

Smart Cloud Budgeting with FinOps for Red Hat Products on Microsoft Azure

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Agenda

1. Cloud marketplace value for FinOps
2. FinOps framework and the Microsoft marketplace
3. Microsoft marketplace value for you and next steps
4. Optimizing Examples – Level Up

Cloud Commits Reach \$469B

~ \$30B Added Last Quarter Alone

Customer AI and Cloud Spending Accelerate



\$195B
Commits
\$123B Run Rate
(annual revenue)



\$165.6B
Commits*
\$75B+ Run Rate

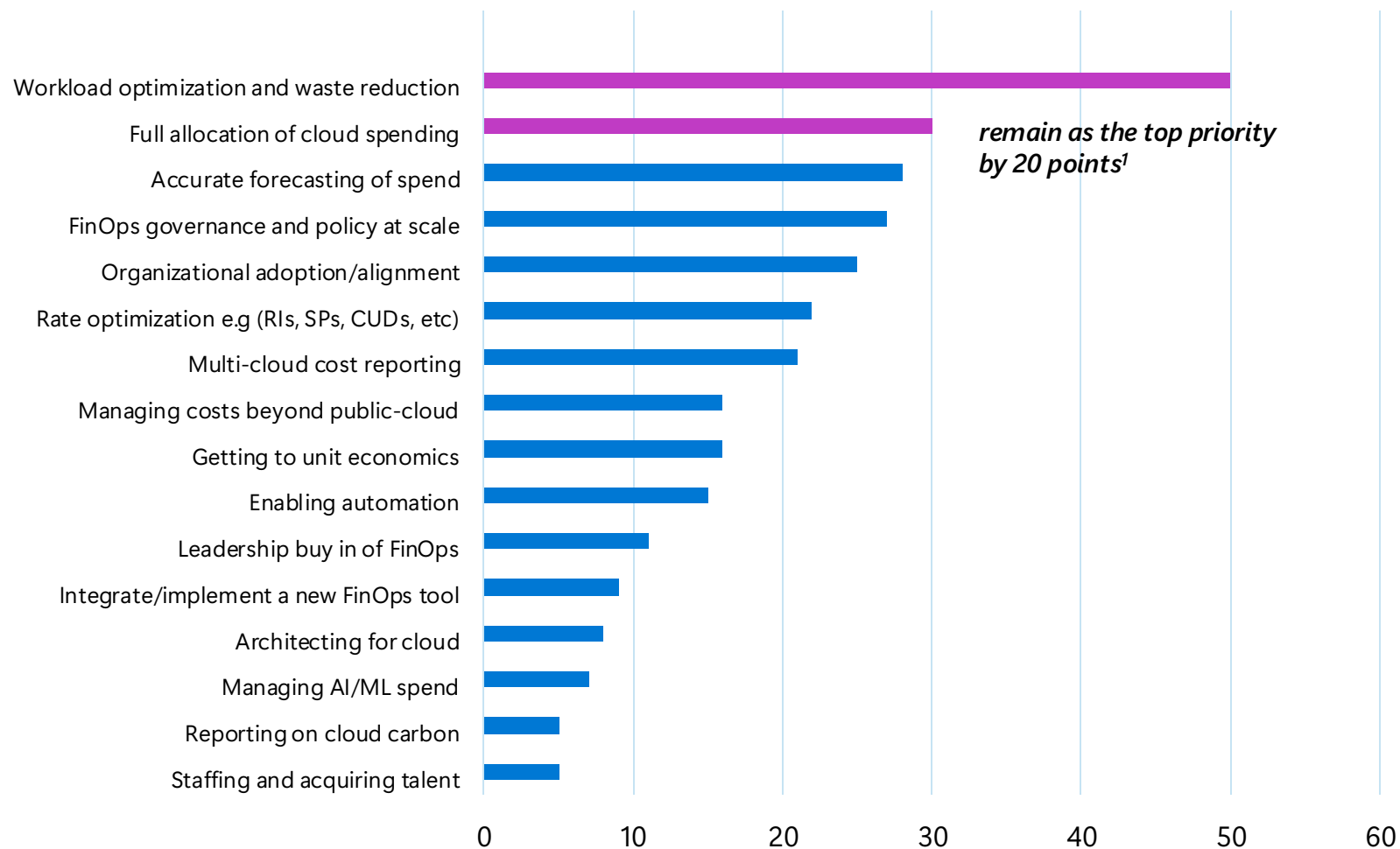


\$108.2B
Commits
\$50B+ Run Rate

Sources: Companies as of March 31, 2025; my opinion
* 45% Azure share of total commits estimate, details in the post



Optimization and full allocation, FinOps pros top of mind



Managing SaaS spend

65%

(up 25% in next 12 months)²

Managing AI spend

96%

(in next 12 months,
63% today, 31% 2024)³

1. <https://data.finops.org/library/#20313>

2. <https://data.finops.org/library/#20305>

3. <https://data.finops.org/library#20307>

FinOps ist ein operatives Framework und eine kulturelle Praxis, die **den geschäftlichen Nutzen der Cloud und Technologie maximiert**, eine zeitnahe datengestützte Entscheidungsfindung ermöglicht und durch die Zusammenarbeit von Technik-, Finanz- und Geschäftsteams finanzielle Verantwortungsübernahme schafft.

Grundsätze

-  Teams müssen zusammenarbeiten
-  Geschäftlicher Mehrwert bestimmt technologische Entscheidungen
-  Alle übernehmen Verantwortung für ihre Technologienutzung
-  FinOps Daten sollen zugänglich, aktuell und präzise sein
-  FinOps sollte zentral ermöglicht werden
-  Profitieren vom variablen Kostenmodell der Cloud



Scopes geben Praktikern den Kontext zur Anwendung des FinOps-Frameworks.



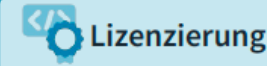
Public Cloud



SaaS



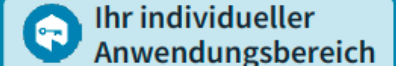
Rechenzentrum



Lizenzierung



KI



Ihr individueller Anwendungsbereich

Kern-Personas sind immer in eine FinOps-Praxis eingebunden.



IT-Ingenieure



FinOps Anwender



Finanzen



Führungskräfte



Beschaffung



Produkt

Verbündete Personas unterstützen eine FinOps-Praxis.



