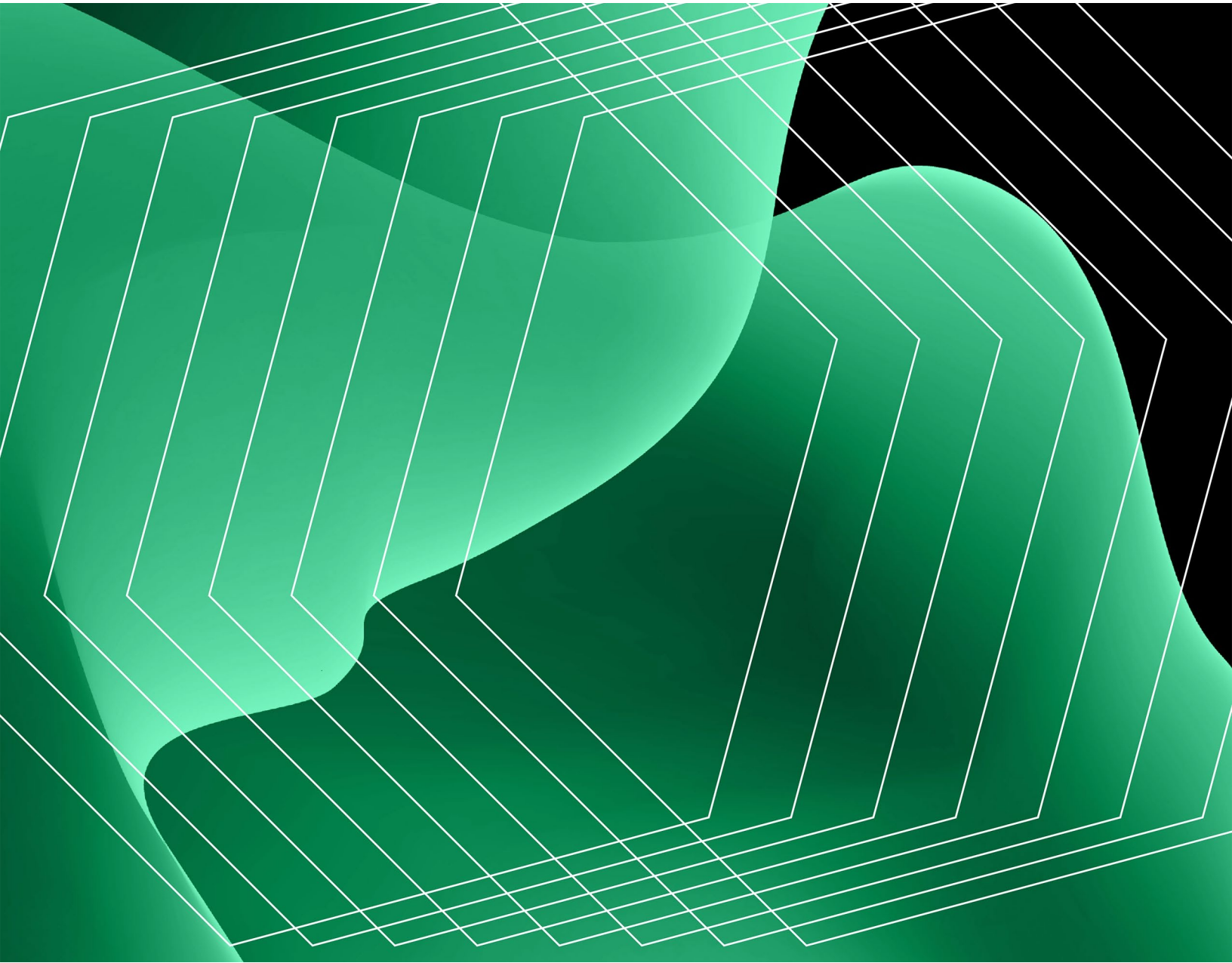
FORRESTER®

The Total Economic Impact™ Of Microsoft Azure Solutions That Enhance Cost Efficiency

Accelerating Cloud Migration And AI Adoption With Azure Solutions

A FORRESTER TOTAL ECONOMIC IMPACT STUDY
COMMISSIONED BY MICROSOFT, JUNE 2025



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ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

Executive Summary

The public cloud continues to facilitate innovation with AI at the forefront. This has led to increased cloud spend — despite a challenging macroeconomic environment — and a continued focus on cloud efficiency.[1] To manage costs and improve business results with technology despite these challenges, Forrester recommends establishing a FinOps practice, setting up a centralized team to manage cloud costs and optimize resource usage, implementing a cloud cost management and optimization tool (CCMO), and leveraging commitment discounting.[2] Organizations can use CCMO solutions, including native solutions such as those offered by Microsoft, and commitment discounts, including Azure strategic pricing offers, to gain transparency and visibility, optimize through rightsizing and anomaly detection, and implement and enable a cloud cost governance framework.[3]

Microsoft Azure delivers a unified approach to cloud computing. Its open, flexible cloud platform is designed to support each company's business strategy and stage of AI transformation. While Microsoft has many solutions that support cost efficiency for cloud and AI investments, this study will focus on the following tools and strategic pricing offers.

Microsoft tools include:

- **Microsoft Cost Management**. This platform enables customers to maximize their investments by providing insights to understand, quantify, and optimize cloud spending.
- **Azure Advisor**. This is a digital cloud assistant that helps customers follow best practices to optimize Azure deployments. It analyzes resource configuration and usage telemetry, then recommends solutions that can help improve the cost effectiveness, performance, reliability, and security of Azure resources.
- **Azure pricing calculator**. This tool helps customers estimate costs for various Azure products and scenarios based on anticipated usage.

Azure strategic pricing offers include:

- **Azure savings plan for compute**. A flexible pricing model that unlocks savings when customers commit to spend a fixed hourly amount on select compute services for one or three years.

- **Azure reservations**. A pricing model that empowers customers to achieve cost savings on their cloud usage by committing to a specific resource, in a specific region, and for a set time.
- **Azure Hybrid Benefit**. When migrating to the cloud, customers can allocate Windows or SQL Server licenses with active Software Assurance or qualifying subscription licenses to the cloud as well as Linux.

Combining tools and strategic pricing offers allows Azure customers to achieve a greater impact on their cloud cost efficiency.

Microsoft commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential value enterprises may realize by deploying Azure solutions that enhance cost efficiency.[4] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact on their organization's Azure spend.

