Azure Cost Management

Demo Script

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# Introduction

Azure makes it easy to build and deploy cloud solutions. However, it's important that those solutions are optimized to minimize cost to an organization. **Azure Cost Management** gives you the tools to plan for, analyze and reduce wasted spend to maximize cloud investment. This document provides you with a Cost Management walkthrough and highlights the features available to you, in addressing an organization’s cost challenges. The goal of the Azure Cost Management demo script is to familiarize you with the tools, so you will feel comfortable demo’ing to a customer.

### Talking Point

Objective provide visibility into my Azure spend with the ability analyze, monitor and optimize my Azure [and AWS] costs.

# Demo Setup Steps

The demo displays best at **1080p** resolution in **Microsoft Edge** or **Google Chrome.**

1. Start the demo:
   1. In **Microsoft Edge** or **Google Chrome** navigate to <http://aka.ms/costmgmt/>
   2. Login as the following demo account:
      * U: [demo@testea.onmicrosoft.com](mailto:demo@testea.onmicrosoft.com)
      * P: Azdm##1!

# Azure Cost Management Overview Demo Steps

| **Script** | **Click Steps** | **Screenshots** |
| --- | --- | --- |
| With 1-click, you can see a summary view of my accumulated costs to date …  …and get a quick, at-a-glance view of my costs broken down by service, location, and enrollment account name (or Resource groups for non-billing account scopes.)  Notice that I can drill into data and pivot on different attributes to get a holistic picture of my primary cost drivers. | From the Cost Management overview   1. Click on **Cost Analysis** (*Focus on the main chart*) 2. Click on the **Scope** pill *(top left)* and select the **Contoso (Demo) (8608480)** EA enrollment   *Point out the pie charts*  *On the 1st pie chart*   1. Click virtual machines slice in the pie chart 2. Click the ***Group By*** pill at the top and select **MeterSubCategory** | A screenshot of a cell phone  Description automatically generated |
| Or group by and filter common resource properties to further break down costs and refine my view.  Notice that I can filter to identify my tagged environments’ and their related cost. | 1. Click the ***Group By*** pill and select **Tag** 2. For the tag’s key choose **env** |  |
| If I need to identify anomalies or analyze finer-grained trends **across my enrollment**, I simply switch from the accumulated view to a daily view**..** | 1. Click **Granularity** pill and select **Daily** 2. Click the ***Group By*** pill and select **Service name** 3. Click on the **Chart type selection** *(right side)* and choose **Column (stacked)** |  |
| Not only can I view my costs at the enrollment level, I can also delve into costs at a subscription level to delve into a particular subscription’s expenses  Notice that I can set budgets on Subscriptions or Resource Groups to ensure that the teams stay within the allotted financial constraints. | 1. Click on the **Scope** pill *(top left)* and click on the **Microsoft (root)** 2. click on **Trey Research** andthenselect the **Trey Research R&D Playground** management group   *Point out the budget line from the MONTHLY budget dotted red line* |  |
| I can also flip to a daily view, and I can see I'll definitely be over-budget by the end of the month, if I don't act now..  My organizations uses resource groups to partition and cross-charge teams, so I want to determine which team or teams are overspending…  Notice that most of the cost is from two resource groups – *webscreener* & *synthlab* | 1. Click **Granularity** pill and select **Daily** 2. Click on the **Chart type selection** *(right side)* and choose **Column (stacked)** 3. Click on **Group by** and choose **Resource Group Name** |  |
| The *webscreener* is expected to utilize most of the budget, but the cost coming from the *synthlab* is a surprise.  Notice that a majority of the cost is coming from a virtual machine…  Notice that the cost appears to be from a d8 v3 Virtual machine.Top of Form  Bottom of Form | 1. Click on the *synthlab* resource group on the stack chart 2. Click on **Group by** and choose **Meter Category** 3. On the 1st pie chart*,* Click the dropdown to select **Meter** |  |
| A d8 VM, is **way** overpowered for workloads being run in *synthlab.* There must be a more cost effective option…..  I’ll see if there is an Advisor recommendation for the *synthlab* virtual machine. | 1. In the Cost Management menu, click on **Advisor recommendations**. 2. Click on **Right-size or shutdown underutilized virtual machines** |  |
| Notice that Advisor has flagged this VM as underutilized and suggested either to downsize it to a less expensive VM or to shut it down whilst it’s unused….  Since I don’t have the permissions on the resource, I’ll just send the details (attached PDF) over to the *synthlab* admin to either shutdown or resize the VM…  *Mention that Azure Advisor also has cost savings recommendations on unprovisioned ExpressRoute circuits, Idle VPN gateways and Reserved Instance (RI) purchases to surface additional savings.* | 1. On the second dropdown, select **Group by resource group**   *Point out the SynthDriver1 VM*  *Point to the Download as PDF link* |  |
| If I really want to ensure that the *synthlab* stays withina certain allotted budget range, I can create a budget specifically for their resource group. | 1. Click on **Cost Management + Billing** from the Azure portal menu (*on left hand side*) 2. Click on **Cost Management** from the menu items 3. Click on **Budgets** 4. Click on the **Scope** pill *(top left)* and click on **Trey Research R&D Playground**, then selectthe*synthlab* resource group |  |
| Notice that I can configure budget options to fiscally constrain the *synthlab* team. I can also set an alert thresholdand add in email aliases of alert recipients.  *No need to create the budget, just point out the options* | 1. On the Budgets menu, click **Add** 2. Click **X** to close the budget dialog |  |
| You can also see any cost alerts that are generated in the Cost Alerts view…  This will allow you to see who is nearing or exceeding their budgets in an aggregated view…. | *Back on the Budgets menu*   1. Click on the **Scope** pill and navigate back to and select the **Trey Research R&D Playground** subscription. 2. Click on **Cost Alerts** from the left-hand menu |  |
| Speaking of aggregated views, lets look at some of the new features in Cost Analysis, that highlight where your cost is being spent….  You can see that this will give you an at-a-glance view into which resources utilization and their associated costs…. | 1. Click on **Cost Analysis** from the menu items 2. Click on the **Scope** pill and navigate back to and select the **Contoso (Demo) (8608480)** enrollment. 3. In the date picker pill, select **This quarter** 4. In the **Custom view** drop down, select **Cost by service** |  |
| If you want to delve deeper, you can select a detailed view which includes associated resource information in a tabular format…. | 1. Select the **Cost by service** dropdown and select **Cost by Resource** |  |
| If you’d like, you can export the data, either to present outside of the Azure portal (e.g. Power BI, etc..)..  You can download the current view of your data to a CSV, or you can also schedule an automated reoccurring export of the data. | 1. Click on **Export** action button   *Point out the export options* |  |