ITFM



ITAM



ITSM



IT Sicherheit



Nachhaltigkeit

Domänen sind die Ergebnisse einer FinOps-Praxis und **Fähigkeiten** beschreiben, wie man diese erreicht

Nutzung und Kosten verstehen



Datenerfassung



Zuordnung



Berichte und Analysen



Verwaltung von Anomalien

Quantifizierung des Geschäftswerts



Planung und Schätzung



Prognosen



Budgetierung



Benchmarking



Wirtschaftliche Einheiten

Nutzung und Kosten optimieren



Cloudarchitekturen



Cloudnachhaltigkeit



Lizenzierung und SaaS



Ratenoptimierung



Workloadoptimierung

Orchestrieren der FinOps Praxis



FinOps Praxis Betrieb



Policy und Governance



FinOps Evaluierung



FinOps Tools und Services



FinOps Fortbildung und Befähigung



Rechnungsstellung und Rückbuchung



Onboarding Workloads



Überschneidende Disziplinen

Break down silos to break down costs

1. You can't optimize costs if you don't know where they're coming from.
2. Understand how engineering teams are operating within the cloud environment.
3. There's no "easy button" when it comes to budgeting and forecasting for cloud environments – collaboration makes life easier!

Why: Shifting Market Dynamics



Customers shifting/committing spend to hyperscalers



Customers consolidating purchasing power internally



Evolving customer expectations & requirements around self-



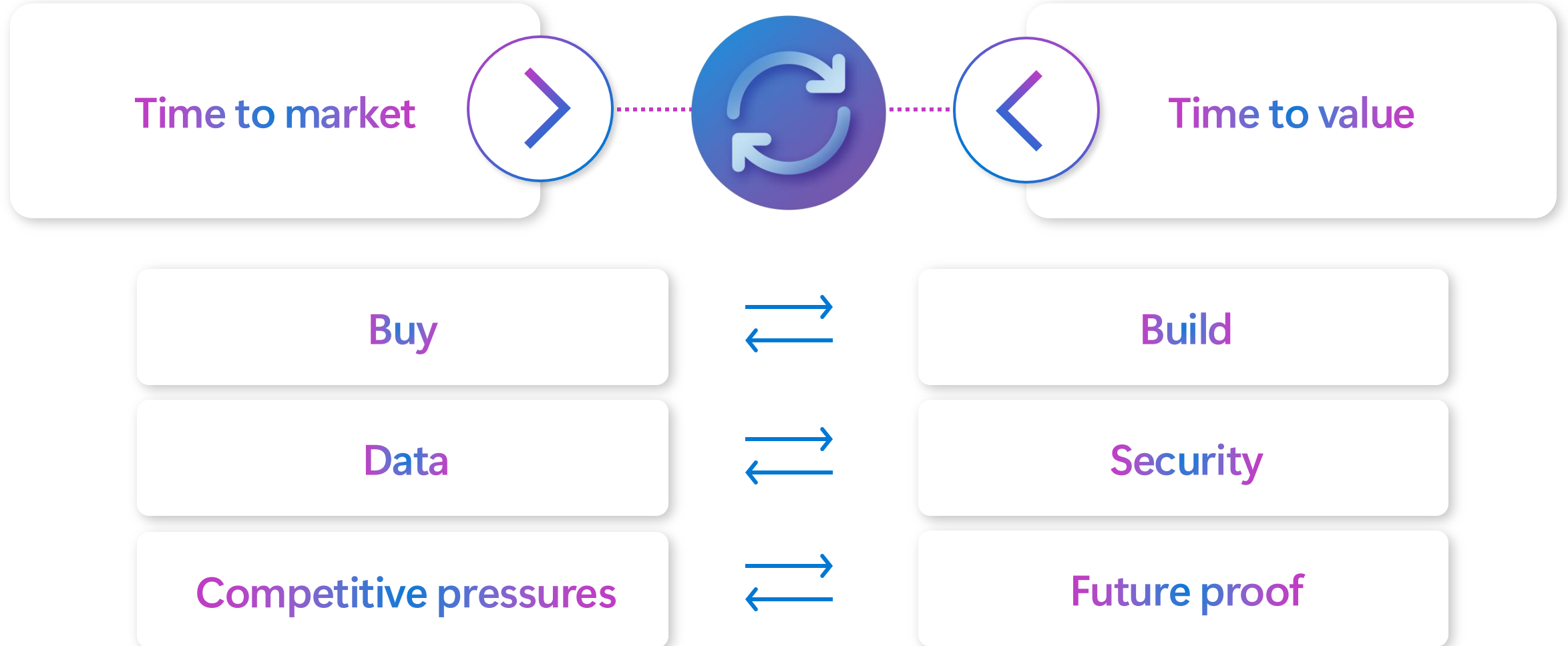
Customers demand value for volume in all routes




Flexibility demands Red Hat portfolio availability across footprints

Red Hat must be able to **offer our products where customers want** (Marketplaces), **on flexible terms** (On Demand), **at a good price** (Discounting Policies / Committed Spend)