Reduction in cloud spending by leveraging Microsoft tools and Azure strategic pricing offers (Year 1)

35%

Net present value

$8.7M

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed eight decision-makers with experience using the evaluated Azure solutions. For the purposes of this study, Forrester aggregated the experiences of the interviewees and combined the results into a single composite organization. This organization is a global enterprise with $1 billion in annual revenue that is migrating to the cloud to modernize and innovate with AI. It has an annual Azure spend of $12.5 million, which grows 5% year-over-year.

Interviewees said that prior to using the Azure solutions for cost efficiency, their organizations had migrated to Azure from either on-premises or other public clouds. They were using Azure inefficiently and mostly paying on-demand prices instead of leveraging Azure strategic pricing offers. As a result, it was difficult to forecast or predict short-term spend, achieve spend visibility, and generate insights. It was also hard to implement accountability and governance policies. These limitations led to excessive cloud costs, inefficient employees, and difficulty maximizing the business value of cloud and technology.

After adopting the Azure solutions, the interviewees' organizations leveraged these tools and strategic pricing offers to increase their cloud insights and visibility, improve their cloud spend predictability and forecasting, and improve their cloud accountability and governance. **Key results included cloud cost savings, improved productivity, accelerated cloud adoption and migration, accelerated AI adoption and innovation, and business growth while maximizing the value of cloud spend.**

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Direct cloud cost savings of 25% in Year 1 by leveraging Microsoft tools.** The composite organization uses Microsoft Cost Management to enable visibility and optimize resources, Azure Advisor to access recommendations, and the Azure pricing calculator to estimate costs. As a result, it follows Microsoft's recommended best practices and data-driven recommendations to operate cost efficiently while migrating to the cloud and supporting business growth. Over three years, this benefit is worth $4.9 million to the composite organization.
- **Direct cloud cost savings of 20% in Year 3 by leveraging Azure strategic pricing offers after leveraging Microsoft tools.** In addition to optimizing its cloud usage, the composite organization uses Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit to optimize rates. This yields additional cloud cost savings and more cost predictability, enabling business growth and AI adoption. Over three years, this benefit is worth $3.8 million to the composite organization.
- **Improved productivity of 24% by Year 3 by leveraging Microsoft tools.** The composite organization's FinOps team realizes time savings by adopting Microsoft tools. Microsoft Cost Management, Azure Advisor, and the Azure pricing calculator enable the composite organization to purchase, manage, and optimize cloud costs with Azure more efficiently. The improved productivity means that the composite organization's employees can refocus on other cost-efficiency or value-driving efforts, including AI-related projects.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Increased cloud insights and visibility.** The composite organization gains greater visibility and insights into Azure costs by leveraging Microsoft tools. It better tracks and monitors its Azure spend while deriving actionable insights.
- **Improved cloud budget predictability and forecasting.** Using Microsoft Cost Management and the Azure pricing calculator in combination with the Azure strategic pricing offers enhance cloud spend predictability and cost forecasting. The Microsoft tools help the composite better understand costs and set limits and alerts. The Azure strategic pricing offers yield more consistent and predictable pricing compared to on-demand rates, especially when the composite makes longer commitments.
- **Improved cloud accountability and governance.** The composite organization better governs its cloud, including cost optimization, budgets, and billing, by adopting the Microsoft tools. It increases accountability by following Azure Advisor's recommendations, implementing best practices, and allocating costs with Microsoft Cost Management.
- **Accelerated cloud adoption and migration.** Leveraging Microsoft tools and strategic pricing offers allows the composite organization to accelerate its cloud adoption and migration. Azure Hybrid Benefit enables the composite to reduce costs as it migrates and modernizes on a short timeline.
- **Accelerated AI adoption and innovation.** The composite organization realizes cost savings by reinvesting Microsoft tools into AI initiatives, and it takes advantage of strategic pricing offers like Azure reservations to continue to save on its AI project costs, thus accelerating AI adoption and innovation.

Flexibility. Microsoft customers might adopt these Azure solutions and later realize additional uses and business opportunities, including:

- **Empowering business growth and maximizing business value.** By operating more efficiently, the composite organization can reinvest cost savings into AI and other high-value initiatives. This maximizes the value of the composite's cloud spend and enables business growth.
- **Positive sustainability impact.** The composite organization realizes an additional opportunity to reduce its carbon emissions. Optimizing Azure spend enables the composite to rightsize its cloud footprint and operate more sustainably while saving costs.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Implementation costs of $4,000.** After choosing to use Azure Advisor, Microsoft Cost Management, the Azure pricing calculator, Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit, the composite organization invests time to plan and implement policies to adopt the Azure tools and strategic pricing offers within its FinOps organization.
- **Training costs of $6,000.** To learn about the Microsoft tools and strategic pricing offers and stay up to date, the composite organization's employees devote time to training each year.
- **Ongoing management costs of $13,000.** The composite organization allots time for administrative tasks including continuous management and keeping up with changes. This investment enables the composite to continue to realize benefits postadoption.

The financial analysis that is based on the interviews found that a composite organization experiences benefits of $8.8 million over three years versus costs of $22,000, adding up to a net present value (NPV) of $8.7 million.

> "Azure reservations and Azure Hybrid Benefit facilitate moving to the cloud. With these offers and better cost management, we are saving 30% to 35%. Managing our costs without these tools would be an unpredictable nightmare."
>
> SENIOR IT DIRECTOR, MANUFACTURING

> "[Leveraging the Microsoft tools and strategic pricing offers] is not only increasing profitability but also putting those savings into more interesting projects like AI with fraud prevention work and the customer experience."
>
> VICE PRESIDENT OF ANALYTICS ENGINEERING, FINANCIAL SERVICES

> “[With the Microsoft tools and strategic pricing offers,] our business now has more dollars to spend on innovation, scaling up additional initiatives, building on to solutions, and more possibilities.”
>
> **IT DIRECTOR, RETAIL**

REDUCTION IN CLOUD SPENDING BY LEVERAGING MICROSOFT TOOLS AND STARTEGIC PRICING OFFERS (YEAR 1)