# Azure Cost Management Cross Cloud (AWS) Demo Steps

With Amazon Web Services Cost and Usage report integration, you can monitor and control your AWS spending in Azure Cost Management. The integration allows a single location in the Azure portal where you can monitor and control spending for both Azure and AWS

| **Script** | **Click Steps** | **Screenshots** |
| --- | --- | --- |
| With 1-click, you can see a summary view of my accumulated costs to date cross clouds (Azure & AWS) …  …and get a quick, at-a-glance view of my costs broken down by service, location, and linked account name  Notice that I can drill into data and pivot on different attributes to get a holistic picture of my primary cost drivers. | From the Cost Management overview   1. Click on **Cost Analysis** (*Focus on the main chart*) 2. Click on the **Scope** pill *(top left)* and select the **Cloudyn Software Ltd.** AWS Consolidated account   *Point out the pie charts*  *On the 1st pie chart*   1. Click **elastic compute cloud** slice in the pie chart 2. Click the ***Group By*** pill at the top and select **Meter subcategory** |  |
| Or group by and filter common resource properties to further break down costs and refine my view.  Notice that I can filter to identify my tagged environments’ and their related cost. | 1. Click the ***Group By*** pill and select **Tag** 2. For the tag’s key choose **stack** |  |
| If I need to identify anomalies or analyze finer-grained trends **across my consolidated account**, I simply switch from the accumulated view to a daily view**...** | 1. Select **Daily costs** from the view dropdown 2. Click the Group by pill and select **Resource type** |  |
| Not only can I view my costs at the consolidated account level, I can also delve into costs at a linked accounts level to delve into an account’s expenses  Notice that I can set budgets on consolidated account or linked accounts to ensure that the teams stay within the allotted financial constraints. | 1. Click on the **Scope** pill *(top left)* and click on the **Microsoft (root)** 2. click on **Trey Research** andthenselect the **Trey Research R&D Playground** management group   *Point out the budget line from the MONTHLY budget dotted red line* |  |
| You can view cross-cloud spends by selecting a management group scope,  Management groups is the only scope type that can host diverse types (offerIDs) of subscriptions and an AWS linked account | 1. Click on the **Scope** pill *(top left)* and click on the **Microsoft (root)** 2. click on **Cloud + AI Platform->Commerce + Ecosystems ->Azure Commercial Engineering Group** andthenselect the **Azure Cost Management** management group 3. Click the Group by pill and select **Provider** |  |
| Budgets for AWS scopes (consolidated account and linked account) works the same way it works for EA and Subscription  You can also place a budget on a management group that contains Azure and AWS accounts  Cost alerts aggregate alerts at different scopes, and allow you to investigate and remediate the alert | 1. Click on **Cost Management + Billing** from the Azure portal menu (*on left hand side*) 2. Click on **Cost Management** from the menu items 3. Click on **Budgets** 4. Click on the **Scope** pill *(top left)* and click on **Cloudyn Software Ltd.** 5. Click on **Cost alerts** |  |

Please note, the following features do not support AWS scopes

* Azure Advisor – we do not provide AWS Trusted Advisor recommendations report
* Scheduled Export – only export to CSV/Excel from cost analysis blade is supported

# Azure Cost Management Showback (Private Preview)

ACM Showback feature set is handling several scenarios where billing account owners would like to reflect different costs to their consumers, different from what the cloud provider charged them.

