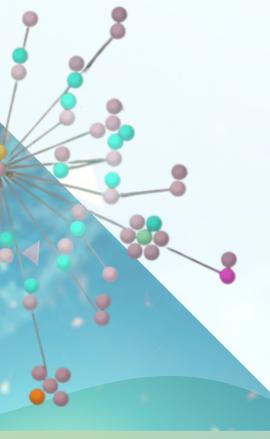
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PRACTICE GUIDE TO REDUCE AWS COSTS IN FIVE STEPS





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REVIEW YOUR BILLING. IDENTIFY THE TOP 10-15 SERVICES THAT MAKE UP MOST OF YOUR COSTS.

To manage your bill efficiently, analyse spending on the top 10-15 services. These may account for 80-90% of your total costs.

Identify any unused or overprovisioned services and de-provision them to save costs.







SELECT FIT FOR PURPOSE CLOUD SERVICES

Consider using object storage instead of block storage for static or infrequently changing data such as logs, backup, and surveillance.

Using object storage instead of block storage is more cost-effective and more reliable. For example, 100GB managed block storage (EBS) costs \$8/month, while self-managed block storage costs \$4.5/month.

On the other hand, object storage starts at \$2.3/month and can go as low as \$0.4/month, resulting in potential savings of up to 90% for tasks such as backups stored on servers.

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Make your capacity utilization dynamic to avoid paying unnecessarily high costs for underutilized servers.

If a server is only 20% utilized on average during the day, that means that 80% of the capacity is not being used, resulting in a 400% overpayment. However, it is important to note that an average of 20% throughout the day could indicate spikes of up to 90% for a half-hour period, so it is necessary to scale up dynamically and down to meet these needs.

Consider implementing a hybrid

model. Adding or removing capacity rapidly is not feasible for services that handle data or are stateful. In such cases, a hybrid option may be suitable, where baseload services can be run on your own hardware in a data centre.



*More information on the benefits of a hybrid approach ≥.





DETERMINE THE OPPORTUNITY COST OF SPECIFIC SERVICES AND THEIR ALTERNATIVES.

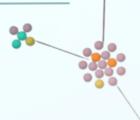
Consider the cost of a particular service and its alternatives, also known as opportunity cost.

The RDS service is, on average, 225% more expensive than the equivalent EC2 capacity.**
It may be more cost-effective and beneficial to use an internally self-managed DB or enlist the services of an external provider.

An alternative to the NAT gateway is the EC2-based source-available NAT M8 Autoscaler, which is 90% cheaper and provides better availability and fault tolerance.***

**While this may not be significant for a \$50/month dev database, for a \$5000/month production database, the difference amounts to \$33,000/year.
***More about RDS vs EC2 optimisation opportunities 2.







TAKE A BROADER VIEW OF YOUR TOTAL SERVICE COSTS.



Consider the bigger picture when looking at overall service costs. For example,
serving files from S3 buckets incurs an
outgoing network cost component of \$9
per 100 GB. However, using <u>Cloudflare R2</u>
eliminates the outgoing network cost and
also offers cheaper storage costs
compared to standard S3, at only \$1.5 per
month instead of \$2.3 per month. This
makes R2 up to 90% cheaper than S3 in
certain scenarios.

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DAILY COST OPTIMIZATION THROUGH AUTOMATION.

Optimize costs on a daily basis instead of once a month.

The best way to do this is through automation, by establishing a baseline to eliminate waste and monitoring changes (deltas) daily. This approach saves time and ensures that any misconfigurations or issues can be identified quickly and corrected promptly, minimising unnecessary costs that might otherwise accumulate over weeks or longer periods.

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ABOUT LOGLEADS

LogLeads helps organizations of all sizes significantly cut down on cloud expenses.

We advise on cloud architecture design, cloud cost optimisation, and adaptive cloud log analysis solutions.

Discover our amazing free-forever for generic-use****, source-available tools.



NAT M8 Autocscaler is a hasslefree NAT solution. Maximized availability. Minimized costs.

NAT M8 is a fully automated autoscaling NAT solution that is a great choice if you're new to NAT or want to simplify extremely complex scenarios.



Logverz is cutting-edge adaptive data-pipeline and log analytics tool.

Its innovative, incredibly flexible self-serve ETL capability, intuitive permission management, and instant report generation ability change the logic, paces and costs of log analysis.

****We only charge for commercial service provider use and non-public development.