35%

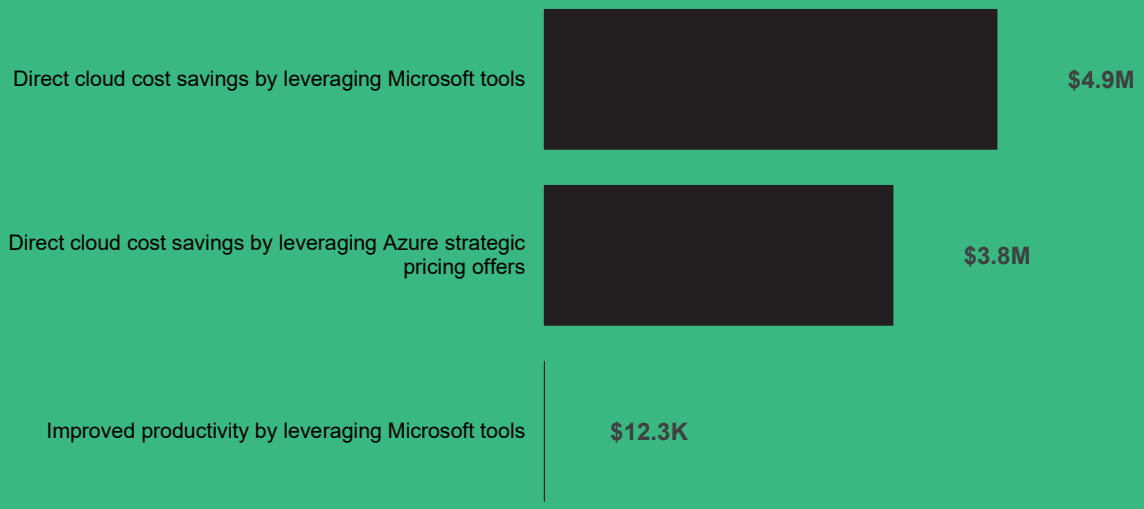
BENEFITS PV

$8.8M

NPV

$8.7M

Benefits (Three-Year)



Microsoft tools include Microsoft Cost Management, Azure Advisor, and the Azure pricing calculator. Azure strategic pricing offers include Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit.

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment Azure Solutions.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Azure Solutions can have on an organization.

1. **Due Diligence**
   Interviewed Microsoft stakeholders and Forrester analysts to gather data relative to Azure Solutions.
2. **Interviews**
   Interviewed eight representatives at organizations using Azure Solutions to obtain data about costs, benefits, and risks.
3. **Composite Organization**
   Designed a composite organization based on characteristics of the interviewees' organizations.
4. **Financial Model Framework**
   Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.
5. **Case Study**
   Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The Microsoft Azure Solutions Customer Journey

Drivers leading to the Azure Solutions investment

Interviews				
Role	**Industry**	**Region**	**Revenue**	**Azure Budget**
IT director	Manufacturing	Global	$40 billion+	$1 million+
Vice president of analytics engineering	Financial services	North America	$25 billion+	$150 million+
Senior IT director	Manufacturing	Global	$20 billion+	$35 million+
IT director	Retail	Global	$1 billion+	$10 million+
Head of technology	Retail	North America	$1 billion+	$5 million+
Vice president of IT	Healthcare	North America	$1 billion	$1 million+
IT director	Healthcare	North America	$500 million+	$30 million+
CIO	Healthcare	North America and EMEA	$250 million+	$1 million+

KEY CHALLENGES

Before Azure, most interviewees' organizations operated either on-premises or on other public cloud platforms, then migrated to Azure to modernize and adopt AI. However, after adopting Azure, their organizations initially struggled to optimize and manage cloud costs effectively.

Interviewees noted how their organizations struggled with common challenges, including:

- **Cloud costs.** Interviewees told Forrester that their organizations' prior cloud spend was not optimized effectively for usage or rates. For example, the IT director for a manufacturing organization said: "Before, there wasn't much cost control. It was build-as-you-go without thinking about cost. When we put our FinOps team in place, we realized we needed to reduce operating expenses. … Cloud spend was rising through the roof … as more workloads were being migrated, and they weren't optimized." The vice president of analytics engineering for a financial services organization noted: "Initially, we overprovisioned. … [We also were not] utilizing Azure reservations [and other strategic pricing offers]." The IT director for a retail organization said: "It was a shock going from capital expenditures to operating expenditures [migrating to the cloud]. We realized we needed to use these Microsoft tools to keep costs in check." The CIO for a healthcare organization added: "With [our prior public cloud], our CFO and I were very frustrated. One month, we doubled our expenditure with no new projects or initiatives. It was expensive and the cost management, cost estimation, and budgeting was very challenging."

- **Cloud budget predictability and forecasting.** Interviewees reported that their organizations struggled to manage cloud budgets reliably before adopting the Microsoft tools and strategic pricing offers. They found it difficult to forecast future costs, complicating financial management and hindering business growth. The senior IT director for a manufacturing organization stated, "[Our adoption of these Microsoft tools and strategic pricing offers] was driven by the inability to forecast our costs." Similarly, the IT director for a healthcare organization remarked, "We were spending more on cloud than we allocated, and we realized we were not able to effectively plan."

- **Cloud visibility and insights.** Interviewees explained that before adopting Microsoft tools, their organizations lacked visibility into cloud spend and insights to drive action. The IT director for a manufacturing organization said, “We didn’t have visibility on who was paying for what resources.” The IT director for a retail organization added, “We never had visibility into what we were building compared to what was recommended to rightsize accordingly.”

- **Cloud accountability and governance.** Prior to adopting Microsoft’s tools and strategic pricing offers, interviewees reported a lack of accountability and governance in their organizations’ cloud spending. They struggled to explain budget changes and could not link spending to specific business areas, leading to decreased transparency and trust between departments. The CIO for a healthcare organization emphasized, “If we’re expecting an increase in spend, we need to tie that back to a project or initiative.”

- **Complexity in managing and optimizing costs.** Before adopting Microsoft’s tools and strategic pricing offers, interviewees told Forrester that managing and optimizing costs was challenging, leading to increased labor. The senior IT director for a manufacturing organization said: “We began to use the Microsoft tools and strategic pricing offers because costs were hard to manage. We needed to be able to manage all our different resources and the complexity of understanding all the different variables that impact costs.”

- **Migrating, modernizing, and adopting AI.** Most interviewees' organizations migrated to the cloud to modernize and adopt AI, whether at the start of their cloud journey or later. However, without Microsoft tools and strategic pricing offers, interviewees' organizations faced slower cloud migrations, modernization, and AI adoption. The senior IT director for a manufacturing organization explained: "We didn't have the best approach when moving to the cloud. Unfortunately, we had to learn over time due to cost overruns and the unpredictability that we needed a better way to manage costs. That's why we began using Microsoft tools [as we migrated]." Interviewees explained how adopting these solutions helped their organizations accelerate their cloud migrations and AI adoption.

