



TBM CONFERENCE 2017

## Funding Innovation

Achieve Significant Cloud Cost Optimization with  
Wisdom, Not Only Data



**Brent Eubanks**

Vice President, Technology  
Optimization

***ticketmaster***<sup>®</sup>



**Matt Temple**

Director, Financial Planning &  
Analysis

***ticketmaster***<sup>®</sup>

# Stay **CONNECTED** at TBMC17!



## Download the **App**

1. Download CrowdCompass AttendeeHub app
2. Search TBM Conference 2017
3. Tap 'Log in for more features' and enter your details

## Wi-Fi Information

Network: **TBMC2017Attendee**

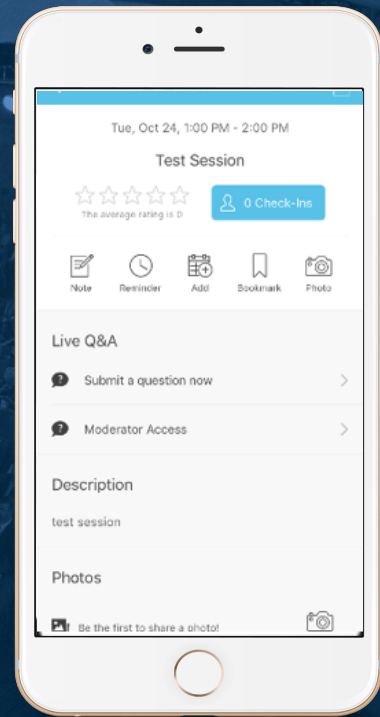
Password: **tbmc2017**



# Ask **QUESTIONS** at TBMC17!

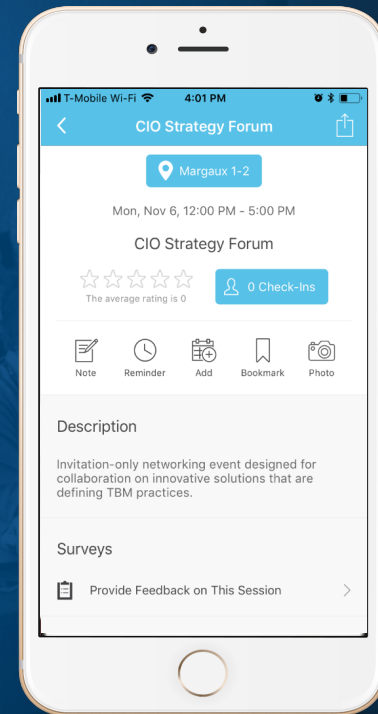
1. Open up the TBMC17 event app
2. Tap on the **Schedule** icon
3. Locate the session name
4. Tap **Submit a question now**

*If you have a more complex or long question – raise your hand and we'll provide you with a microphone.*



# Give **FEEDBACK**

1. Open up the TBMC17 event app
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4. Tap **Provide Feedback on This Session**





