The Business Value of Aligning Cost Optimization, Observability, and Automation

IDC found that organizations that deployed application performance monitoring or hybrid cloud cost optimization tools were able to use automation to reduce the complexity and cost of managing hybrid applications. Through greater staff productivity, less downtime, reduced IT costs, and business enablement, IDC calculated that interviewed organizations achieved a total average annual benefit of **$34.4 million per year**, resulting in a **three-year ROI of 419%**.

KEY RESULTS

$6.6 million
average annual benefit per 100 applications

419%
three-year ROI

7.7-month
payback period

BENEFITS SPECIFIC TO APPLICATION PERFORMANCE MONITORING

⬆ **25%** more efficient IT administration and management

⬆ **21%** more productive IT engineers

⬇ **22%** fewer issues to troubleshoot per week

CUSTOMER QUOTE (GOVERNMENT ORGANIZATION):

"Without a doubt, the most significant benefit of APM is issue detection. With APM we were able to achieve rapid detection of bottlenecks by virtue of the granularity of detail provided. This enabled very quick identification of root causes of issues, and therefore a reduction of time to resolution."

BENEFITS SPECIFIC TO HYBRID CLOUD COST OPTIMIZATION

⬇ **8%** reduction in cloud spend

⬆ **20%** more efficient IT infrastructure team

⬆ **14%** more productive business architects

CUSTOMER QUOTE (FINANCIAL SERVICES ORGANIZATION):

"The benefit of hybrid cloud cost optimization is clearly infrastructure and cost optimization. My organization was able to get rid of the headache of physical machines and maintaining the operational effectiveness of the environment in person."

BENEFITS OF BOTH IT AUTOMATION TOOLS

⬆ **13%** more productive DevOps/DevSecOps

⬇ **42%** fewer unplanned outages per year

⬇ **17%** fewer instances of application degradation

CUSTOMER QUOTE (RETAIL ORGANIZATION):

"My organization is more efficient as far as IT processes and the general business operations. It is not only a matter of the speed and connectivity, but now we try to accomplish as much as we can in the cloud. We also have better automation now because the cost is lower from redundancy. So, if we have to bring a physical server or VM down for a certain process, it will not impact the downtime to a certain department or certain group of users. Also, now having the transition between the hybrid cloud, we can make automation easier, faster, and smoother because we cut downtime."

Message from the Sponsor

For more information on IBM IT Automation tools, visit
https://www.ibm.com/products/turbonomic/integrations/instana-observability.

Read the full white paper