> "[Before adopting the Azure solutions,] there was a lack of visibility, rising costs, and no systematic way to chargeback to the business."
>
> IT DIRECTOR, MANUFACTURING

TECHNOLOGY DEFINITION

Cloud Cost Management And Optimization

Forrester defines **cloud cost management and optimization** as "a software solution that provides at least one of these capabilities for cloud spend: visibility, scheduling, optimization recommendation, budgeting, cost allocation, or forecasting."[5]

TECHNOLOGY DEFINITION

Native Cloud Management

Forrester defines **native cloud management** as "cloud management capabilities from the public cloud providers that provide visibility and help companies manage cost, security, permissions, policies, monitoring, and/or automation on that platform."[6]

TECHNOLOGY DEFINITION

FinOps

The FinOps Foundation defines **FinOps** as "an operational framework and cultural practice which maximizes the business value of cloud and technology, enables timely data-driven decision making, and creates financial accountability through collaboration between engineering, finance, and business teams."[7]

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and a financial analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees' organizations, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

- **Description of composite.** The composite organization is a global enterprise based in North America with $1 billion in annual revenue and more than 1,000 employees. It operates on-premises and across multiple public clouds, maintaining an Azure budget of

$12.5 million in Year 1. This budget increases by 5% year-over-year as the enterprise expands. It migrates to the cloud to modernize its operations and adopts AI to continue empowering business growth.

- **Deployment characteristics.** To maximize the value of its cloud spend, the composite organization leverages Microsoft's tools, such as Microsoft Cost Management, Azure Advisor, and the Azure pricing calculator. Additionally, it capitalizes on Azure strategic pricing offers, including Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit. By investing sufficient time in planning and implementing appropriate policies and customizations, the organization effectively integrates these tools and strategic pricing offers into its FinOps practice.

KEY ASSUMPTIONS

$1 billion annual revenue

1,000+ employees

$12.5 million Azure budget in Year 1

5% year-over-year Azure budget growth

Uses Microsoft Cost Management, Azure Advisor, and the Azure pricing calculator

Leverages Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefits

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	**Benefit**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Direct cloud cost savings by leveraging Microsoft tools	$2,656,250	$1,558,900	$1,642,200	$5,857,350	$4,936,929
Btr	Direct cloud cost savings by leveraging Azure strategic pricing offers	$1,035,938	$1,627,937	$2,017,560	$4,681,435	$3,802,987
Ctr	Improved productivity by leveraging Microsoft tools	$3,875	$4,842	$6,419	$15,136	$12,347
	Total benefits (risk-adjusted)	$3,696,063	$3,191,679	$3,666,179	$10,553,921	$8,752,263

DIRECT CLOUD COST SAVINGS BY LEVERAGING MICROSOFT TOOLS

Evidence and data. Interviewees told Forrester that their organizations could achieve direct cloud cost savings by using Microsoft's tools to optimize their Azure usage. These tools included Microsoft Cost Management, Azure Advisor, and the Azure pricing calculator. They explained that using these tools together allowed their organizations to access recommendations, enable resource visibility and optimization, and estimate costs, in addition to other benefits. Although the interviewees explained that these cost savings were highest in the first year depending on their prior environment, there were also ongoing opportunities for savings. They noted that achieving these cost savings helped their organizations not only achieve better financial outcomes but also drove faster migrations, accelerated AI adoption, and empowered business growth.

- Interviewees told Forrester that adopting Azure Advisor enabled their organizations to access recommendations and optimize usage, resulting in cost savings. In addition to cost optimization, Azure Advisor also supported other benefits beyond cost optimization including improved security, improved reliability, improved performance, and operational excellence.[8]

  - The IT director for a retail organization said: “I get the value [of a third-party CCMO solution] with Azure Advisor out of the box. … We can autoscale and shutdown.”
  - The head of technology for a retail organization said: “Azure Advisor knows our workloads and recommends best practices and optimizations in one place. We heavily rely on Azure Advisor.”

- Interviewees told Forrester that by using Microsoft Cost Management, their organizations achieved better resource visibility and optimization. Beyond the cost optimization benefit, interviewees for this and a prior case study noted other benefits including better and easier budgeting and decision-making, identifying workloads best suited for migration, and accelerated cloud transitions.[9]
  - The senior IT director for a manufacturing organization said, “We’re using Microsoft Cost Management to analyze, monitor, and optimize our Azure costs.”
  - The head of technology for a retail organization said: “Microsoft Cost Management significantly contributes to the cost savings. Our team can understand the potential savings and then act.” They continued, “By using Copilot in Microsoft Cost Management, we hope to get [even better insights to help with cost optimization].” They added: “Microsoft Cost Management helps our organization analyze, monitor, and optimize Azure cloud costs including AI deployments. This helps us better understand AI costs.”
- Interviewees explained how the Azure pricing calculator helped their organizations better estimate costs, which facilitated cost optimization when migrating workloads to Azure and starting new projects in the cloud. Interviewees’ organizations valued the ability to estimate costs accurately, which helped them optimize costs by selecting the appropriate services and scale. The IT director for a retail organization said, “Not only is Azure Advisor proving [valuable], but we also estimate costs with the Azure pricing calculator.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization had $12.5 million in annual public cloud costs in its prior environment. According to Forrester’s Cloud Survey, 2024, 18% of survey respondents’

organizations with between $1 billion to less than $2 billion in annual company revenue had public cloud spend from $10 million to less than $15 million in the past 12 months.[10]

- These public cloud costs grow 5% year-over-year. According to Forrester's Cloud Survey, 2024, of survey respondents' organizations with between $1 billion to less than $2 billion in annual company revenue, 38% increased cloud budgets by 1% to 4% between 2023 and 2024, and 30% increased public cloud budgets between 5% and 10%.[11]
- The composite organization reduces cloud spending by optimizing usage with Azure Advisor, Microsoft Cost Management, and the Azure pricing calculator. It achieves the highest savings in Year 1 and approximately 50% of those cost savings in Years 2 and 3.

Risks. This benefit may vary depending on:

- An organization's cloud spend in its prior environment as influenced by its size, cloud maturity level, industry, business model, and other factors.
- The growth of an organization's cloud spend year-over-year.
- Whether an organization chooses to use Azure Advisor, Microsoft Cost Management, and the Azure pricing calculator; its approach to optimizing cloud usage; and how well it can then optimize cloud usage and thereby reduce cloud spending.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $4.9 million.