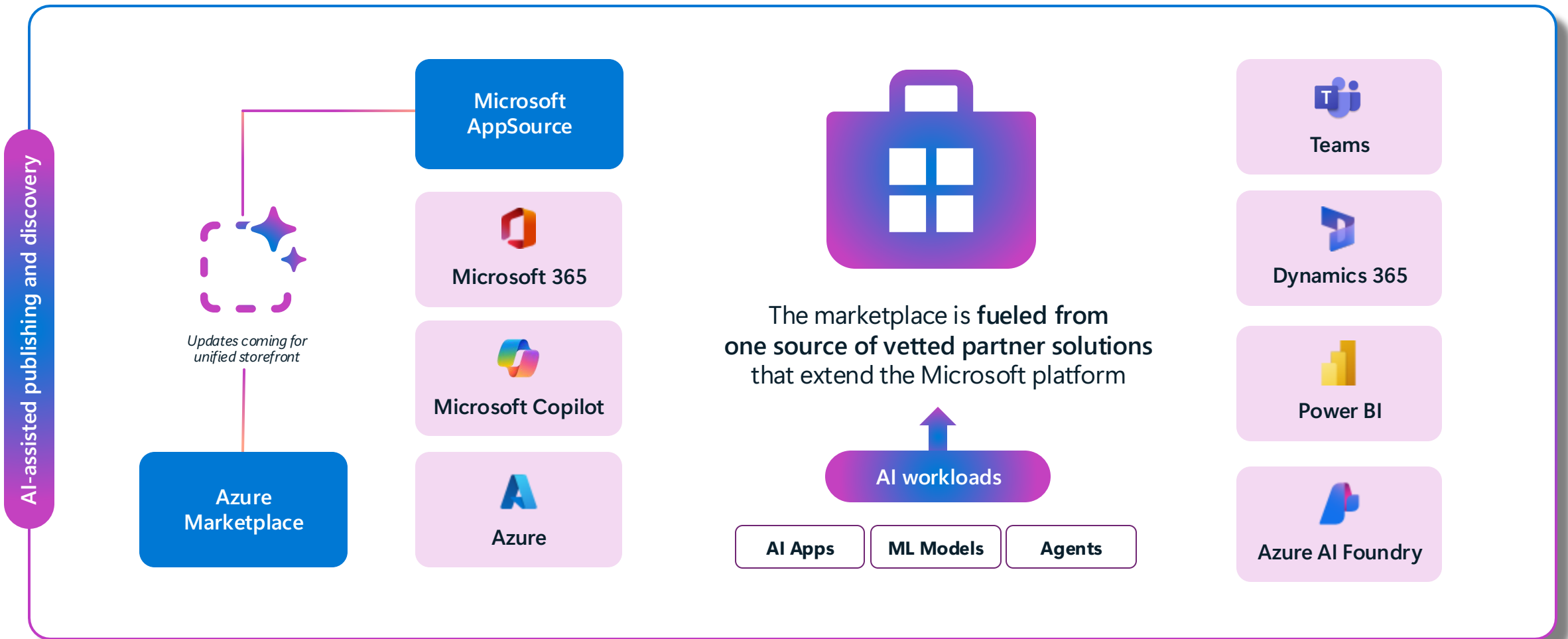
AI workloads = new challenges



The marketplace is an extension of the Microsoft Cloud

 In product experience

 Digital storefronts



Full stack software solutions from vendors you know and trust

Microsoft
marketplace catalog
continues to grow

25%

annualized increase in
available solutions

Infrastructure

Optimize your
cloud infrastructure
to maximize
investments

 citrix

 Commvault

 NetApp

 Red Hat

 vmware

AI + ML

Accelerate
innovation with
generative and
agentic AI

 AISERA

 cohere

 LangChain

 MISTRAL
AI

 Pinecone

Analytics

Store, analyze and
protect your data
at scale across
platforms + languages

 elastic

 mongoDB

 neo4j

 Profisee

 snowflake

Security

Safeguard your
business with
Microsoft vetted
solutions

 CHECK POINT

 f5

 FORTINET

 paloalto
networks

 TANIUM

Industry

Quickly find industry-
ready solutions with
certified software
designations

 Backbase

 BlueYonder

 SIEMENS

 Teladoc
HEALTH

 temenos

*Thousands of solutions count towards
Azure consumption commitments, 100%, no limit*

Understand cost and usage

FinOps capabilities



Data
Ingestion



Allocation



Reporting
& Analytics



Azure + marketplace value



Standardized
data sets

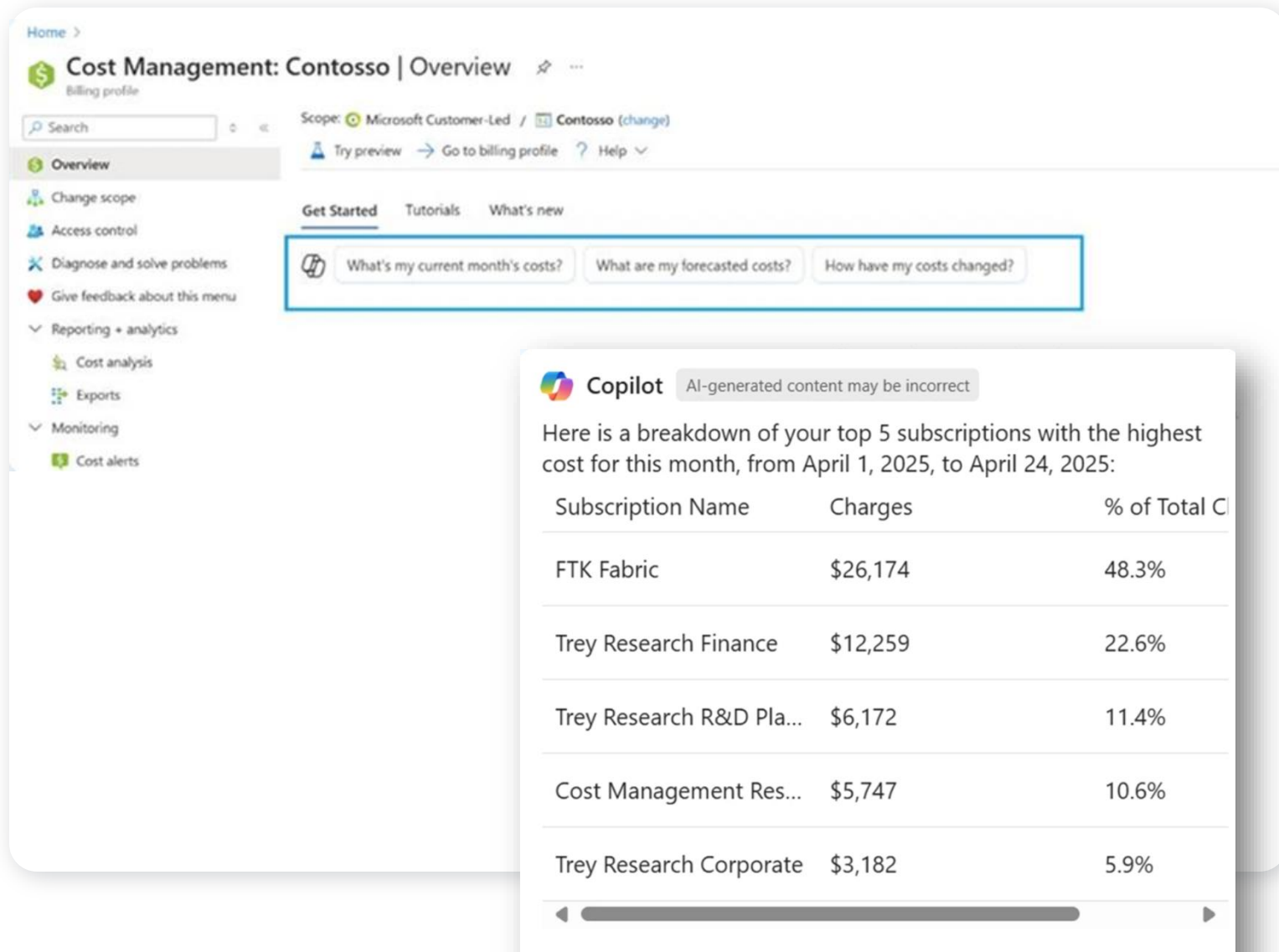


APIs and other
allocation tools



Data visualization and
cost modeling tools

Microsoft Cost Management + FOCUS™



Home > Cost Management: Contosso | Overview

Scope: Microsoft Customer-Led / Contosso (change)

Try preview → Go to billing profile ? Help

Get Started Tutorials What's new

What's my current month's costs? What are my forecasted costs? How have my costs changed?

