



Driving New Revenue & Deeper Customer Relationships With Cloud Optimization Offerings

The future of FinOps Practices as a foundation of growth for Managed Service Providers

Take control of cloud spend with Kalibr8's automated and intelligent expense optimization platform.

Even as the MSP industry continues to grow at an historic pace, service providers are finding themselves in a hyper-competitive environment. With nearly every platform, application, service, microservice, networking and compute migrating to public, private and hybrid clouds, and given the dramatic improvements cloud-first vs. legacy infrastructure bring to businesses in every industry, medium and large enterprises are more open to trusting their IT and OT needs to MSPs.

MSPs need to prepare for incoming, or risk losing the hard-fought customer base they have in place today. They need to be prepared for new threats, including FinOps consulting firms whose business models are built around renegotiating contracts on behalf of organizations to save their clients' money, which could be catastrophic for MSPs who may be forced to dramatically reduce fees, putting further pressure on often thin margins.

MSPs have an opportunity to immediately get out in front of the wave by setting up their own FinOps practices, bringing more value than ever before to their customers, with recommendations based on the facts, including dynamic pricing across all cloud service providers and SaaS applications, which are calculated based on trusted data sources, and automated so comprehensively that generating recommendations based on parameters takes minutes – not days or weeks or even months of research and manual calculations.

The Secret is Calibration

As cloud usage increases, customers are seeking support to closely monitor and optimize their cloud spend. Even the cloud vendors themselves are providing tools to support their customers. While the hyperscalers (Azure, AWS, Google and others) have had to develop their own cloud cost management tools for their customers, these have been defensive not offensive moves.

In addition, most large organizations rely on multiple clouds, which makes keeping score in real time impossible without sophisticated analytics that scan the entire cloud universe. It is not in their best interest when it comes to their bottom lines to orchestrate their own races to zero, and MSPs are in a unique position to truly advocate for their customers by launching their own, independent FinOps practices with highly automated and AI-enriched tools.



Source: The FinOps Foundation

The FinOps Foundation (together with organizations including the Cloud Native Computing Foundation) is part of The Linux Foundation dedicated to promoting standards, best practices, and the overall discipline of cloud optimization.

A detailed survey of FinOps practitioners showed that cloud financial management has become a standard practice in large enterprises with varying levels of cloud spending. The image above illustrates the challenges these leading enterprise leaders face, and which MSPs face when serving multiple customers (and when ensuring their own infrastructure is optimized).

The report also revealed that in many cases, FinOps became urgent when cloud expenses exploded into “bill shock” and caused immediate pressure for accountability and controls, coupled with a need for better cloud invoice transparency.

Teams scrambled to assemble the information, a herculean task for most, but in the process eventually learned how to manage cloud expenses better. MSPs do not have the luxury of the time it would take to manually analyze every customers spend and need solid tools to be able to produce accurate “Business Intelligence” reports reflecting actionable data automatically captured and analyzed over time.

Complexity Calls For Automation and AI With Data From Multiple Sources Feeding The Engine

These are the building blocks of a FinOps practice with an efficient, sustainable foundation.



The Bill Shock Hangover: How Did This Happen?

With pay-as-you-go services, cloud adoption has completely upended IT spending models, moving from traditional mixes of CapEx and OpEx to an OpEx only approach. The digital transformation and migration to cloud has moved so fast that the financial implications were missed by budgeting, forecasting, and reporting methods that have been utilized successfully for years. Before spending, a typical procurement team would authorize purchases. Today, especially with the success of DevOps – and the power DevOps has in organizations – we’ve witnessed a new and growing Wild Wild West scenario.

MSPs to the rescue.

Build Cloud Confidence With Tools You Can Trust

With cloud now accounting for the majority of today's IT and OT budgets, cloud experts are in high demand.

Cloud experts, many whom are being trained and certified by the FinOps Foundation, periodically assess their current cloud expenditure, find the areas where the spending is more than it should be, and re-invent your applications, if required, to leverage the true advantages of the cloud to optimize the cost.