Reduction in cloud spending by using Microsoft Cost Management, Azure Advisor, and the Azure pricing calculator

25%

> "[The Microsoft tools] opened our eyes to all the waste and inefficiencies. They offer tremendous value for understanding, budgeting, and optimizing. I am really impressed with the Azure tools, and I look forward to continuing to see them evolve."
>
> **IT DIRECTOR, RETAIL**

Direct Cloud Cost Savings By Leveraging Microsoft Tools					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Cloud costs in prior environment	Composite	$12,500,000	$13,100,000	$13,800,000
A2	Percentage reduction in cloud spending by using Microsoft Cost Management, Azure Advisor, and Azure pricing calculator	Interviews	25%	14%	14%
At	Direct cloud cost savings by leveraging Microsoft tools	A1*A2	$3,125,000	$1,834,000	$1,932,000
	Risk adjustment	↓ 15%			
Atr	Direct cloud cost savings by leveraging Microsoft tools (risk-adjusted)		$2,656,250	$1,558,900	$1,642,200
	Three-year total: $5,857,350		**Three-year present value: $4,936,929**		

DIRECT CLOUD COST SAVINGS BY LEVERAGING AZURE STRATEGIC PRICING OFFERS

Evidence and data. Interviewees' organizations achieved further savings by leveraging Azure strategic pricing offers, including Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit. The interviewees told Forrester that their organizations consistently applied these strategic pricing offers to their Azure consumption and progressively increased their use as they realized savings. Furthermore, in addition to bolstering the bottom line, these cost savings helped interviewees' organizations migrate to Azure more quickly and accelerated AI adoption.

- **Azure savings plan for compute:** Interviewees told Forrester that Azure savings plan for compute was often a critical piece of their organizations' cost optimization plans, particularly in combination with Azure reservations and Azure Hybrid Benefit. In addition to the cost savings, interviewees' organizations valued the flexibility of the pricing offer and how they could apply it across select services. They reported savings as high as 63%.
    - The head of technology for a retail organization said: "With the savings plan, we either commit to one year or more and save 30% to 40%. We see the savings upfront."
    - The vice president of analytics engineering for a financial services organization said, "With Azure reservations and Azure savings plan for compute, we're saving close to 50%."
    - The IT director for a manufacturing organization said, "Azure savings plan for compute saves us up to 60% based off at least a one-year commitment."

Average reduction in cloud spending by using Azure savings plan for compute on eligible services

48%

- **Azure reservations:** Interviewees' organizations used Azure reservations combined with Azure savings plan for compute and Azure Hybrid Benefit to achieve deeper cost savings. The commitments also made budgeting and forecasting easier compared to on-demand pricing. The interviewees reported savings as high as 72%. Additionally, interviewees also explained how their organizations leveraged Azure reservations for AI projects using provisioned throughput units (PTUs) to optimize AI costs and accelerate AI adoption.
    - The senior IT director for a manufacturing organization said, "Azure reservations gives better discounts and more predictability."

- The IT director for a healthcare organization said, “Azure reservations [enables] better predictability and planning.” They continued: “The more that you commit, the bigger savings you can get. [We’ve seen] anywhere from 30% to 70% savings.”
- The CIO for a healthcare organization said, “We get 40% to 60% savings with Azure reservations depending on the length of the commitment.” They added, “The cost savings with Azure reservations for AI projects using PTUs is 25%.”
- The vice president of analytics engineering for a financial services organization said: “We’re starting to leverage Azure reservations for AI projects using PTUs more. We’re using the Azure OpenAI service for our own model generation, and we’re making one-month reservations. On the longer-term workloads, we’re seeing 40% to 50% savings. We’re seeing savings with our larger AI projects now too.”
- The IT director for a manufacturing organization said, “Azure reservations save us up to 70%.” They also explained that they saved on AI costs by leveraging Azure reservations for AI projects using PTUs, thereby accelerating AI adoption. They said: “It can reduce the AI cost per token. We have our own internal model that we’ve built on top of the Azure OpenAI service that leverages Azure reservations, and we’re able to save on token costs.”

Average reduction in cloud spending by using Azure reservations on eligible services

52%

- **Azure Hybrid Benefit:** In addition to leveraging Azure savings plan for compute and Azure reservations, interviewees’ organizations further optimized their costs with Azure Hybrid Benefit. According to the interviewees, their organizations used Azure Hybrid Benefit when migrating workloads to the cloud to save on licensing costs, which helped

accelerate cloud adoption and empowered business growth. They reported savings as high as 85%.

- The IT director for a retail organization said: “Being able to use our licenses in the public cloud has been huge for us. … We’re seeing 20% to 25% savings with Azure Hybrid Benefit.”
- The vice president of IT for a healthcare organization said, “We had Windows licenses and SQL Server licenses, so we were able to use Azure Hybrid Benefit to save 30% to 35%.”
- The CIO for a healthcare organization said: “The cost savings of Azure Hybrid Benefit is 40% to 50%. That includes SQL Server and Windows licenses. It helps us with the migrations we do from on-premises to Azure.”
- The head of technology for a retail organization said: “When we were migrating, we used Azure Hybrid Benefit to save costs. For example, we were using SQL Server, and when we migrated, we saved 60% to 70% with Azure Hybrid Benefit.”
- The senior IT director for a manufacturing organization said: “To move workloads to the cloud more efficiently, … we’ve used Azure Hybrid Benefit. … It saves us between 60% to 70%.”

Average reduction in cloud spending by using Azure Hybrid Benefit on eligible services

51%

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization optimizes its cloud usage before optimizing its rates.

- The composite organization reduces cloud spending by optimizing rates with Azure strategic pricing offers. It covers more of its environment with the strategic pricing offers each year, addressing 10% of cloud spending with Azure savings plan for compute, 20% with Azure reservations, and 10% with Azure Hybrid Benefit by Year 3.

Risks. This benefit may vary depending on:

- An organization's cloud spend in its prior environment as influenced by its size, cloud maturity level, industry, business model, and other factors.
- The growth of an organization's cloud spend year-over-year.
- How well an organization optimizes its cloud usage before beginning to optimize rates.
- The nature of an organization's cloud spend including how dynamic its cloud environment is and what Azure services comprise its cloud spend.
- Whether an organization chooses to use Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit; how it chooses to use them; its approach to optimizing rates with these offers; and how well it can optimize cloud rates to thereby reduce cloud spending.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $3.8 million.

Reduction in cloud spending by using Azure strategic pricing offers (Year 3)
20%

"Microsoft Cost Management helped us get broader visibility. Then we optimized by rightsizing and leveraging Azure savings plan for compute and Azure reservations."

