Magic Quadrant for Cloud Financial Management Tools

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Rising cloud adoption and costs exert tremendous pressure for I&O leaders to manage and optimize cloud costs. Cloud financial management tools continue to evolve to meet this challenge. This research will help I&O teams navigate a continuously complex marketplace.

Market Definition/Description

Gartner defines cloud financial management (CFM) tools as tooling that provides the ability to collect, organize, display, optimize and manage the investments in cloud computing infrastructure as a service (IaaS) and platform as a service (PaaS). They leverage algorithms, statistical models and/or AI/machine learning (ML) in support of cost reports, dashboards and/or other mechanisms/interfaces that provide capabilities to monitor cost, utilization and value indicators. This allows users to identify trends, anomalies and misaligned expectations, as well as opportunities to increase the efficiency of cloud configurations, architecture and contracts.

CFM tools enable enterprises to collect and analyze public cloud cost and usage information and apply controls to define budget and cost policies to optimize spending on a continuous basis.

The most popular use cases include:

- **Manage financial risks:** Identifying anomalies, budget overruns and deviations from expected spending allows organizations to mitigate the risks of overspending due to the variable cloud billing models.

- **Forecasting and estimation:** Using past usage patterns and manual adjustments allows organizations to predict future cloud spending and increase cost predictability.

- **Increase efficiency:** Optimizing cloud service configurations, architectures and contracts allows organizations to increase the efficiency of their cloud workloads and achieve better ROI from their cloud investments.

- **Increase accountability:** Using showback, chargeback and user empowerment capabilities allows organizations to raise the attention of the impact of cloud-related decisions and, ultimately, increase cost accountability within their cloud community of practice.

Mandatory Features

The mandatory features for this market include:

- Configurable user-friendly reporting and dashboarding. These must include current costs and forecasting capabilities with the ability to perform daily updates.

- Cost incident detection capabilities. This is a generic capability to define spending expectations, detect misalignments with those expectations and generate an incident/alert.

- Analytics and insights for resource optimization. This is the ability to run analytics on the collected data, identify inefficiencies in one or more areas (configuration, architecture and contract) and suggest actions to improve the efficiency stance. This capability often leverages AI/ML technologies.

Common Features

The common features for this market include:

- Monitoring of cost and utilization for virtual machines, storage, database and/or container services.

- Dashboards and reports that are configurable for multiple personas, as cost data is to be consumed by different people with different required levels of abstraction and detail (e.g., CFO, CIO, operator, developer).

- Budget controls. An ability to set budget (fixed figures) on a given scope of services such as those used by a single application of workload. This includes monitoring spend against

the set budget and identifying deviations. This should include the ability to produce forecasts.

- Inclusion of a minimum set of controls for resource optimization, such as rightsizing, idle/unused resource identification, scheduling/autoscaling opportunities and programmatic discount opportunities. This also includes automated commitment management.

- Remediation. Identified incidents and opportunities need to be actioned to achieve the purpose of the tool; hence, the tool should provide some capabilities to manage those actions. For example, it should invoke rightsizing through some sort of capabilities (e.g., single-click execution; integration with Jira, ServiceNow, automation).

- Workload modeling. Ability to leverage a pricing calculator prior to provisioning. Also workload migration assistance.

- Remediated automation for configuration changes (rightsizing, idle resource termination, scheduling, container cluster autoscale).

- Commitment automation. Purchase, exchange, modification of reserved instances (RIs) and savings plans to achieve increased savings and reduce risks.

- Programmatic commitment allocation and chargeback (RIs have a one-time purchase billing entry, and customers want to distribute those costs to the actual resources that benefited from the RIs).

- Service provider capabilities for monetizing CFM services. These include the ability to apply a markup, to consolidate billing among customers and leverage volume discounts and RIs, and to provide dashboards and reports to their customers.

Magic Quadrant

Figure 1: Magic Quadrant for Cloud Financial Management Tools

Magic Quadrant

- CHALLENGERS
- LEADERS
- NICHE PLAYERS
- VISIONARIES

IBM

Datadog

Flexera

Broadcom (CloudHealth)

Harness

ServiceNow

DoiT International

Anodot (Umbrella)

CloudZero

CoreStack

Finout

CloudBolt

Zesty

ABILITY TO EXECUTE

COMPLETENESS OF VISION

As of September 2025

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Vendor Strengths and Cautions

Anodot (Umbrella)

Anodot (Umbrella) is a Visionary in this Magic Quadrant. The private company was founded in 2014 and rebranded its CFM activity and platform as Umbrella in 2025. Umbrella has about 120 employees and is based in Ashburn, Virginia, and Ra'anana, Israel. Its CFM tool serves workloads in Amazon Web Services (AWS), Microsoft Azure, Google Cloud Platform and Kubernetes. The solution is only available as SaaS.

Umbrella's platform also detects cloud computing waste, tracks savings and offers transparency on current and future costs, enabling CFM and optimization across the

environments supported. The vendor performs well across a wide set of CFM use cases. Umbrella's pricing is based on a percentage of annual cloud spend.

Strengths

- **Modern platform:** Umbrella provides a platform that has a modern user interface, is extensible, and includes AI (including AI-based anomaly detection), ML and chatbots. This has allowed it to respond rapidly to evolving enterprise requirements.