# Global Leader in Live Entertainment

**480** million ticket transactions

**550** million fans

**40** countries

**25,500** events

**3,300** artists

**\$25B** GTV ticket value



**LIVE NATION**

*ticketmaster*

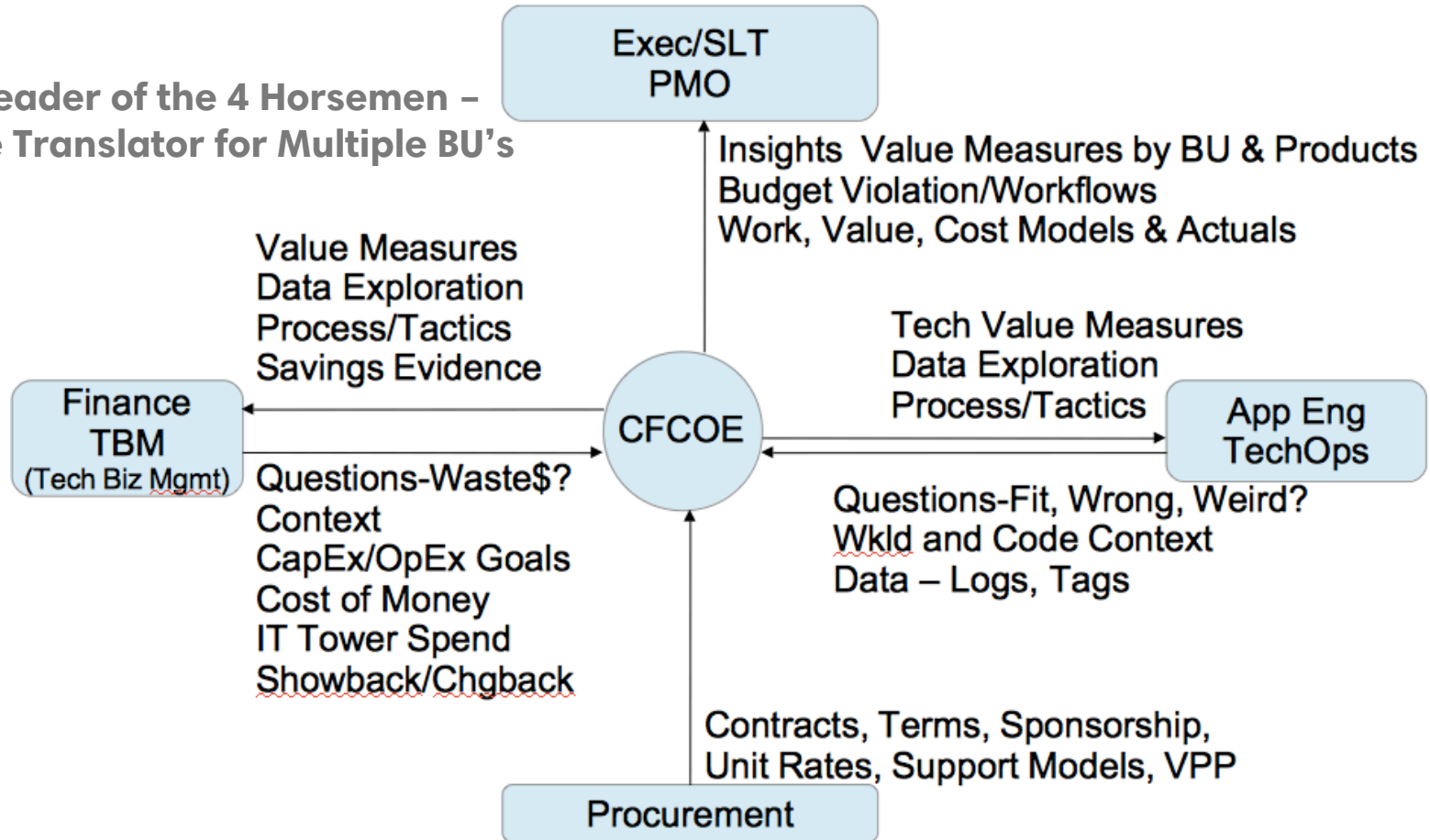