Copilot AI-generated content may be incorrect

Here is a breakdown of your top 5 subscriptions with the highest cost for this month, from April 1, 2025, to April 24, 2025:

Subscription Name	Charges	% of Total C
FTK Fabric	\$26,174	48.3%
Trey Research Finance	\$12,259	22.6%
Trey Research R&D Pla...	\$6,172	11.4%
Cost Management Res...	\$5,747	10.6%
Trey Research Corporate	\$3,182	5.9%

All Microsoft and marketplace cloud services consolidated into Microsoft Cost Management

Summarize costs, compare usage, and isolate fluctuations using the Copilot in Azure preview

Azure workload and resource tagging aligned to FOCUS™ for further analysis

Quantify business value

FinOps capabilities



Planning &
Estimating



Budgeting



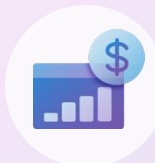
Forecasting



Azure + marketplace value



Single view
for Cloud+



Cost modeling to
align to budgets



Cloud consumption
plans and forecasts

Microsoft Azure Consumption Commitment

Home > Cost Management + Billing > ContosoBillingAccount (1111111)

ContosoBillingAccount (1111111) | Credits + Commitments

Billing account

Search (Ctrl+/) << Feedback

Overview

Access control (IAM)

Billing scopes

Cost Management

Cost analysis

Cost alerts

Budgets

Advisor recommendations

Billing

Usage + charges

Credits + Commitments

Invoices (preview)

Reservation transactions

Departments

Accounts

Products + Services

Azure subscriptions

Reservations

Credits **Microsoft Azure Consumption Commitment (MACC) - Preview**

Remaining commitment

0.00 USD

You have used 250.00 USD of 250.00 USD

■ Consumed ■ Balance

Details

ID	E20210728167360000916
Purchase date	8/2/2021
Start date	10/1/2020
End date	5/31/2023
Commitment Amount	250.00 USD
Status	✓ Complete

Useful links

[MACC and Credits](#)

[How MACC works](#)

[MACC Eligible products](#)

Events

View transactions related to your Microsoft Azure Consumption Commitment balance.

search

Date ↑↓	Description ↑↓	MACC decrement ⓘ ↑↓	Remaining commitment ↑↓
04/01/2021	Balance after invoice 98800648...	USD 250.00	USD 0.00

100% match for Azure benefit eligible solutions—no limit

85%+ of customers with consumption commitments use the marketplace

3,500+ Azure benefit eligible solutions, 29% annualized increase

Marketplace + MACC matching options

Shop yourself

Must be authenticated
in Azure for filter to surface
—AI discoverability tools



Azure benefit eligible

Get the list

Message your account
representative to get
the list (date stamped)

Send the list

Send your list of software
products to Microsoft
and get help matching

Filter [Alle löschen](#)

🔍 Suchfilter

▾ Produkte

▾ Kategorien

▾ Branchen

▾ Preismodell

▾ Bewertungen

▾ Betriebssystem

▾ Herausgeber

▾ Compliance ⓘ

☐ Copilot-Agents ⓘ☒ Für Azure-Nutzen berechtigt ⓘ

Suchergebnisse für "Red Hat"

Es werden 250 Ergebnisse in apps angezeigt. [Suche löschen](#)↕ Sortieren nach: Beste Übereinstimmung ▾

Für Azure-Nutzen berechtigt ✕

Red Hat Subscriptions
for Azure Red Hat...

Red Hat Inc

☁ SaaS

RHACS, RHACM, JBoss EAP, Runtimes,
RHAF, OpenShift AI Subscriptions for
Azure Red Hat OpenShift

Ab 1.000.000,00 \$/1 - Jahr

Jetzt abrufen

Red Hat OpenShift
Container Platform

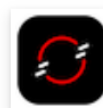
Red Hat Limited

💻 Virtual Machines

Red Hat OpenShift is the leading
enterprise Kubernetes platform, built
for an open hybrid cloud.

In Ihrer Region nicht verfügbar

Jetzt abrufen

Red Hat OpenShift
Container Platform

Red Hat Inc

💻 Virtual Machines

Red Hat OpenShift is the leading
enterprise Kubernetes platform, built
for an open hybrid cloud.

★ 4.6 (282 Bewertungen)

Ab 0,1222 \$

Jetzt abrufen

Red Hat Ansible
Automation Platform o...

Red Hat Inc

🌐 Azure Applications

Red Hat Ansible Automation Platform
on Microsoft Azure, orchestration and
automation at scale.

★ 4.7 (354 Bewertungen)

Ab 880,00 \$/Monat

Jetzt abrufen

Red Hat OpenShift
Subscriptions for Azure...

Red Hat Limited

☁ SaaS

Red Hat Enterprise Linux
Subscriptions for Azure...

Red Hat Limited

☁ SaaS

Red Hat Enterprise Linux
Subscriptions for Azure...

Red Hat Inc

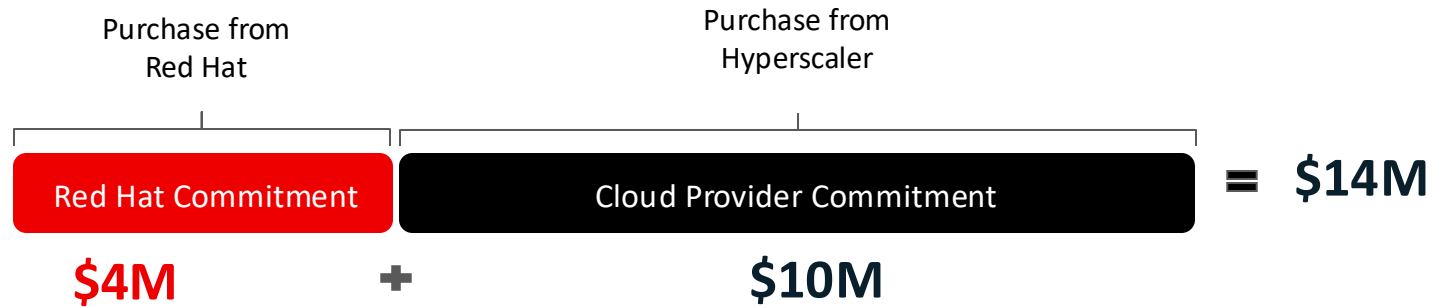
☁ SaaS

Red Hat Ansible
Automation Platform o...