IT DIRECTOR, MANUFACTURING

Direct Cloud Cost Savings By Leveraging Azure Strategic Pricing Offers					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Cloud costs in prior environment after leveraging Microsoft tools	A1-At	$9,375,000	$11,266,000	$11,868,000
B2	Average coverage of Azure savings plan for compute as a percentage of the entire environment	Composite	5%	8%	10%
B3	Average coverage of Azure reservations as a percentage of the entire environment	Composite	15%	18%	20%
B4	Average coverage of Azure Hybrid Benefit as a percentage of the entire environment	Composite	5%	8%	10%
B5	Average percentage reduction in cloud spending by using Azure savings plan for compute on eligible services	Interviews	48%	48%	48%
B6	Average percentage reduction in cloud spending by using Azure reservations on eligible services	Interviews	52%	52%	52%
B7	Average percentage reduction in cloud spending by using Azure Hybrid Benefit on eligible services	Interviews	51%	51%	51%
B8	**Subtotal: Percentage reduction in cloud spending across the entire environment with Azure savings plan for compute, Azure reservations, and Azure Hybrid Benefit**	**(B2*B5)+(B3*B6)+(B4*B7)**	**13%**	**17%**	**20%**
Bt	Direct cloud cost savings by leveraging Azure strategic pricing offers	B1*B8	$1,218,750	$1,915,220	$2,373,600
	Risk adjustment	↓ 15%			
Btr	Direct cloud cost savings by leveraging Azure strategic pricing offers (risk-adjusted)		$1,035,938	$1,627,937	$2,017,560
	Three-year total: $4,681,435		**Three-year present value: $3,802,987**		

IMPROVED PRODUCTIVITY BY LEVERAGING MICROSOFT TOOLS

Evidence and data. Beyond direct cost savings, interviewees reported that their organizations' employees could align and operate more efficiently by leveraging Microsoft tools in their FinOps practices. Consequently, employees saved time when purchasing, managing, and optimizing cloud costs. This increased productivity enabled the interviewees' organizations to reallocate time to other cost-efficiency or value-driving efforts, including AI initiatives, thereby fostering business growth.

- The IT director for a retail organization said: "Our team is 25% more productive. Azure Advisor recommends actions, like using Azure reservations, that team members may not

have had the time to think about before. It's now easy to get an overview of our cloud spend."

- The CIO for a healthcare organization said: "Azure Advisor provides automated recommendations. … If we didn't have these tools, our FinOps team would be double the size."
- The vice president of IT for a healthcare organization said, "These tools save 25% of the time because we have recommendations [with Azure Advisor]."
- The senior IT director for a manufacturing organization stated, "Out of 12 employees, one to two are now working on other contracts." They explained, "Microsoft tools have freed up time to focus on our core business."
- The vice president of analytics engineering for a financial services organization said: "The Microsoft tools help more quickly identify unusual spending patterns without manual oversight due to their reporting, alerts, and notifications. … [I estimate] at least 10% to 15% time savings." These time savings allowed their team to refocus on more interesting and higher value work, including genAI and innovation. Furthermore, providing the proper tools to employees contributed to better experiences and thereby improved retention.
- The IT director for a healthcare organization said, "We're saving our FinOps resources up to 25% of their time doing administrative work." They explained that this time was saved on reviews and audits with business units on their cloud spend. As a result of this productivity gain, the IT director said, "We've been able to assign them to different focuses for SaaS management, for license management, and for pricing optimization." They further added, "We're able to focus them on our AI efforts and initiatives now too."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- It dedicates six employees to cloud purchasing and optimization decisions before adopting the Microsoft tools.
- Each employee spends 115 hours per year on cloud purchasing and optimization decisions in the prior environment. This grows 5% year-over-year as cloud costs increase.

- By adopting Azure Advisor, Microsoft Cost Management, and the Azure pricing calculator, the composite organization reduces its cloud purchasing and optimization effort by 16% in Year 1. This reduction increases to 19% in Year 2 and 24% in Year 3 as the composite further streamlines its processes and gains proficiency with the Microsoft tools.
- The average fully burdened hourly rate for a cloud administrator is $78.
- The individuals engaging in these activities recapture 50% of the time savings for productive work.

Risks. This benefit may vary depending on:

- An organization's prior state, including its scale, FinOps team size, and the resulting number of employees previously dedicated to cloud purchasing and optimization decisions.
- The number of hours each employee spends on cloud purchasing and optimization decisions in an organization's prior environment.
- An organization's ability to use the Azure solutions for cost efficiency successfully and reduce the labor required for cloud purchasing and optimization.
- The fully burdened hourly rate for an employee, varying by role, seniority, and location.
- The ability of these employees to recapture time savings for productive work.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $12,000.

Reduction in hours spent on cloud purchasing and optimization by using Microsoft tools (Year 3)

24%

> "With Microsoft tools, we can focus on higher value projects. Instead of reviewing reports and conducting cost audits, we can build new tools and build with genAI. [We can] innovate faster."
>
> VICE PRESIDENT OF ANALYTICS ENGINEERING, FINANCIAL SERVICES

Improved Productivity By Leveraging Microsoft Tools					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Employees dedicated to cloud purchasing and optimization prior to using Microsoft tools	Composite	6	6	6
C2	Hours spent per employee on cloud purchasing and optimization prior to using Microsoft tools	Composite	115	121	127
C3	Percentage reduction in hours spent on cloud purchasing and optimization by using Microsoft tools	Interviews	16%	19%	24%
C4	Fully burdened hourly rate for an employee dedicated to cloud purchasing and optimization	Composite	$78	$78	$78
C5	Productivity recapture rate	Composite	50%	50%	50%
Ct	Improved productivity by leveraging Microsoft tools	C1*C2*C3*C4*C5	$4,306	$5,380	$7,132
	Risk adjustment	↓ 10%			
Ctr	Improved productivity by leveraging Microsoft tools (risk-adjusted)		$3,875	$4,842	$6,419
	Three-year total: $15,136			**Three-year present value: $12,347**	

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Increased cloud insights and visibility.** Interviewees reported that leveraging Azure Advisor and Microsoft Cost Management enhanced their organizations' visibility and

insights into Azure. These tools enabled interviewees' organizations to track and monitor cloud spend in detail, providing opportunities to visualize trends, detect anomalies, and gain valuable insights. The IT director for a manufacturing organization stated, "[As a first step, our team ran reports with] Microsoft Cost Management that helped get better visibility around Azure." Similarly, the head of technology for a retail organization mentioned, "Microsoft Cost Management gives visibility and transparency."