- **Cost anomaly detection:** Umbrella provides advanced real-time anomaly detection rooted in its monitoring and alerting capabilities. This allows it to perform budget and incident management.

- **Tailored solution:** The offering demonstrates an ability to handle complexity and scale. It can meet the cost visibility needs of MSPs and large e-commerce platforms.

Cautions

- **Tech-savvy focus:** With its emphasis on large deployments, enterprises with less cloud technology maturity and traditional CFM requirements might find Umbrella's offering to be less appealing.

- **Unit economics support:** Since Umbrella lacks support for the ingestion of business metrics, it is limited in supporting unit economics that enterprise business increasingly seeks.

- **Multicloud feature parity:** Umbrella still lacks feature symmetry across the different cloud environments. Its offering is strongest for AWS deployments, with notable gaps for other cloud providers.

Broadcom (CloudHealth)

Broadcom (CloudHealth) is a Leader in this Magic Quadrant. Broadcom acquired VMware in 2023 after VMware acquired CloudHealth in 2018. Broadcom provides its stand-alone CFM solution, CloudHealth, for workloads in AWS, Microsoft Azure, Google Cloud Platform, Oracle Cloud Infrastructure and Alibaba Cloud, as well as data center workloads.

CloudHealth offers general CFM capabilities across a wide range of cloud environments and support for on-premises VMware virtualization deployments. The offering continues to undergo enhancement of capabilities like an improved user interface. It is available only as a SaaS offering. Its pricing is based on the percentage of annual cloud spend.

Strengths

- **Reporting:** CloudHealth provides numerous out-of-the-box reports. This will appeal to a diverse set of enterprise customers.

- **On-premises support:** CloudHealth enables the management of costs associated with on-premises Broadcom/VMware deployments or cloud migrations. It is one of the few vendors with this capability.

- **Cost allocation:** CloudHealth supports in-depth cloud cost breakouts and assignments. This would be appealing to MSPs or enterprise groups that act as MSPs.

Cautions

- **Native remediation workflow:** CloudHealth lacks a native workflow for addressing optimization or budget overruns. It offers an automation framework that is not well-integrated with the platform.

- **Complexity for new users:** With extensive capabilities and configuration options, the learning curve can be steep, requiring professional service for organizations with less mature FinOps practices. It has a beta offering that is meant to enhance the user experience.

- **Competitive pressures:** Broadcom's acquisition of VMware continues to be a topic of concern for Gartner clients, who report dissatisfaction, and many CloudHealth customers say they are looking for alternatives. This is related to both the Broadcom-VMware acquisition and CloudHealth's perceived lower tooling capabilities versus others in the market.

CloudBolt

CloudBolt is a Visionary in this Magic Quadrant. The private company, founded in 2012, has about 145 employees and is headquartered in Rockville, Maryland. Its CFM tool serves workloads in AWS, Microsoft Azure and Google Cloud Platform. It entered the CFM market by acquiring Kumolus in 2020. In March 2025, CloudBolt acquired StormForge and integrated its Kubernetes optimization capabilities. Its solution is available exclusively as SaaS.

CloudBolt has a solid understanding of cloud operations and associated tooling requirements, and can help users apply better guardrails upfront if they orchestrate

workloads with the solution. CloudBolt customers report higher than average levels of cost visibility with strengths in helping enterprises optimize their cloud investment while justifying cloud spend to business stakeholders. It also offers a cloud management platform that is available as a bundle or licensed separately. CloudBolt prices are based on spend under management and usage-based module metrics, not per person.

Strengths

- **Hybrid cloud cost management:** CloudBolt includes native VMware cost management along with support for the major hyperscalers.

- **Autoremediation:** Because CloudBolt has a strong history in providing cloud operations tooling, it offers orchestrated workflows to facilitate remediation of many cost optimization issues.

- **Channel partner support:** CloudBolt offers extensive support for managed service provider partners wishing to deliver cloud operations and cost management services to customers using its platform.

Cautions

- **Functionality delivery:** CloudBolt continues to have an ambitious vision that aligns with where the CFM market is heading, with many planned product enhancements. Prospective customers should track how well CloudBolt is able to execute on its plans.

- **Cloud service planning:** CloudBolt delivers limited commitment management capabilities natively but augments them with capabilities provided by a third party.

- **Reporting capabilities:** CloudBolt's ability to provide business unit cost reports trail many of the other vendors in the evaluation. Extensive cost reporting is a base requirement for many enterprises.

CloudZero

CloudZero is a Visionary in this Magic Quadrant. The private company, founded in 2016, has about 170 employees and is based in Boston, Massachusetts. The CFM platform serves workloads in AWS, Microsoft Azure, Google Cloud Platform and other providers, such as Databricks, Snowflake and MongoDB. CloudZero stands out for its tagless cost allocation and extensibility.

Available only as SaaS, its predictive cost modeling is suited for midmarket to enterprise organizations that are cloud-first or born in the cloud. CloudZero's solution is priced based on cloud spend percentage.

Strengths

- **Unit cost metrics:** CloudZero can ingest and correlate business data with cloud telemetry data in near real time. This can help customers produce unit value measures, such as cost per customer, product, feature and/or region.

- **Cost allocation:** CloudZero excels at cost allocation and detailed reporting. This is enabled through CostFormation, which provides solid framing around allocation and business context.