During the preview we are providing the ability to set a single markup/markdown with a scope-based filter, and to set a single cost allocation rule to distribute shared cost to it consumers.

Our Showback solution is running on the fly, meaning that we do not persist the Showback results, we calculate them when the request is coming. Therefore, they immediately active after the rule creation.

To access the preview, use this URL: <https://aka.ms/showback/latest>

Please note EA’s need to be whitelisted beforehand by Dev

| **Script** | **Click Steps** | **Screenshots** |
| --- | --- | --- |
| **Custom Price**  Custom price is working on 1st party charges only  After opening the Showback blade I would duplicate the browser tab two times.  In the first tab open Cost Analysis on the EA scope. In this tab we will show that billing account scopes are **never** affected by showback rules, it always shows the cost as it was charged by the provider  In the second tab open Cost Analysis on Department **ACM.** in this tab we will show the rule impact  All scopes below this billing account will be impacted including subscriptions, resource groups.  All feature of ACM should support this rule, including Budget, Forecast, Exports | From the Cost Management Menu select Showback (Preview)   1. Select the EA billing account (**8608480**) scope 2. In the Default custom price enter **50%** in section 2 3. Save 4. Go to the first duplicated tab (EA scope) and select the refresh button. Cost does not change 5. Go to the first duplicated tab (Department scope) and select the refresh button. Cost is **50%** higher |  |
| **Cost Allocation**  In this scenario we are going to move cost from 2 subscriptions to 4 other subscription under a single billing account  The preview feature of the create experience is very useful in explaining what will happen after we create the rule, after selecting the Cost to allocate and the Targets play with the policy to see different ways to distribute the cost to allocate | From the Cost Management Showback (Preview) blade   1. Make sure the EA billing account (**8608480**) scope is selected 2. Click the add button to add a new Cost allocation rule 3. Give rule a name 4. In the **Cost to Allocate** select Subscription and **Trey Research R&D Playground, Trey Research R&D Production** 5. In the **Targets** select Subscription and **Trey Research Corporate, Trey Research Finance, Trey Research HR, Trey Research IT** 6. In the **Policy** select Distribute evenly, review the Targets pie 7. In the **Policy** select Proportional to Total cost, review the Targets pie | Distribute evenly    Proportional to total cost |
| **Cost Allocation in Cost Analysis**  In preview we are still missing the ability to group by and filter by IsAllocate dimension, to distinguish between original cost and allocated cost  After opening the Showback blade I would duplicate the browser tab two times.  First tab with one of the Cost to Allocate subscriptions and I will note the Resource Types  Second tab with of the Targets subscriptions grouped by Resource Type | From the Cost Management menu open Cost analysis blade   1. Make sure the EA billing account (**8608480**) scope is selected 2. Move to the first duplicated tab with **Trey Research R&D Production** (was selected as Cost to Allocate) as the scope 3. Note the list of Resource Types 4. View total cost, should be 0 5. Move to the first duplicated tab with **Trey Research Finance** (was selected as Target) as the scope 6. Group by resource type to see new resource types cost that came from **Trey Research R&D Production** |  |

# Additional Information & Links

* Azure Cost Management Documentation - <https://docs.microsoft.com/en-us/azure/cost-management/>
* Understand Cost Management data - <https://docs.microsoft.com/en-us/azure/cost-management/understand-cost-mgt-data>
* Azure Cost Management Best practices - <https://docs.microsoft.com/en-us/azure/cost-management/cost-mgt-best-practices>
* Azure Cost Management APIs - <https://docs.microsoft.com/en-us/rest/api/cost-management/>
* Azure Advisor cost savings recommendations - <https://docs.microsoft.com/en-us/azure/advisor/advisor-cost-recommendations>
* Set up and configure AWS Cost and Usage report integration - <https://docs.microsoft.com/azure/cost-management/aws-integration-set-up-configure>
* Manage AWS costs and usage in Azure - [https://docs.microsoft.com/azure/cost-management/aws-integration-manage](https://nam06.safelinks.protection.outlook.com/?url=https%3A%2F%2Fdocs.microsoft.com%2Fazure%2Fcost-management%2Faws-integration-manage&data=01%7C01%7COren.Maoz%40microsoft.com%7C0cb9e6bddb5f47f993d008d6ca5f5253%7C72f988bf86f141af91ab2d7cd011db47%7C1&sdata=E%2F4oJwfJew8S0EwODMn9fsex8NP6BStigtb1KcvB9QI%3D&reserved=0)