- **Improved cloud budget predictability and forecasting.** Interviewees highlighted that Microsoft Cost Management and the Azure pricing calculator improved their organizations' budgeting and forecasting capabilities. They noted that these Microsoft tools provided a clearer understanding of costs before starting projects, allowed for setting cloud spend limits and alerts, and enabled expense tagging or allocation across business units or projects. Additionally, the ability to export data further enhanced forecasting accuracy. Azure strategic pricing offers also offered greater predictability than pay-as-you-go pricing. The senior IT director for a manufacturing organization explained: "We use the Azure pricing calculator to understand costs when pricing new instances. … Creating and maintaining a forecasted budget has improved [with the Azure pricing calculator and Microsoft Cost Management]." The IT director for a retail organization noted: "We do extensive manufacturing and R&D in Asia Pacific with different demands and service levels. The Azure pricing calculator helps us estimate annual costs by region and requirements, providing scenario-based pricing." The head of technology for a retail organization concluded, "[These Microsoft tools] have 100% improved both budgeting and forecasting, increasing visibility and transparency between the technical and financial teams."
- **Improved cloud accountability and governance.** Forrester recommends including cost optimization, budgets, and billing integration within the scope of cloud governance.[12] Interviewees explained that their organizations met this recommendation by adopting Azure Advisor, Microsoft Cost Management, and the Azure pricing calculator. They discussed creating budgets, allocating or tagging costs, and creating governance policies or guardrails to drive better accountability. For example, the vice president of IT for a healthcare organization explained, "Azure Advisor's governance recommendations are very important because we are able to identify gaps." Similarly, the head of technology for a retail organization added, "We are using [Microsoft solutions] to build cost control governance."

- **Accelerated cloud adoption and migration.** Interviewees reported to Forrester that leveraging Microsoft tools and strategic pricing offers accelerated their organizations' cloud adoptions and migrations. Specifically, Azure Hybrid Benefit enabled organizations to maximize their previous investments and reduce costs when migrating and modernizing, thereby speeding up the entire journey. The IT director for a healthcare organization noted: "[The Microsoft tools and Azure strategic pricing offers] have accelerated and improved [our cloud adoption and migration.] … That is a huge win."
- **Accelerated AI adoption and innovation.** Interviewees reported that their organizations adopted AI more quickly and accelerated innovation with AI by leveraging Microsoft's tools and strategic pricing offers. These Azure solutions enabled cost savings, which organizations reinvested into AI initiatives. Specifically, they saved on Azure OpenAI Service costs by leveraging Azure reservations using PTUs. The vice president of analytics engineering for a financial services organization said: "Yes, [the Azure solutions have accelerated our AI journey]. … By efficiently allocating funds to AI model training and compute, we can save budget and reallocate it. That's a win." Similarly, the IT director for a manufacturing organization said: "We're using Azure for AI, and we get discounts. The proper controls and strategic pricing offers will save costs as we grow our AI initiative." They further elaborated, "The right controls and cost savings have enabled more workloads and new innovation around AI."

> "Azure reservations for AI projects using PTUs has helped our AI initiatives. It has helped better predict costs."
>
> **CIO, HEALTHCARE**

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Azure solutions that enhance cost efficiency and later realize additional uses and business opportunities, including:

- **Empowering business growth and maximizing business value.** Interviewees told Forrester that adopting Microsoft tools and strategic pricing offers empowered business growth and maximized the value of their organizations' cloud spend. By operating more efficiently, the interviewees' organizations reinvested cloud cost savings into high-impact projects, including AI, realizing more value per dollar spent. The CIO for a healthcare organization explained: "The Azure solutions help the business run more efficiently, which impacts the bottom line. We can use those resources for other purposes." Similarly, the vice president of IT for a healthcare organization noted: "We are growing and adding new business. [Due to the cost savings,] we can add new applications without incurring additional cost." Echoing these sentiments, the head of technology for a retail organization said, "The Azure tools and offers allow us to keep the same amount of budget while supporting the expansion of the business."
- **Positive sustainability impact.** Maximizing cloud efficiency not only lowers costs but also reduces carbon emissions, according to Forrester.[13] Interviewees supported this view, noting that although their organizations' primary goal wasn't environmental impact, using the Azure solutions analyzed in this study led to more sustainable operations. The IT director for a retail organization stated: "We hit our sustainability goals by scaling more into the public cloud. We don't want to use more resources than needed, and part of our environmental, social, and governance strategy is to scale down unneeded and overprovisioned resources." Similarly, the vice president of analytics engineering for a financial services organization added, "We're being smart and efficient by shutting down unused virtual machines, so that reduces our costs and environmental impact."

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

> “Cost savings [with Azure solutions] means more growth for AI and more to invest in the future.”
>
> **IT DIRECTOR, MANUFACTURING**

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	**Cost**	**Initial**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Dtr	Implementation	$4,095	$0	$0	$0	$4,095	$4,095
Etr	Training	$2,948	$1,474	$983	$491	$5,896	$5,470
Ftr	Ongoing management	$0	$5,103	$5,103	$5,103	$15,309	$12,690
	Total costs (risk-adjusted)	$7,043	$6,577	$6,086	$5,594	$25,300	$22,255

IMPLEMENTATION

Evidence and data. Although interviewees using the Microsoft tools and strategic pricing offers do not incur licensing costs, they informed Forrester that they required initial labor to use the Azure solutions effectively. This investment facilitated the integration of Azure solutions with FinOps practices, enabling interviewees' organizations to start realizing benefits, including direct cloud cost savings and improved productivity.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization allocates 10 hours for pre-implementation activities such as strategizing, policymaking, and collaborating to align policies, goals, strategies, and communications.
- The composite organization conservatively allocates 40 hours for building out processes and necessary customizations within its FinOps practice.
- The average fully burdened hourly rate for a cloud administrator is $78.

Risks. This cost may vary depending on:

- An organization's scale, Azure costs, and preexisting CCMO practices.
- An organization's cloud use and CCMO choices, including the degree to which it builds out processes and customizations.
- Whether an organization implements the Azure solutions with its own employees or with a third-party partner.
- The fully burdened hourly rate for an employee, varying by role, seniority, and location.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $4,000.

Implementation						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
D1	Total hours of pre-implementation	Composite	10			
D2	Total hours of implementation	Composite	40			
D3	Fully burdened hourly rate for an implementation resource	Composite	$78			
Dt	Implementation	(D1+D2)*D3	$3,900	$0	$0	$0
	Risk adjustment	↑ 5%				
Dtr	Implementation (risk-adjusted)		$4,095	$0	$0	$0
	Three-year total: $4,095			**Three-year present value: $4,095**		

TRAINING

Evidence and data. Interviewees told Forrester that their organizations' teams typically needed to invest time in learning about the Microsoft tools and strategic pricing offers. This investment allowed teams to understand and benefit from these tools and offers while staying current with updates. The CIO for a healthcare organization noted: "The learning curve was not a challenge. It was straightforward."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Six employees learn about the Azure solutions.
- Initially, each employee receives six hours of training, which decreases by approximately 50% each year as they require less training to stay current.
- The average fully burdened hourly rate for a cloud administrator is $78.

Risks. This cost may vary depending on:

- An organization's scale, Azure costs, FinOps team size, and the number of individuals needing training.
- The time required for proficiency and staying current, which depends on team experience and skills.
- The fully burdened hourly rate for a trainee, varying by role, seniority, and location.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $6,000.