**LIVE NATION**  
MEDIA & SPONSORSHIP

**ARTIST NATION**

**HOUSE OF BLUES**

# CLOUD FINANCIAL CENTER OF EXCELLENCE

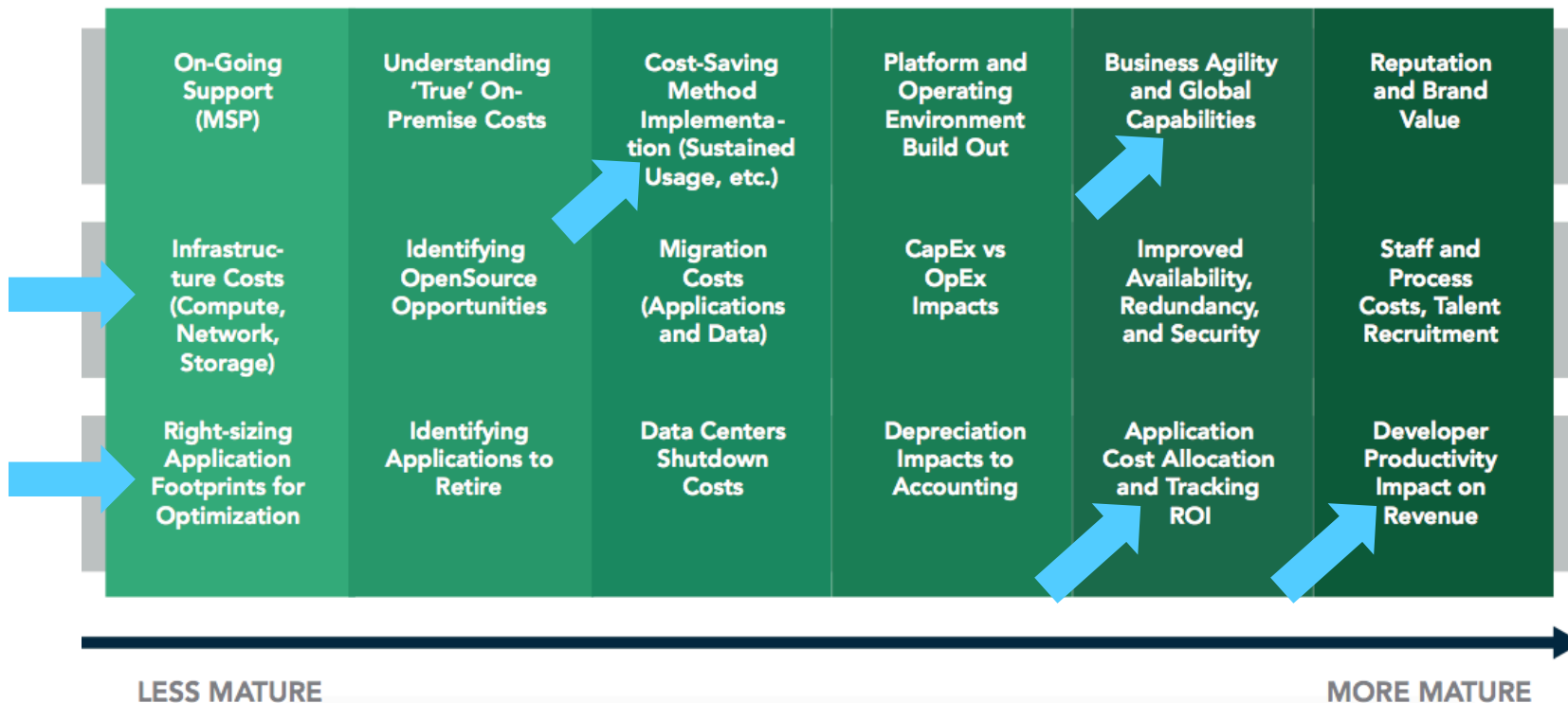
Ringleader of the 4 Horsemen –  
Value Translator for Multiple BU's



