risk of significantly overspending when it comes to selecting the right cloud products and vendors," asserts Cloud Spectator CEO Kenny Li.

That risk is compounded in a multi-cloud environment. Different workloads are assigned to different cloud providers and, ideally, can be shifted between various cloud services to take advantage of better costs or features as they become available.

## CAN YOU AFFORD TO GO IT ALONE?

Enterprises need to aggressively evaluate their internal capabilities for managing such a complex and dynamic environment. Do you have the expertise to ensure that you can run each workload on the platform that delivers the highest performance and cost-efficiency? Do you have the tools to spot the opportunity for cost savings?



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If you are uncertain or the answers are “No!” you may be better served by relying on a managed service provider with resources dedicated to those tasks.

Every resource you allocate for managing multi-cloud potentially detracts from your ability to allocate resources to innovation and execute your mission. As a service provider, Rackspace has hundreds of engineers dedicated to managing AWS, Microsoft Azure, OpenStack, and VMware Cloud resources. Maximizing the value of your multi-cloud investments is *their* mission.