- **CloudZero Advisor:** CloudZero offers a free tool for predicting and optimizing cloud infrastructure cost. Though not fully featured, it allows users to get started with their platform.

Cautions

- **Remediation capabilities:** CloudZero provides limited support for common autoremediation techniques, such as instance scheduling, autoscaling and budgets. While some enterprises prefer manual remediation, certain populations want some aspect of automated remediation.

- **Partner ecosystem:** While CloudZero's focus has recently expanded beyond just direct enterprise customers, it still lacks the partner ecosystem that Leaders in the evaluation possess. This limits the number of third-party consultants that are familiar with the product.

- **Commitment management:** CloudZero's commitment management capabilities lag some others in the evaluation. For example, it lacks VM commitment purchases.

CoreStack

CoreStack is a Niche Player in this Magic Quadrant. The private company, founded in 2016, has about 300 employees and is based in Bellevue, Washington. Its cloud governance platform, which spans CFM, security and compliance, and operations, was recently split into three distinct offerings: FinOps+, SecOPs and CloudOps. Its FinOps+ offering was recently improved with CFM capabilities that were not fully considered as part of this evaluation.

CoreStack governs workloads on AWS, Microsoft Azure, Google Cloud Platform and Oracle Cloud Infrastructure, and has extensive integrations. The CoreStack CFM tool is provided primarily as SaaS, but it can serve as a packaged solution installed in a third-party hosted or private cloud environment.

While CoreStack has had most of its success with service providers, it will interest enterprise customers that focus on multicloud governance and want to add budget and cost rules to their control policies. CoreStack's solution is priced per resource under management.

Strengths

- **Flexible integration:** CoreStack APIs are rich and flexible. They include the ability to use the solution to create and manage native cost policy rules in each of the major cloud providers.

- **Automated FinOps maturity assessments:** CoreStack leverages AI capabilities to provide actionable insights by continuously scanning cloud environments to benchmark against an organization's current FinOps processes and against industry best practices.

- **Onboarding:** CoreStack uses common roles and access controls with an intuitive interface and prebuilt templates to onboard customers. This culminates in easier user setup.

Cautions

- **Functionality:** CoreStack is a multicloud governance platform, but it offers limited support for migration planning and lacks distinctive features for what-if analysis.

- **Cost allocation:** CoreStack does not offer the ability to map and reallocate a broad range of shared costs. While IaaS resources are well-tracked, minimal management and optimization capabilities for PaaS costs are provided in the solution. CoreStack's recently announced Dimensions and BillOps features, intended to address some of these limitations, were not evaluated as they missed the cutoff date for general availability.

- **Commitment management:** CoreStack is oriented toward policy-based cost tracking and reporting. It does not focus on commitment management, which is a major cost mitigant for many enterprises.

Datadog

Datadog is a Challenger in this Magic Quadrant. Based in New York City, the public company was founded in 2010 and has about 6,500 employees. The platform integrates infrastructure monitoring, application performance monitoring, log management, digital experience monitoring, SIEM, case management and other operational disciplines. The SaaS-only solution offers cloud cost management for workloads in AWS, Microsoft Azure and Google Cloud Platform, and data providers such as Databricks and Snowflake.

Datadog's cloud cost observability and analytics serve its large existing customer base, blending cloud cost management with application performance and infrastructure monitoring. It's Cloud Cost Management solution is priced by host count or cloud spend.

Strengths

- **Unified cloud observability:** Datadog offers a seamless way for organizations to track the technical and cost performance of cloud environments, integrating cost management with its existing infrastructure and application monitoring capabilities.

- **Granular cost attribution:** Datadog ingests and processes telemetry across all layers of the cloud IT stack, including infrastructure, platforms and applications. This allows users to track and allocate costs to specific applications, resources or services at any layer.

- **Real-time alerting:** By correlating system data to cost data, Datadog can alert users before cost anomalies generate significant excess expenses. It does this as a standard operational activity with a proven ability to handle scale and complexity.

Cautions

- **Bundled offering:** Datadog Cloud Cost Management is available as a stand-alone product but delivers deeper insight when used alongside other Datadog capabilities.

- **Commitment management:** Datadog provides minimal commitment management capabilities. The offering might not appeal to those requiring comprehensive commitment recommendations.

- **MSP support:** Datadog provides basic markup and rerating functionality. This might not appeal to MSPs or enterprises that act as an internal MSP that relies on this functionality.

DoiT International

DoiT International is a Visionary in this Magic Quadrant. It was founded in 2011 as a public cloud consultancy. The vendor has approximately 550 employees and is headquartered in

Santa Clara, California. Over the past few years, it began offering a stand-alone CFM platform called DoiT Cloud Intelligence. To round out its capabilities, DoiT also recently (early 2025) acquired PerfectScale for Kubernetes management and optimization, and LiveDiagrams for cloud visualizing and the production of diagrams.

DoiT Cloud Intelligence acts on many data sources while providing visibility into workload characteristics and cloud operations. It leverages human intelligence based on experience built through client consultative engagement. DoiT excels at using advanced AI/ML-driven anomaly detection and budget controls and is supported by DoiT Cloud architects and FinOps experts. DoiT International prices its solution via a range of consumption considerations (zero cost for Essentials, a percentage of monthly cloud spend for Enhanced and customized Enterprise pricing). Cloud Intelligence is only available as a SaaS solution.