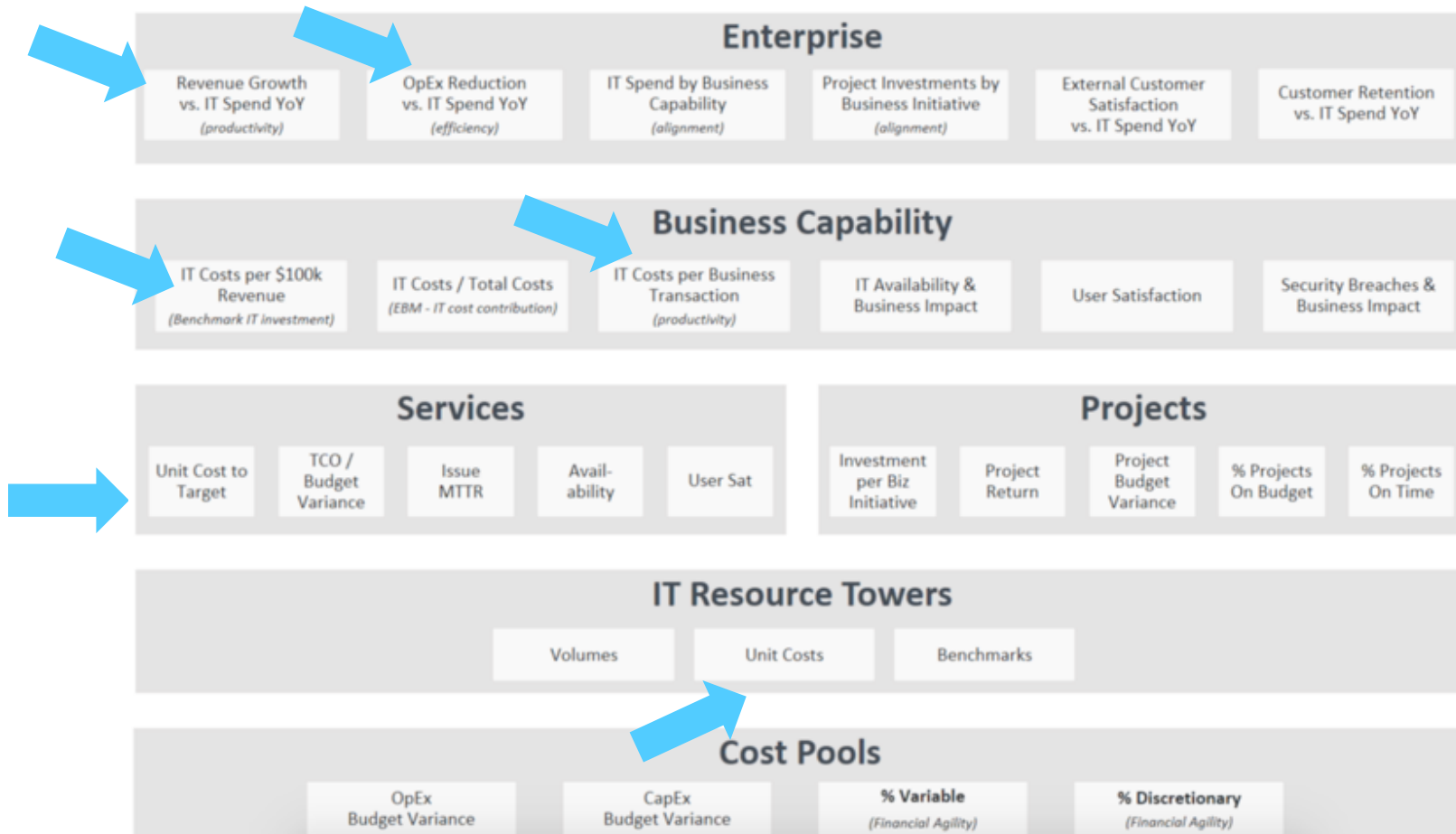


# TECHNOLOGY FINANCIAL MATURITY

**TYPES OF COSTS:** Infrastructure Costs • One - Time Costs • Accounting Impacts • Avoided Costs



# TECH FINANCIAL MATURITY - VALUE MEASURES





# CFO OF IT- TBM COHORT “COST OPTIMIZER”

**Colo Sprawl limited by physical limits, time to provision, capex approvals etc.**

**Cloud Sprawl – no limits, seconds to provision, no approvals, honor system**

## Features Of The “Cost Optimizer”

- Hunts For Areas Of Savings/Efficiency Improvement
- **Re-Invests Harvested Savings To Drive The Organization To Higher Levels Of Efficiency & Standardization**
- Creates Simple & Concise Measures That Serve As The Main “Gauges” Of Performance For The Organization
- Partners With Leadership Within The Organization As Well As The Customers Of The Organization

## Goals:

- Increased Efficiency | Impactful Financial Planning
- Fact-Based, Data-Aware Decisions
- More Effective Use Of IT Resources
- Repositioning Of IT Investment Toward Innovation
- Stronger Connection To Business Performance
- Improved Satisfaction Within IT Roles
- Better Credibility For Prioritizing IT Investments
- Higher Quality Of Discussions/Decisions
- More Insightful Information For Action
- Strategic Planning Linked To Business Value

# Technology Controller: Focus Area

## Focus Area:

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- ITFM practices/ TBM foundation
- Internal Controls
- Payment effectiveness and efficiency
  - Vendor Management
  - Invoicing process
- Asset Management and Depreciation
- Opex & Capex Planning
- Chargeback processes
- Project Portfolio Analytics
- Total Cost of Ownership
- Compliance (Risk Mgmt)



# Technology Controller: Measures

## Measures:

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### Financial

- ▶ IT Actuals vs. Budget & Forecast in \$ and %
- ▶ IT “Cost Per” Consumption Measures (Storage, Compute, Voice)
- ▶ IT recovery: Business charge back vs. Actual cost per service (service segment) in %
- ▶ IT “run” recharge per user declines YoY
- ▶ Compute utilization YoY

### Project

- ▶ OpEx and CapEx used vs. OpEx and CapEx spend
- ▶ Projects as % on time, on budget, and agreed scope
- ▶ IT Asset post lifecycle, technology debt%, and % innovation projects

### Compliance

- ▶ Internal Audit issues addressed within X amount of time
- ▶ # of accounting and finance policy misses having material impact
- ▶ % of financial reporting submitted late, inaccurate or incomplete to Corporate or to the business