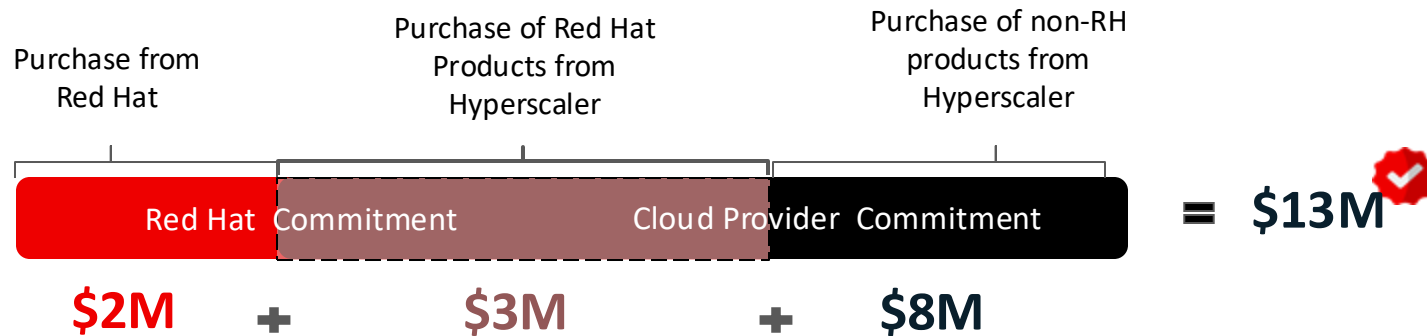
Red Hat Limited

🌐 Azure Applications

Traditional



Committed Spend



Customers **get more out** of procuring trusted Red Hat products from the public cloud **with Committed Spend**

Red Hat Committed Spend Program available in two modules

both use existing HCS workflows for scale

***New**

**Essential
Committed Spend (ECS)**

New/Growing Customer
Looking for Flexibility

\$500k

Requires:
Commitment, not prepaid -
50% Upfront Purchase (of Y1)

1 year minimum (ideally 2+)

**Hybrid
Committed Spend (HCS)**

Top Strategic Customers

\$2M+

Requires:
Commitment, not prepaid -
50% Upfront Purchase (of Y1)

1 year minimum (ideally 3)

Optimize usage and costs

FinOps capabilities



Architecture
for Cloud



Licensing &
SaaS



Rate
Optimization



Azure + marketplace value



Enterprise-ready
architecture



Easily scale as
needs change



Private offers,
cloud credits



Marketplace private offers

Use **private offers** to negotiate exactly what you need



Flexible billing

70+ scenarios like quarterly, bimonthly billing—and more



Standardized T&Cs

Process and approve faster by asking vendors to adopt standard T&Cs

Ask vendors to adopt your T&Cs or use the Microsoft standard contract



Multiyear contracts

Get negotiation power and secure pricing with up to 5-year contracts

Engage with software vendor or extend to your channel partner* to source on your behalf

You receive a private offer with your agreed upon terms and payment schedule

Eligible purchases count towards Azure consumption commitments

*Channel partner can support via multiparty private offers—currently available to customers in Canada, the United Kingdom, and the United States

Azure Red Hat OpenShift (ARO)

A jointly supported, turnkey application platform native to Azure.



Accelerate time to value

Quickly build, deploy, and run applications that scale as needed.



Operational efficiency

Enhance operational consistency, efficiency and security with proactive management and support.



Focus on innovation

Simplify operations so your teams can refocus on innovation, not managing infrastructure.



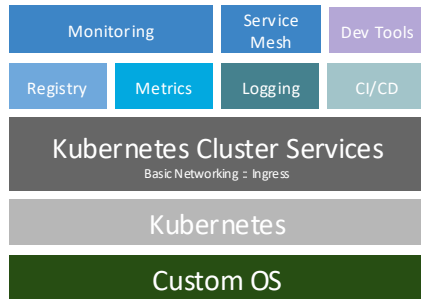
Hybrid cloud flexibility

Deliver a consistent experience on premises and in the cloud.

Build and run a platform versus using a turnkey Cloud Service like ARO on Azure



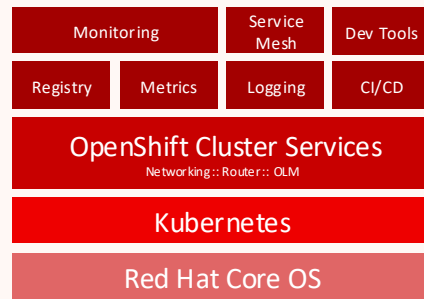
The Parts



AKS + 'native' services



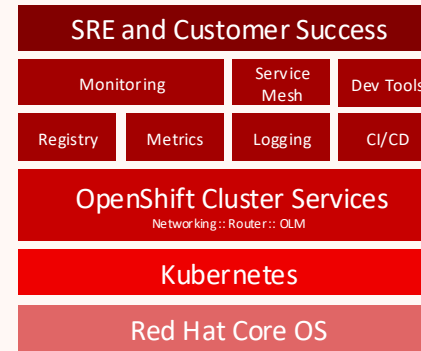
The Assembled Car



- Application Platform -
Self-managed Red Hat OpenShift



The Car & Pit Crew - ARO



- Turnkey Application Platform -
Red Hat OpenShift cloud services

"Batteries Included"

... but swappable

Individual components can be swapped out

- Using Azure Monitoring
- Use specific cloud services or ISV offerings

Reserved Instance for ARO

Azure Red Hat OpenShift

[Give feedback](#)

Region:

Germany West Central

Version:

Red Hat OpenShift 4

Worker Nodes

Category:

All

Instance series:

Dsv3-series

INSTANCE: [\(Need help finding the right VM?\)](#)

D4s v3: 4 vCPUs, 16 GB RAM, 32 GB Temporary storage, US\$0.230/hour

3

Worker Nodes

×

730

Hours

Savings options

Licence

☒ Pay as you go

Reservations ⓘ

☐ 1 year reserved (~33% savings)

☐ 3 year reserved (~56% savings)

US\$374.49

Average per month

(US\$0.00 charged upfront)

Virtual Machine

☒ Pay as you go

☐ 1 year reserved (~42% savings)

☐ 3 year reserved (~62% savings)

US\$503.70

Average per month

(US\$0.00 charged upfront)

=

US\$878.19

Average per month

(US\$0.00 charged upfront)