Strengths

- **Personalized advisory:** With a history of helping enterprises optimize cloud operations, DoiT's current offering leverages both tools and hands-on guidance for many customer personas.

- **Generative AI (GenAI) capabilities:** DoiT is a leader in incorporating GenAI within its platform. This includes the vendor's agent "Ava," which can help enterprises with FinOps adoption.

- **Remediation:** The DoiT platform demonstrated strong remediation capabilities leveraging CloudFlow and Threads.

Cautions

- **Geography:** DoiT has limited global traction outside Europe. Most of its deployments have been in EMEA.

- **Integrations:** Although DoiT has made many recent acquisitions with plans to incorporate them into their service offering, much of the integration is still in early stages. Prospective customers should monitor the success of these integrations.

- **Go-to-market:** With heavy reliance on resellers and partners, DoiT's CFM products are often sold as part of a bundle of other cloud services and rarely sold as a stand-alone offering. Contractual terms and service levels may vary depending on the reseller arrangement.

Finout

Finout is a Niche Player in this Magic Quadrant. It was founded in 2021 and is headquartered in Tel Aviv, Israel. Finout's CFM platform excels at providing both multicloud and Kubernetes cost visibility, including visibility into services like Snowflake, Databricks and Datadog. The company is funded by venture capital investments (Series C) and has approximately 100 employees. Finout focuses on being scalable and offers a flexible deployment ecosystem while using AI/ML-driven cost intelligence to support financial operations in line with FinOps best practices.

Customers like the ability to rapidly deploy Finout with minimal tagging requirements and the highly customizable dashboarding for a single view of cloud spend. Finout is delivered as a SaaS offering only. Its pricing is through various subscription levels, with enterprise pricing based on a percentage of cloud spend.

Strengths

- **Collaboration integrations:** Finout provides excellent native integrations with collaboration platforms like Teams and Slack. This enables broad community involvement in the FinOps activity.

- **Cost visibility:** The platform provides a unified view of cloud and SaaS costs and a widget for applying unit economics based on business-identified goals. This can appeal to enterprises seeking to link business metrics to cloud spend.

- **Virtual tagging:** Finout maps cloud costs for streamlined context building by team, environment or region. This would appeal to enterprises that lack a solid tagging strategy.

Cautions

- **Cloud providers feature parity:** Finout continues to have a majority focus on AWS. Coverage, though improving, still drops for other providers.

- **Limited remediation:** Finout lacks the ability to execute remediations. This includes lacking out-of-the-box integration with Jira or ServiceNow for remediation workflow.

- **Lacks service provider capabilities:** Finout lacks some key features like multicustomer views and customer portals. This would impact MSPs or enterprise groups looking to act as an MSP.

Flexera

Flexera is a Leader in this Magic Quadrant. The private company, founded in 2008, has about 2,000 employees and is based in Itasca, Illinois. It entered the CFM market by acquiring RightScale in 2018 and RISC Networks in 2019. Flexera integrated RightScale's Optima CFM solution and RISC Networks' cloud migration solution, CloudScape, into the Flexera One platform. It also recently acquired the Spot assets from NetApp. With the ongoing integration into a single platform, Flexera delivers a SaaS solution that supports the major hyperscalers: AWS, Microsoft Azure, Google Cloud Platform and Oracle Cloud Infrastructure.

Pricing is based on the percentage of annual cloud spend, which determines the customer's pricing tier for the next 12 months, with no overage costs incurred in that time period.

Strengths

- **Cloud provider support:** Flexera continues to provide one of the broadest sets of cloud providers support. This will appeal to enterprises that are using many public cloud environments.

- **ITAM integration:** The Flexera One platform provides strong integration with Flexera's ITAM and license management capabilities, enabling a better understanding of the total cost of ownership for workloads.

- **Migration support:** Flexera supports analysis of cloud-to-cloud migration, specifically extensive what-if migration scenario analysis. Such capability would help enterprises build their hybrid and/or multicloud strategies.

Cautions

- **Many acquisitions:** Flexera has made many acquisitions over the past few years. Enterprises must watch to determine how these are integrated and how the CFM platform evolves.

- **Coding required:** The CFM solution requires some coding to fully leverage its capabilities. While that opens up customizations, it may be an inhibitor for clients that are not familiar with writing code and prolong implementation timelines.

- **KPI tracking and incentives:** Flexera minimally supports KPI tracking with limited support for achieved savings and per-account leaderboards only available in the recently acquired Spot, which is currently separate from Flexera One.

Harness

Harness is a Challenger in this Magic Quadrant. The San Francisco-based private company, founded in 2017, has about 1,000 employees. Its CFM tool serves workloads in AWS, Microsoft Azure and Google Cloud Platform, and containerized workloads on Kubernetes. It's available as SaaS or a self-hosted solution on Kubernetes. Harness's cost management supports engineering and DevOps, supporting CI/CD pipeline integration and insights into container cluster costs and virtual machines. It recently added capabilities for governance, commitment orchestration and AWS Elastic Kubernetes Service (EKS) optimization. The vendor offers engineering function support and business cost management objectives support.