Identifying the areas for cost optimization is not as straightforward as it may seem. It requires a very good understanding of the cloud environment along with the applications hosted, their architectures, resources in the cloud and their purpose, and many other pieces of information. Because cloud touches every department, from operations to customer service, from manufacturing to facilities management, and from physical and digital security, no single person can do this job, which is in large part why MSPs are in such an excellent position to help.

Some of the cost optimization exercises can be easier and quicker to implement. Their results (cost effect) can also be seen in invoices almost immediately, while the others are more complex and longer-term.

Before starting the actual cost optimization exercise, you need to understand the current cost spending and identify spending patterns and potentially troubling trends.

The list of factors is long: here are a few examples of what organizations need to look out for, understand, monitor, and manage.

Resources that are being paid for but not being used.

DevOps sandboxes which have already served their purpose for PoCs and testing.

Overprovisioned resources due to fear of performance issues.

Replication of on-prem resource configuration which have led to overprovisioning because on-prem does not allow scaling up and down (they are configured in a fixed state).

Usage pattern and resource utilization history left unanalyzed, including notoriously ignored Elastic Cloud Compute (EC2), Relational Database Service (RDS) instances, DynamoDB table read-write capacity, and others.

No use of auto-scaling enabling the infrastructure to scale up and down; conquering this aspect along can drive massive savings, with the right "right scale" approach.

Let the Software Do The Work

While cloud optimization reviews are good to schedule on a monthly or quarterly basis, a better way to run a FinOps practice is with a platform purpose-built to address all the complexities that have made cloud spending nearly impossible to control – across multiple clouds – with an independent, fact based and data-driven view.

FinOps is an exciting, rapidly emerging, and fast-growing field, and one that MSPs can participate in overnight with the right platform and tools.

Cloud cost optimization requires continuous monitoring, regular reviews, and the simultaneous involvement of team members inside the MSP and within the customer's organization.

MSPs can break down their FinOps offering into four general categories, and bring even greater value to their customers, like strategy and planning projects they've provided as professional services in the past. While there is an initial quick-start at the beginning of an initiative, the beauty of FinOps practices is that this conversation is dynamic, not static, and reflects a true desire on the part of the MSP to always provide the greatest value as a trusted advisor and active advocate for their customers' best interests.



All stages include monitoring and managing consumption, subscriptions, services and more not just once a year, but continuously – because with an automated, AI-enhanced platform – the MSPs can.

Get In Early: Protect Revenue, Grow Revenue, Protect Your Base, Grow Your Base

Optimizing cloud services and expenditures has become a point of emphasis across the IT infrastructure industry, and across all industries as cloud waste rises to new heights. According to a recent survey, asking how much of their cloud expenditure is being used efficiently, the average estimate was **68 percent**, leaving **32 percent wasted**, up from 30 percent in years prior.

FinOps goes beyond the goal of simply saving money and strives to drive revenue by helping cross-discipline teams collaborate to make the best decisions regarding performance, quality, and cost in technology investment and execution decisions, mainly surrounding cloud decisions and usage.

“FinOps bases its framework on making the best investment decisions, not just the lowest cost decisions. Solid FinOps frameworks are based on data-driven collaboration across engineering, finance, business, and technology teams within the same organization achieve business value and maintain financial accountability. Kalibr8’s cloud optimization platform is an ideal tool for those responsible for ensuring as little waste as possible, especially as more applications and services are moving into the cloud.”



Ben McGahon
Founder and CEO, Kalibr8

FinOps practices required full cloud spend visibility to support decision making which can lead to significant levels of savings, while also ensuring all departments within a business have the cloud computing, storage, applications, and services essential to business success.

FinOps can be a key aspect that helps MSPs differentiate themselves from their competitors, and with Kalibr8’s proven platform, those MSPs enhance their ability to better serve their existing customers, while attracting new customers with a powerful value proposition: get more for less.

Our platform offers MSPs an automated cloud optimization & cost management platform with an intuitive and efficient ‘single pane of glass’ view into all aspects that impact getting the most value for the least cost.

Optimize your infrastructure. Automate your business.

Kalibr8 sees the future of cloud management differently. We've built an automated platform that helps measure, manage and master cloud investments.