Manage the FinOps Practice

FinOps capabilities



Policy &
Governance



Invoicing &
Chargeback



Workload
optimization



Azure + marketplace value



Extends Azure
permissions

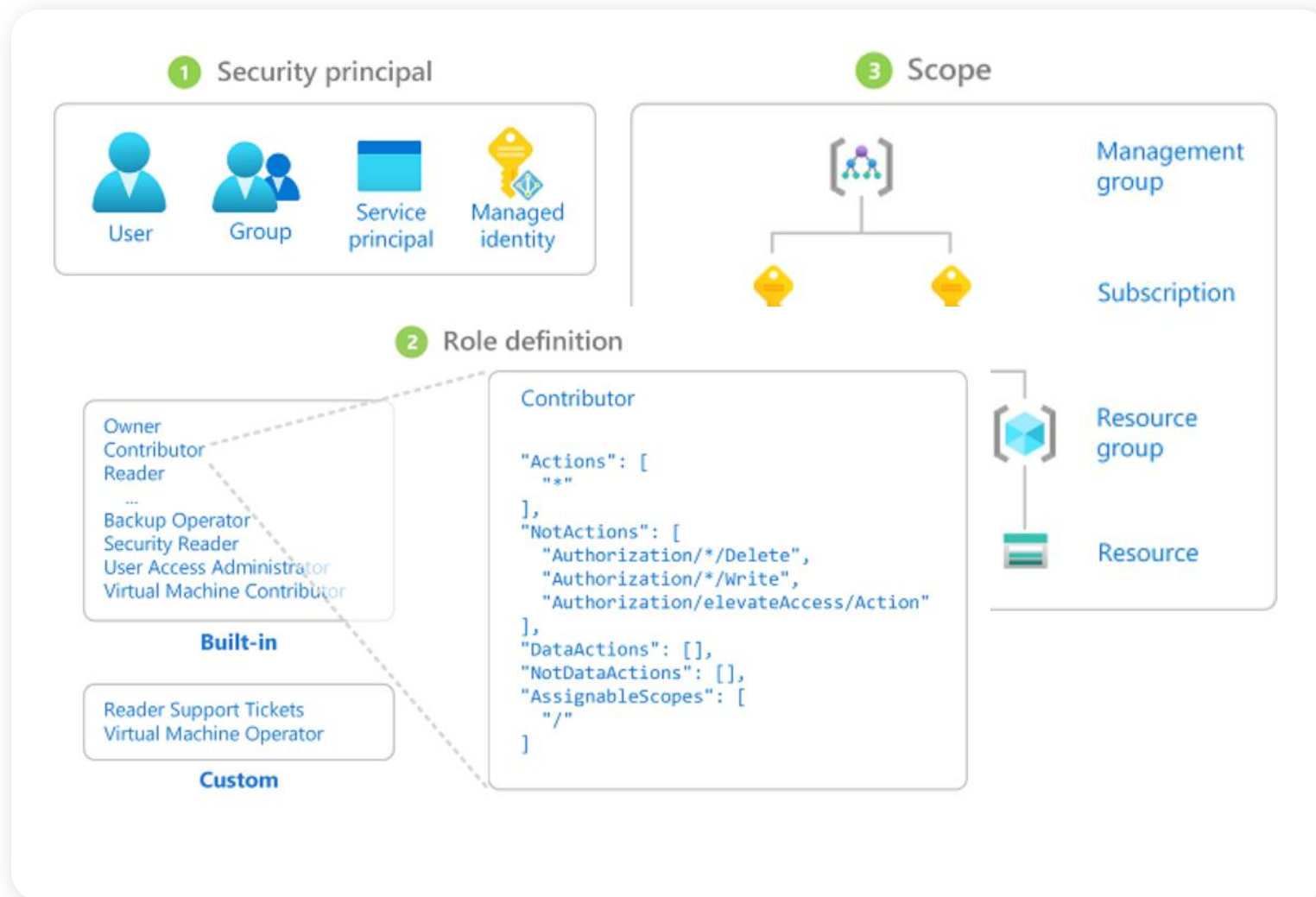


Standardized
processes



Tooling for
cloud efficiency

Azure role-based controls + private marketplace



Prevent shadow IT knowing that the marketplace aligns to Azure role-based controls

Increase governance by building a ringed fence of pre-approved solutions with a private marketplace

Know that vendors are validated by Microsoft and held to publisher agreement

Suggested next steps to incorporate the Microsoft marketplace as FinOps practitioners

Low Azure adoption

High Azure adoption

**Test the waters
with trials or low
cost PAYG offers**

1. Prevent rogue dev tools, simplify with the marketplace
2. Work with IT to deploy select PAYG solution(s)
3. Evaluate benefit, consider Microsoft contract

**Streamline your
cloud estate with
renewals**

1. Flag software contracts due for renewal
2. Move contract(s) to the marketplace
3. Evaluate benefit, consider an Azure commit

**Fulfill your
existing
Azure contract**






1. Identify shortfall, identify software need(s)
2. Evaluate solutions that offer 100% match
3. Fulfill commit to earn discounts on Azure infra