Harness uses a combination of pricing options, with some pricing based on the amount of cloud spend or the number of resources being monitored. In other pricing options, Harness offers tiers and packages that scale the level of functionality, integrations and support required, including an option to pay as a percent of monthly cloud spend.

Strengths

- **Developer support:** Harness can incorporate cost management considerations early in the development process via policies integrated into the build phase. This includes supporting serverless and infrastructure-as-code (IaC) functionality.

- **Rightsize recommendations:** Harness can make recommendations to rightsize both compute and container instances. This includes vetting the cost implications before deployment.

- **Integrations:** Harness offers full integrations with bidirectional data synchronization on several collaboration platforms (e.g., Slack, Teams, Jira), instead of the more common simple hand-off with a webhook that is offered by many other vendors in the industry.

Cautions

- **Unit economics:** Implementing unit economics is difficult due to missing functionality for business metrics ingestion. Looker-based business intelligence capability is needed for this functionality.

- **Primarily AWS support:** Harness's solution, while strong with AWS, has gaps in its capabilities across other cloud vendors, particularly in the optimization area.

- **Cloud reselling:** Adding new customers requires vendor intervention. This would impact service providers or enterprises acting as service providers where the desire is to have

self-service capabilities.

IBM

IBM is a Leader in this Magic Quadrant. In 2023,it acquired Apptio, whose CFM solution, Cloudability, manages workloads in multiple cloud environments. Cloudability has become the foundation for the IBM FinOps suite. Turbonomic, acquired in 2021, provides application resource management. IBM also acquired Kubecost in 2024 to provide cost management and optimization for Kubernetes environments. IBM continually invests in expanding Cloudability's functionality along with its interface with other IBM products that enhance its ability to manage and optimize cloud spend. The CFM solution is available only as SaaS.

IBM Cloudability's CFM capabilities integrate into AWS, Microsoft Azure, Google Cloud Platform, IBM Cloud and Oracle Cloud Infrastructure. Pricing is based on cloud spend percentage, with license charges for additional products.

Strengths

- **Cloud provider support:** IBM has the widest cloud provider support, with relative feature parity. This would appeal to enterprises leveraging multiple cloud environments.

- **Financial planning:** IBM's ability to plan cloud spending is beyond the capability of most other vendors in the CFM market. This leads to better accuracy in predicting spending and better support for the finance team in managing cloud budgets.

- **Cloud reselling:** IBM displays strong capabilities in enabling cost association for MSPs. This will be appealing for MSPs and enterprises needing to charge back or show costs from multiple clouds.

Cautions

- **Growing product portfolio:** IBM continues to acquire companies and add products to its CFM suite. The interaction and dependencies associated with these offerings are often confusing and cause uncertainty around long-term plans for existing product lines.

- **Cost:** Gartner clients increasingly share concern about the pricing of the IBM offering. Often this is related to prices being higher than competing offerings and having less pricing flexibility than other vendors in this evaluation.

- **Remediation:** Most CFM cost abnormality remediation capabilities reside within Turbonomic, which is minimally integrated with Cloudability.

ServiceNow

ServiceNow is a Niche Player in this Magic Quadrant. Based in Santa Clara, California, the public company, founded in 2004, has over 24,000 employees. Best known for its IT service management (ITSM) and IT operations management (ITOM) solutions, its Cloud Cost Management cloud financial management solution serves workloads in AWS, Microsoft Azure and Google Cloud Platform. It is available as SaaS and as a package installed in the customer's data center.

Cloud Cost Management integrates well with other ServiceNow observability tools, such as IT asset management and ITOM. Cloud Cost Management tracks and alerts on both spending and budget anomalies. ServiceNow's CFM particularly appeals to its existing customers. It is a part of the vendor's larger governance narrative, and its widespread adoption is largely driven by enterprises seeking an integrated approach to financial and operational management. ServiceNow Cloud Cost Management pricing is based on the number of resources managed.

Strengths

- **Platform linkage:** ServiceNow is the prominent ITSM platform in many organizations, providing broad functionality. Combining this solution with CFM capabilities could be a key enabler for many enterprises because it allows advanced remediation workflows.

- **Budgeting and forecasting granularity:** ServiceNow gives customers the ability to automate budget and forecasting at the project and portfolio levels. This will benefit large enterprises with complex organizational and/or project structures.

- **Migration assistance:** ServiceNow's Cloud Cost Simulator provides cost guidance to enterprises looking to migrate on-premises workloads to the cloud.

Cautions

- **Value as a stand-alone entity:** ServiceNow's performance in most of the use cases prevents it from competing as a stand-alone CFM offering. It is best positioned for existing ServiceNow customers that want full governance of their cloud resources.

- **Service provider capabilities:** Capabilities for MSPs and enterprise groups acting as an MSP are hindered by capabilities such as a customer portal, markups and rerating.

- **Tagging:** Accurate cost allocation from the ServiceNow platform remains dependent on robust cloud resource tagging and high-quality data, which can be resource-intensive and manual. Many enterprises might not be in a position to gain value in such instances.