No Scripts – No Coding – No Hassles

Kalibr8 multi-cloud optimization SaaS delivers automated and easy-to-use cloud-cost solutions to organizations through Managed Service Providers and Distributors.

Why Kalibr8

Kalibr8 provides an automated cloud optimization & cost management platform with an intuitive and efficient "single pane of glass" view into all aspects that impact getting the most value for the least cost. Designed for Managed Service Providers, today, our platform securely manages Microsoft Azure assets with a goal to improve the economics and ROI. In Q1 2023, Kalibr8 will introduce the same capabilities for AWS and Google Cloud.

Kalibr8 Azure Cloud

Cloud & Resources / Accounts manager / Kalibr8 Azure Cloud / Instances

Provider Size Label Savings Recommendation Status Scheduled Actions

vm-1	Azure	Standard_B1ls	Great	➔ 99	Yes	Shipped	31-01-2023	
vm-2	Azure	Standard_B1ls	Great	➔ 99	Yes	Shipped	31-01-2023	
vm-3	Azure	Standard_B1ls	Great	➔ 99	Yes	Shipped	31-01-2023	
vm-4	Azure	Standard_B1ls	Great	➔ 0	Yes	Running	31-01-2023	
vm-5	Azure	Standard_B1ls	Great	➔ 0	Yes	Shipped	Not scheduled	
vm-6	Azure	Standard_B1ls	Great	➔ 0	Yes	Shipped	Not scheduled	
vm-7	Azure	Standard_B1ls	Great	➔ 0	Yes	Running	31-01-2023	
vm-8	Azure	Standard_B1ls	Great	➔ 0	Yes	Failed	31-01-2023	
vm-9	Azure	Standard_B1ls	Great	➔ 0	Yes	Shipped	31-01-2023	
vm-10	Azure	Standard_B1ls	Great	➔ 0	Yes	Shipped	31-01-2023	

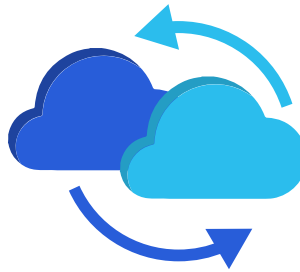
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Cloud-hosted, software-managed portal

- Automated functionality / Automated governance / Automated monitoring
- Designed specifically for MSPs, not an MSP version of an openly available platform
- Attractive economic incentives for distributor and MSPs
- Reduced MSP cost base with a GM above 25%
- Enables MSPs serving SMBs to compete with larger players



Benefit from dynamic data which feeds predictive algorithms and enables deep analytics.



Recognize immediate savings from intelligent scheduling and scaling capabilities.



Analyze, report, rightsize, optimize, and automate customer cloud optimization.

Benefits for Managed Service Providers; Benefits for the Organizations they Serve.

- Partner costs are reduced by removing people from day-to-day optimization of each customers' cloud accounts
- Customer spend and budgets maximized increasing loyalty
- Governance is far easier to implement Administration is simplified
- Cloud resources are reduced with up to 65% monthly savings