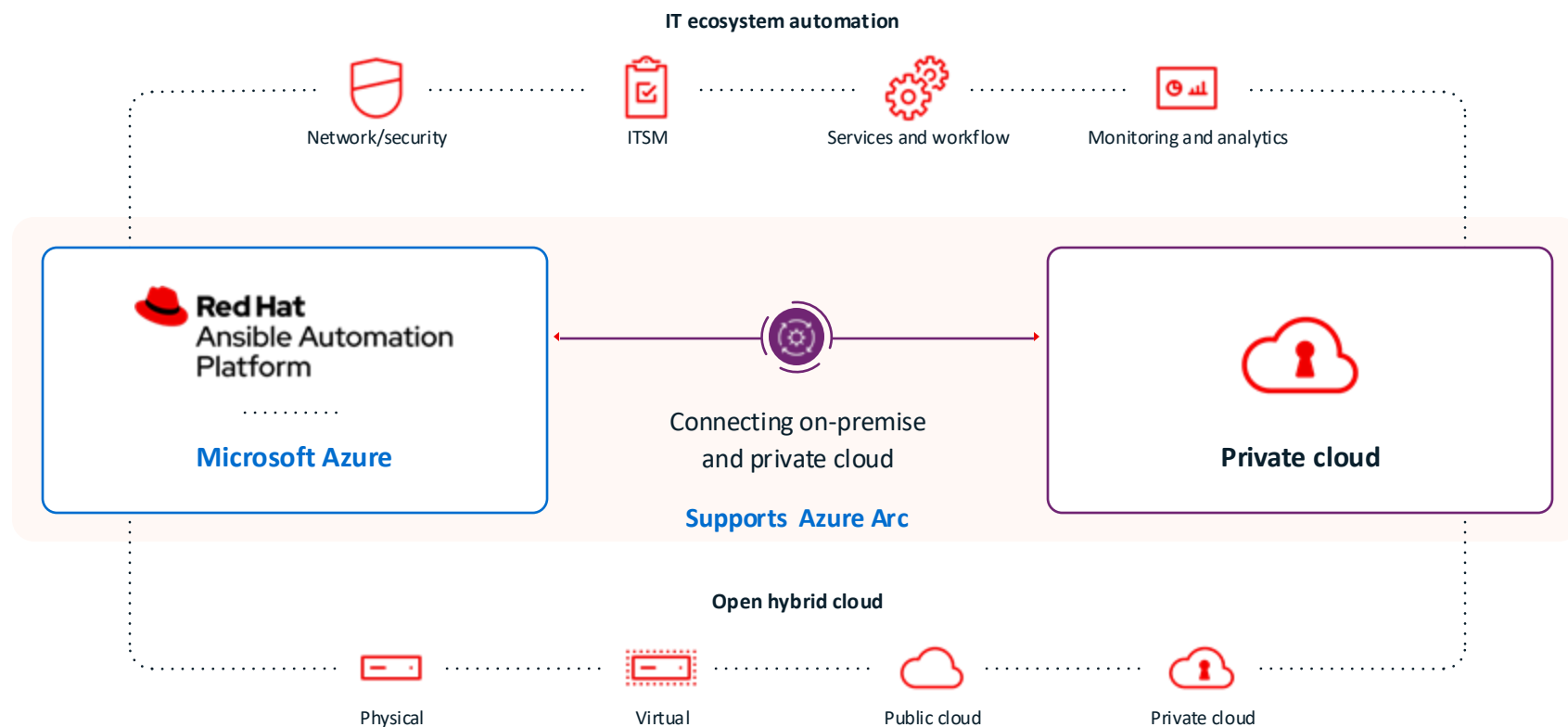
**Strategically
design your next
Azure contract**

1. Evaluate Azure needs and other cloud workloads
2. Map the solutions that offer 100% match
3. Design Azure cloud commit for further cost optimizations

Red Hat Ansible Automation Platform on Azure Marketplace

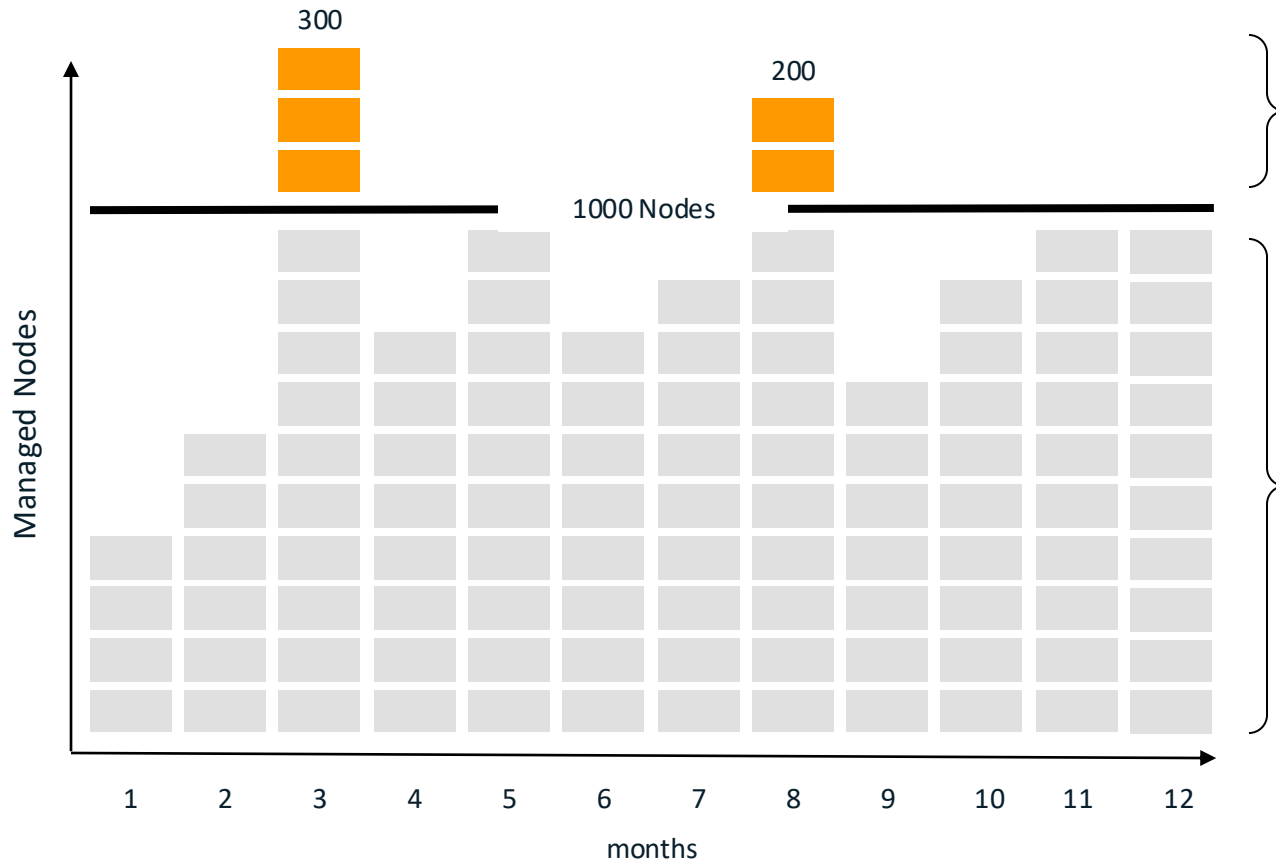
Managed application experience

-  **Runs in your Azure cloud**
-  **Fully installed and integrated**
-  **Fully supported by Red Hat**
-  **Integrated to Microsoft Azure billing**
-  **Counts toward spend agreements**