Zesty

Zesty is a Niche Player in this Magic Quadrant. Founded in 2019 as Cloud Advisor, Zesty is headquartered in Tel Aviv, Israel. Zesty has had success as a specialty CFM tool provider and has recently transitioned to provide a broader set of capabilities. This transition is reflected in Zesty's evaluation in this Magic Quadrant. Zesty is primarily funded through venture capital investments and it has approximately 140 employees. The initial focus was AWS block storage optimization and commitment management. Its current offering is called the Insights and Automation Platform. Zesty has provided integration into cloud environments, with strong support for Kubernetes and cloud-native workloads. It continues to have a strong focus on AWS-hosted workloads.

Zesty is delivered as a SaaS solution and uses a "success criteria" cost basis, where it only takes a percentage of actual realized savings.

Strengths

- **Real-time operations:** Zesty's Insights and Automation Platform provides AI-driven autonomous optimization, including commitment management. Combined with its ability to optimize Kubernetes workloads, the platform would appeal to those deploying cloud-native workloads.

- **Optimization of storage:** Zesty offers AWS's enterprise block storage (EBS) optimization. It was an early entrant in the market for optimizing cloud storage.

- **AWS automation:** Zesty automates AWS reserve instance (RI) activity. This might appeal to enterprises willing to totally automate their cloud optimization activity.

Cautions

- Shifting focus: Zesty has had major strategy shifts, often culminating in a narrow focus. It has only recently expanded its offering outside of AWS and Kubernetes, so how well other cloud vendors scale remains to be seen. Zesty's solution might not appeal to enterprises with broad CFM requirements.

- **Cost allocation:** Zesty mostly offers cost allocation for Kubernetes; elsewhere, it lacks the ability to map to a business context or split shared costs for noncontainerized workloads. This might not appeal to enterprises with legacy compute workloads.

- **Reporting:** Zesty offers relatively few reports out of the box and limited dashboarding functionality for different roles and personas. This capability is a staple and foundational capability of this space.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

DoiT International, Finout, and Zesty

Dropped

No vendors were dropped from this Magic Quadrant.

Inclusion and Exclusion Criteria

To qualify for inclusion, providers must meet the following criteria.

Market Participation Inclusion Criteria

- Provide generally available (GA) capabilities as of 30 April 2025. General availability means the product or service is publicly available for purchase directly by clients.

- Sell the solution directly to paying customers without requiring them to engage professional or management services help. The vendor must provide at least first-line support for these capabilities, including any bundled open-source software. This

includes, but is not limited to, comprehensive product documentation, installation guidance and reference examples.

- Demonstrate an active product roadmap, go-to-market strategy and selling strategy for their solutions.

- Have phone, email and/or web customer support. They must offer contracts, consoles/portals, technical documentation and customer support in English (either as the product's default language or as an optional localization).

Capabilities Inclusion Criteria

The cloud financial management tools must support the must-have and standard capabilities described in Gartner's market definition. Additional requirements include:

- Functionality:

  - Providers must support must-have and standard capabilities (per the Market Definition) across at least two of the following: Amazon Web Services, Google Cloud Platform, Microsoft Azure, and Oracle Cloud Infrastructure.

  - Address a majority of the use cases (at least 4 of the 6).

- The associated products are singularly marketed and packaged as the vendor's CFM offering, excluding professional or management services.

- The CFM offering is licensed as a:

  - Single SKU.

  - Single name.

  - All-encompassing brand name that, if applicable, groups all products together (each product could be purchased separately as well).

- The CFM offering provides a single user account and sign-on with significant integration between different products and a common look and feel.

- There is market recognition and understanding of the CFM offering as an individual offering.

Performance Threshold Achievement

The vendor is required to meet the following financial performance criteria (reported in USD constant currency). The default accounting standard is generally accepted accounting principles (GAAP). Performance measures include:

- $10 million of revenue over the past 12 months (specific to cloud financial management tooling).

- Or at least $3 million in revenue over the past 12 months, with 40% market growth year over year (specific to cloud financial management tooling).

- Plus at least $500 million customer cloud spend per year under management (specifically for public cloud IaaS/PaaS).

Customer Interest Indicator (CII)

Vendor ranks among the Top 16 for the Customer Interest Indicator (CII) as defined by Gartner. CII was calculated using a weighted mix of internal and external inputs that reflect Gartner client interest, vendor customer engagement and vendor customer sentiment from 1 May 2024 to 30 April 2025.

Honorable Mentions

The following vendors met most but not all the inclusion criteria noted previously.

Centilytics: Centilytics offers a platform that combines CFM capabilities with automation, visibility and security. Its offering might appeal to enterprises wanting a multifunction tool with CFM capabilities.

Densify: Densify offers a solution that focuses on resource optimization as part of CFM initiatives. It might appeal to enterprises wanting to deal specifically with Kubernetes, AI/GPU and cloud resource optimization and control, perhaps pairing it with a more traditional CFM tool.

Kion: Kion offers a cloud operations platform with CFM capabilities. It might appeal to regulated enterprises wanting CFM capabilities along with support for cloud access and identity, guardrails and policy management.

OpenText: OpenText offers a hybrid cloud management platform with CFM capabilities that includes provisioning guardrails, what-if analysis for commitment plans and carbon

allocation. It might appeal to existing customers and/or enterprises that also have a hybrid estate.

Stacklet: Stacklet offers a governance-as-a-code platform with CFM capabilities. It might appeal to organizations wanting CFM capabilities as part of a broader governance offering.