Training						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
E1	FTEs trained	Composite	6	6	6	6
E2	Total training and enrichment hours per resource	Interviews	6	3	2	1
E3	Fully burdened hourly rate for a resource trained (rounded)	Composite	$78	$78	$78	$78
Et	Training	E1*E2*E3	$2,808	$1,404	$936	$468
	Risk adjustment	↑ 5%				
Etr	Training (risk-adjusted)		$2,948	$1,474	$983	$491
	Three-year total: $5,896			**Three-year present value: $5,470**		

ONGOING MANAGEMENT

Evidence and data. Interviewees told Forrester that the Azure solutions were not only easy to implement and learn but also simple to use. They noted that some administrative time was required for continuous management and keeping up with changes over time. This ongoing time investment enabled continuous value realization.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- One FTE spends 3% of their time on ongoing management.
- The average fully burdened annual salary for a FinOps employee is $162,000.

Risks. This cost may vary depending on:

- The nature of an organization's FinOps practice and the required administrative tasks.
- The fully burdened hourly rate for an employee, varying by role, seniority, and location.

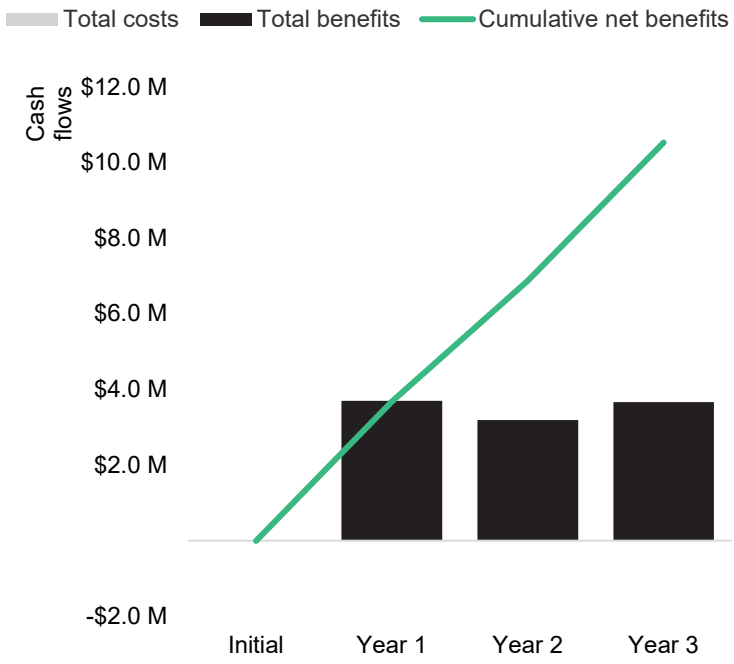
Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $13,000.

Ongoing Management						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
F1	Total administration as a percentage of one FTE's hours	Composite		3%	3%	3%
F2	Fully burdened annual salary for a FinOps resource	Composite		$162,000	$162,000	$162,000
Ft	Ongoing management	F1*F2	$0	$4,860	$4,860	$4,860
	Risk adjustment	↑ 5%				
Ftr	Ongoing management (risk-adjusted)		$0	$5,103	$5,103	$5,103
	Three-year total: $15,309			**Three-year present value: $12,690**		

Financial Summary

Consolidated Three-Year, Risk-Adjusted Metrics

Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($7,043)	($6,577)	($6,086)	($5,594)	($25,300)	($22,255)
Total benefits	$0	$3,696,063	$3,191,679	$3,666,179	$10,553,921	$8,752,263
Net benefits	($7,043)	$3,689,486	$3,185,593	$3,660,584	$10,528,620	$8,730,008

APPENDIX A: TOTAL ECONOMIC IMPACT

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

Total Economic Impact Approach

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Present Value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Net Present Value (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Return on investment (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Payback period

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

APPENDIX B: SUPPLEMENTAL MATERIAL

Related Forrester Research

Forrester's High-Performance IT Business Case Pitch Deck Template, Forrester Research, Inc., April 4, 2025.

Graduating To DIY Cloud Cost Management, Forrester Research, Inc., March 10, 2025.

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The Top 10 Trends In Cloud, 2024, Forrester Research, Inc., August 9, 2024.

Tracy Woo, Learnings From The Forrester Wave™: Cloud Cost Management And Optimization Solutions, Q3 2024, Forrester Blogs.

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IT Financial Management (ITFM) In The Age Of FinOps, Forrester Research, Inc., April 10, 2024.

Quick Moves To Solve Your Cloud Challenges, Forrester Research, Inc., January 3, 2024.

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Forrester's Cloud Cost Management And Optimization (CCMO) Buying Guide, 2023, Forrester Research, Inc., May 18, 2023.

Cloud Cost Management And Optimization RFP Template, Forrester Research, Inc., May 15, 2023.

Select Your Path To Cloud Cost Optimization, Forrester Research, Inc., May 12, 2023.

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Smart Cloud Contract Negotiations, Forrester Research, Inc., February 16, 2023.

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Top 10 Facts Tech Leaders Should Know About Cloud Cost Optimization, Forrester Research, Inc., August 2, 2021.

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APPENDIX C: ENDNOTES

[1] Source: The State Of Cloud In The US, 2024, Forrester Research, Inc., November 15, 2024.
[2] Source: Budget Planning Guide 2025: Technology Executives, Forrester Research, Inc., August 1, 2024; Ten Techniques For Getting Cloud Costs Under Control, Forrester Research, Inc., May 9, 2023.
[3] Source: The Cloud Cost Management And Optimization Landscape, Q1 2024, Forrester Research, Inc., March 11, 2024.
[4] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.
[5] Source: The Cloud Cost Management And Optimization Landscape, Q1 2024, Forrester Research, Inc., March 11, 2024.
[6] Source: The Forrester Guide To Native Cloud Management, Forrester Research, Inc., December 9, 2021.
[7] Source: What is FinOps?, FinOps Foundation, January 2025.
[8] Source: "The Total Economic Impact™ Of Microsoft Azure Advisor," a commissioned study conducted by Forrester Consulting on behalf of Microsoft, November 2022.
[9] Source: "The Total Economic Impact™ Of Microsoft Azure Cost Management And Billing," a commissioned study conducted by Forrester Consulting on behalf of Microsoft, February 2021.
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[11] Ibid.
[12] Source: The Forrester Guide To Cloud Governance, Forrester Research, Inc., April 2, 2024.
[13] Source: Dario Maisto and Tracy Woo, GreenOps, FinOps, And The Sustainable Cloud, Forrester Blogs.

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