Example of a Contract with Pay-as-you-go

Example: 1000 Managed Nodes annual contract

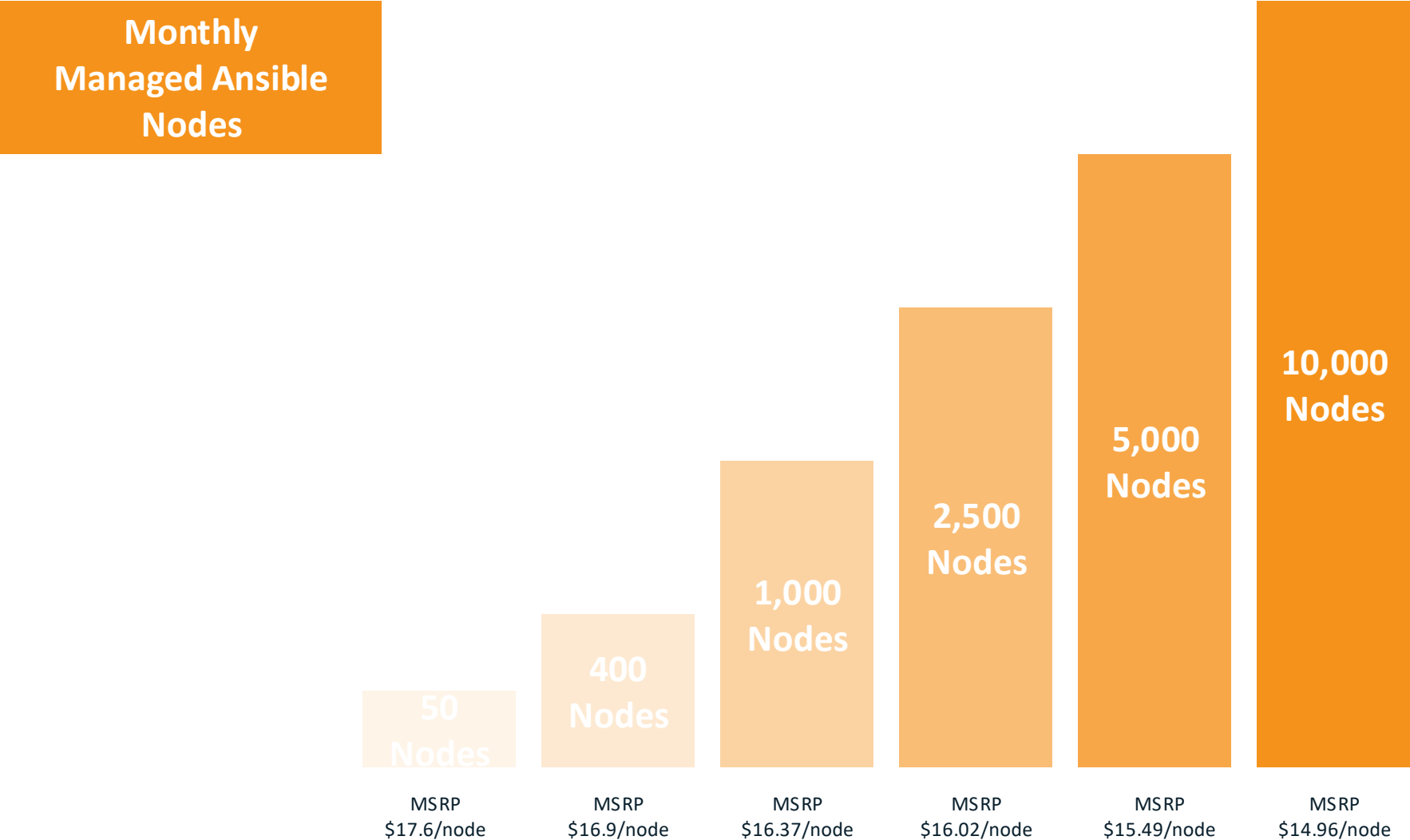


Each Additional Node Counted
and Billed Individually
(monthly)

The number of nodes
automated at-or-below the
floor are always billed at the
floor rate **(annually)**

1 Year Contract Term

Possible Node Tiers for Pay-Go



Level Up OpenShift for cloud services



Level Up Program for existing OpenShift Customer



Red Hat
Level Up Programs

Proof of Concept

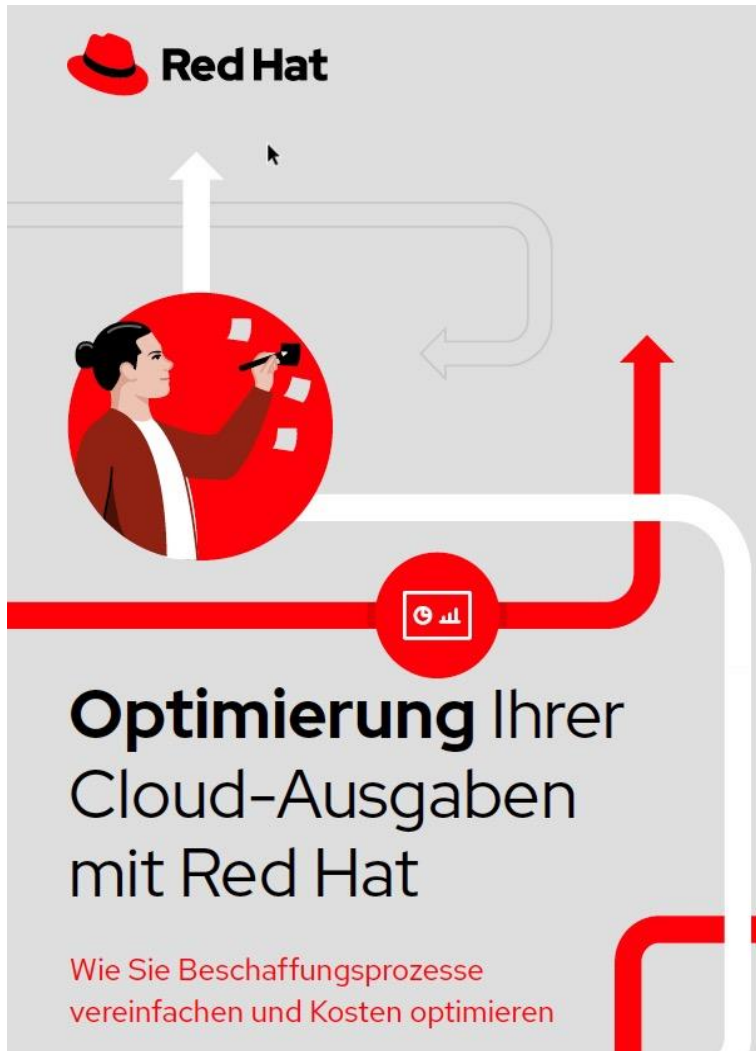
Try OpenShift cloud services ARO as a 60 day no-cost Proof of Concept (PoC) in a Red Hat-provisioned environment or customer environment*

Discount Program

Purchase OpenShift cloud services licenses at a special 75% discount up to the amount of customer's **unused OCP subscriptions**

*Option to run ARO in customer's Azure account. Account team must contact Microsoft account representative and apply for subscription and infrastructure costs to be covered by Microsoft. Environment will persist post-trial.

E-Book download



<https://www.redhat.com/en/resources/maximize-azure-cloud-spend-ebook>

Q & A