Kalibr8 Azure Cloud

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Search name

Kalibr8 Azure Cloud - Home Tenants

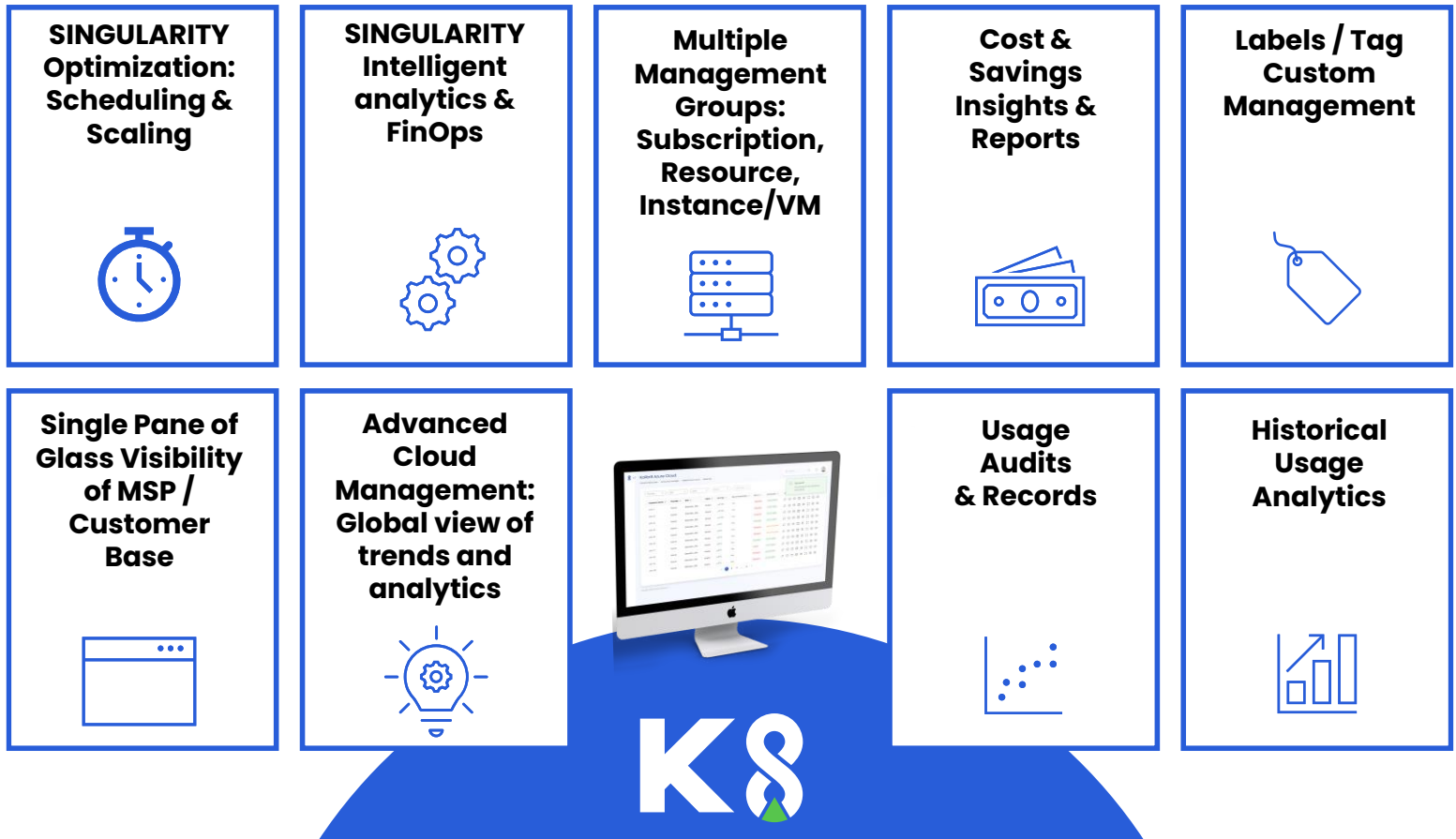
Subscription name	Recommendations	Savings	Schedule by subscription	Actions
Azure - SPN - VM	Yes	➔ 5	Not scheduled	
Kalibr8 product-vm-tenants	Yes	➔ 5	Not scheduled	

Resource group name	Savings	Schedule by resource group	Actions
NetworkVM-tenants	➔ 60	Yes	
vm-ten-01_group	➔ 5	Not scheduled	

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Multi-tenant Architecture

Collect – Visualize – Optimize – Report



Benefits for Managed Service Providers; Benefits for the Organizations they Serve.

- Leverages a fundamental shift in how channel partners buy, support and procure software.
- We provide MSPs a single view across multiple clouds and customers.
- Designed specifically for channel and two-tier distribution.
- Deep Board experience and understanding of the technology market.

By working with Kalibr8, our Managed Service Provider Partners can maximize customer budgets, deliver confidence in their cloud opex, and achieve up to 50% higher recurring gross margins.

About Kalibr8

Kalibr8 cloud optimization SaaS delivers automated and easy-to-use cloud-cost solutions to organizations through Managed Service Providers and Distributors. Kalibr8's automated cloud optimization capabilities allow MSPs to manage their customer's cloud resources easily. No coding, No scripting, No hassle.

For more information, please visit <https://kalibr8.io> and follow us on LinkedIn.