Ternary: Ternary offers a CFM platform heavily rooted in the FinOps framework and processes. It might appeal to managed service providers building and delivering FinOps services, as well as to enterprises establishing and maturing their FinOps or CFM practice across multiple personas.

Vantage: Vantage offers a CFM platform providing a set of integrations for a wide range of cloud-hosted services. It might appeal to enterprises needing granular and deep fidelity around cloud spend.

Virtana: Virtana offers an infrastructure observability platform with CFM capabilities. It might appeal to enterprises wanting a tool that provides event intelligence visibility into their hybrid deployment along with CFM capabilities.

Yotascale: Yotascale offers a CFM platform that enables granular management and optimization of cloud spend. It might appeal to organizations wanting to extend CFM to the broader cloud community.

Evaluation Criteria

Gartner analysts evaluate vendors on the quality and efficacy of the processes, systems, methods or procedures that enable provider performance to be competitive, efficient and effective, and to positively impact revenue, retention and reputation. Ultimately, vendors are judged on their ability and success in capitalizing on their vision.

Product or Service: This looks at the core tooling capabilities within the CFM market, including current product/service capabilities, quality and feature sets. Additional consideration is given to the vendor's scalability, availability and integration.

Overall Viability: This criterion includes an assessment of the organization's overall financial health, as well as the financial and practical success of the business unit. Considerations include profitability, geographic distribution of revenue and R&D spending.

Sales Execution/Pricing: This covers the assessment of a vendor's success in the CFM tooling market. Vendors' pricing models and proposals are compared for value and complexity, as well as pricing transparency. Considerations include pricing and discounting, new versus repeat business, and competitive dynamics, including awareness of competitors.

Market Responsiveness: This criterion looks at a vendor's ability to respond and change direction, based on the evolution of customer needs and changes in market dynamics. Considerations include response to competitors and ability to listen and respond to customer feedback.

Marketing Execution: This looks at the clarity, quality, creativity and efficacy of programs designed to deliver the vendor's message in order to influence the market, promote the brand, increase awareness of products and establish a positive identification in the minds of customers.

Customer Experience: This covers the products/services and/or programs that enable customers to achieve anticipated results with the products/services evaluated. This may also include ancillary services, customer support programs and availability of user groups. Considerations include postsales support, programs for high-touch or VIP customers, and specific delivery partners in-region.

Operations: This criterion looks at the ability of the vendor to meet goals and commitments. Factors include quality of the organizational structure, skills and relationships, and the vendor's ability to meet SLAs. Considerations include partnerships, outages that affect customers and SLA adherence.

Ability to Execute

Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	High
Sales Execution/Pricing	Medium

Evaluation Criteria	Weighting
Market Responsiveness/Record	High
Marketing Execution	Medium
Customer Experience	Medium
Operations	Medium

Source: Gartner (September 2025)

Completeness of Vision

Gartner analysts evaluate vendors on their ability to understand current market opportunities and create and articulate their vision for future market direction, innovation, customer requirements and competitive forces. Ultimately, vendors are evaluated on their vision for the future, and how well that maps to Gartner's position.

Market Understanding: This criterion considers a vendor's ability to understand customer needs and translate them into products/services. Vendors that show a clear vision of their market listen, understand customer demands, and can shape or enhance market changes with their added vision. Consideration is given to understanding the growing and dynamic CFM tooling market.

Marketing Strategy: This criterion looks for clear, differentiated messaging consistently communicated internally and externalized through social media, advertising, customer programs and positioning statements. Consideration is given to new market outreach, innovative marketing initiatives and true differentiation.

Sales Strategy: This criterion considers whether the vendor has a sound strategy for selling that uses the appropriate networks, including direct and indirect sales, marketing, service, communication and partners that extend the scope and depth of market reach, expertise, technologies and the vendor's customer base. Consideration is given to channel strategy

and understanding the buyers and influencers involved in selection of container management products/services.

Offering (Product) Strategy: This criterion evaluates whether a vendor's approach to product/service development and delivery emphasizes market differentiation, functionality, methodology and features that cover current and future requirements. Consideration is given to quality and cadence of vendors' product/service roadmap and investment priorities in adjacent market segments.

Business Model: This criterion looks at the design, logic and execution of the vendor's business proposition to achieve continued success. Consideration is given to vendors' business, value proposition, ability to anticipate shifts in licensing/pricing models and relationship with open-source communities.

Vertical/Industry Strategy: As CFM tools tend not to be industry-specific, evaluating these in detail is not a key element of this research. Where vertical or industry differentiation is relevant, aspects have been considered.

Innovation: This criterion looks at direct, related, complementary and synergistic layouts of resources, and expertise or capital for investment, consolidation, defensive or preemptive purposes. Consideration is given to the level of investment in product/service development in new areas related or adjacent to CFM, and third-party and partner relationships and integrations, as well as the use of AI/ML and other novel capabilities.

Geographic Strategy: This criterion looks at the vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside its "home" or native geography, either directly or through partners, channels and subsidiaries, as appropriate for that geography and market. Additional consideration is given to the number of employees allocated to different regions, tailoring of go-to-market or product/service strategy to address regional differences, and the depth and scope of partners available in countries with existing and new customers.

Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	High

Evaluation Criteria	Weighting
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Low
Innovation	High

Source: Gartner (September 2025)

Quadrant Descriptions

Leaders

Leaders distinguish themselves by offering a service suitable for strategic adoption and having an ambitious roadmap. They can serve a broad range of use cases, although they do not excel in all areas, may not necessarily be the best providers for a specific need and may not serve some use cases at all. Leaders in this market have appreciable market share and many referenceable customers.

Challengers

Challengers are well-positioned to serve some current market needs. They deliver a good service that is targeted at a particular set of use cases, and they have a track record of successful delivery. However, they are not adapting to market challenges fast enough or do not have a broad scope of ambition.

Visionaries

Visionaries have an ambitious vision of the future and are making significant investments in the development of unique technologies. Their services are still emerging, and they have many capabilities in development that are not yet generally available. Although they may have many customers, they might not yet serve a broad range of use cases well or may have a limited geographic scope.

Niche Players

Niche Players may be excellent providers for particular use cases or in regions in which they operate, but they should ultimately be viewed as specialist providers. They often do not serve a broad range of use cases well or have a broadly ambitious roadmap. Some may have solid leadership positions in markets adjacent to the CFM tooling market, but have developed only limited capabilities in this market.

Context

The CFM tooling market has seen continual growth over the past year, with a market value of approximately $1 billion in 2024. The market includes enterprise customers and solution providers that offer CFM services to enterprises. It is forecast to exceed $1.75 billion in constant currency by 2028, with a 15% compound annual growth rate (CAGR).

Among the major uses of CFM tooling are:

- Offering protection from the financial risk of overspending in the cloud due to unauthorized, uncontrolled and unexpected costs, such as budget overruns and other anomalies.

- Estimating cloud spending for cloud applications and workloads in advance of deployment. This includes predicting the amount of future cloud spending based on what is already being consumed and planned consumption.

- Driving cost efficiency in cloud applications and workloads, including emergent AI workloads. This activity includes identifying inefficiencies even when spending is within expectations, and addressing identified inefficiencies with corrective actions without compromising performance and SLAs.

- Driving spending accountability among the organization's cloud consumers. This includes developing a culture of cost-consciousness and providing incentives to raise awareness

and solicit action.

- Driving business value from cloud investments, including measuring the value of cloud applications and workloads and correlating it to cloud costs on a per-unit basis. This is rooted in using business value metrics to promote good behavior and best practices throughout the cloud community to increase business outcomes while reducing costs.

- Consuming aggregated cost information from all customers (especially solution providers who offer CFM and FinOps services to customers) but also providing them with visibility of their spending. Additionally, this includes performing actions to optimize customer spending while protecting the service provider's SLAs and maximizing margins through cloud rebilling and discount aggregation.

Market Overview

Public cloud computing adoption continues to grow along with the urgent need to manage costs. However, enterprises also increasingly scrutinize the additional costs, wondering if they are receiving requisite value from the spend. Many enterprises, unable to prove this value, are reporting dissatisfaction with their cloud computing deployments. Such dissatisfaction is related to an inability to understand, manage and/or optimize cloud spend — a problem that CFM tools are meant to address.

There are well over 100 vendors globally that provide some type of CFM tooling capabilities. The first-generation vendors, founded over 10 years ago, have the most traction, but many are "remodeling" their technology, acquiring smaller vendors to supplement their capabilities, and/or dealing with organizational disruptions. There are also innovative players that are adequately addressing segments of the market, but lack traction and have questionable long-term viability. Vendors from adjacent markets (e.g., observability, hybrid infrastructure management, provisioning and orchestration) have also entered the market by combining CFM functionality with their existing capabilities.

Despite the many vendors in this market, technology barriers are neither deep nor broad. Technology CFM remains primarily a problem to be addressed with data and analytics. As innovative vendors introduce products, others in the industry soon introduce similar features in their offerings or acquire them. The requirements are moving faster than many vendors' ability to address them (e.g., PaaS and SaaS services, optimizing AI workload, on-premises cost management).

Areas where tooling is placing increased focus include underlying Kubernetes and AI workloads running on it. Most AI deployments are leveraging Kubernetes and this will only increase with the heightened focus on AI inferencing. Sustainability is another emerging area. This is also related to AI as workloads associated with it will consume more compute and associated data center resources. Finally, there is more emphasis on on-premises deployments, largely driven by digital sovereign requirements, as well as management of SaaS resources.

The hyperscalers are putting pressure on portions of the market (e.g., pure-play CFM tooling vendors) with their native tooling and will continue to do so. This pressure will increase if the progress and adoption of the FinOps Open Cost and Usage Specification (FOCUS) continues, enabling hyperscalers to more easily extend their native CFM functionality to billing coming from other hyperscalers.

One competitive advantage of third-party tools versus hyperscaler tools continues to be their independence. They act as an independent auditor of cloud workloads, and this independence makes them more trustworthy than when receiving an audit from the supplier itself. This conflict of interest is not something that hyperscalers will easily rid themselves of (although, at the moment, we don't see that as an inhibiting factor for their cost optimization features in many cases).

Acronym Key and Glossary Terms

CI/CD	Continuous integration/continuous delivery
MSP	Managed Service Provider
VM	Virtual machine

⊕ Evidence

⊕ Evaluation Criteria Definitions