# CFO OF IT- TBM COHORT "COST OPTIMIZER"

## Tech. Controller: Finance, Total Cost of Ownership

Metrics	Rationale / Actions to Improve	Audience	Maturity
<b>Finance TCO</b>			
Cost of IT Service/User (YoY reduction target)	Important for internal IT team to bring together the capex/opex side of IT costs and for business to understand their cost usage; aim to reduce this YoY	Services, Business Partner	Better
Cost of IT Service/Business Trx (YoY reduction target)	Important for internal IT team to bring together the capex/opex side of IT costs and for business to understand their TCO; aim to reduce this YoY	Services, Business Partner	Best
Unit cost -- Storage in TB increase by user (or TCO per Terra Bite)	How to monitor storage cost per user yet having the business access to critical data to generate insight.	Tech Provider and Services	Good
Unit Cost -- Compute cost per unit	Drive efficiency for Compute cost per user	Tech Provider and Services	Good
Unit Cost -- Voice cost per user	Drive cost efficiency in phone and virtual meetings	Tech Provider and Services	Good
Unit Cost -- TCO per app (or per defined IT service) (per user ??)	Drive run support cost down for existing Apps per user	Tech Provider and Services	Better

Where does it fit in the organization value orientation ? (TBM Archetypes)

# OPTIMIZATION MANAGEMENT SEGMENTS

## Savings and Cost Cutting Categories:

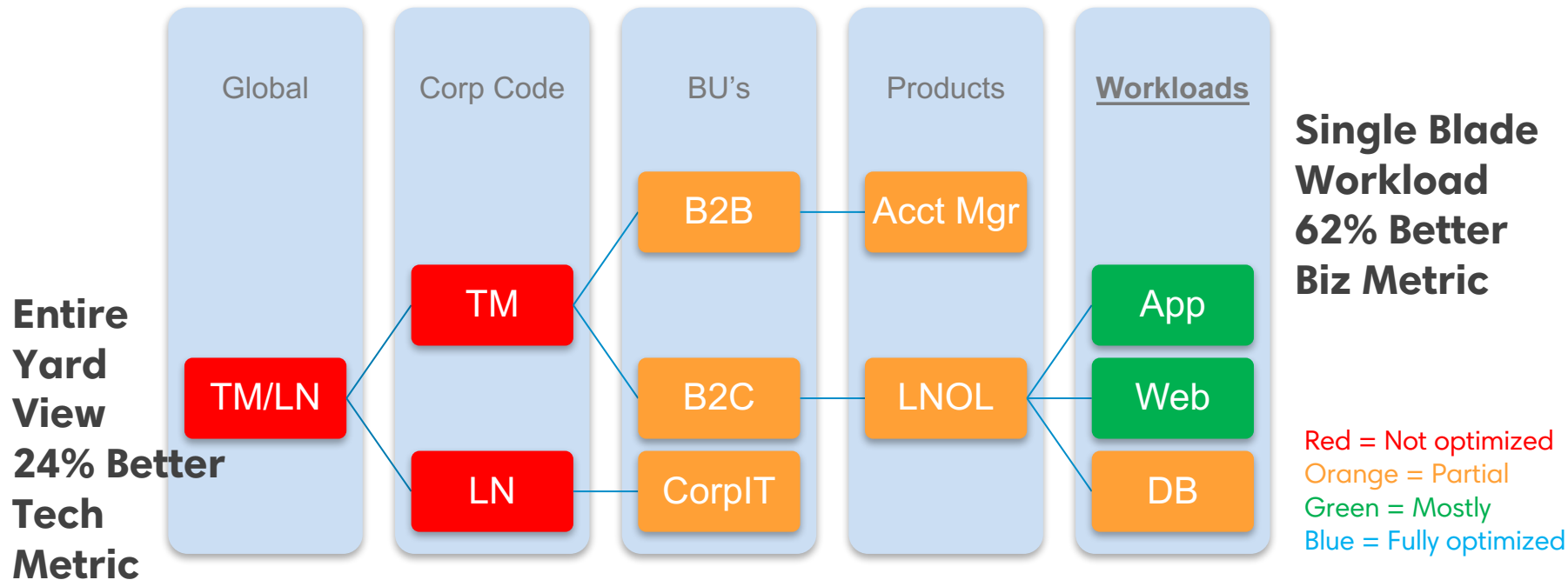
1. **Usability & Accountability Proof of Resource Audit** – Needed? Revenue on it?
2. **Governance Controls** - Enforcement to a per product AWS budget being close on Plan Vs. Budget ongoing. Accountability and adherence to policies.
3. **Technology Optimizations** – Habits, Waste, Scaling, Fitting, Performance, Testing, and Code/Engineering
4. **Financial Optimizations** – Reserved Instances Brokerage , Spot Instances Purchase Mix, Scenario Modeling, Machine Learning Prescriptive Analytics Platforms, Price:Perf Value Models, Consumption Meter/Costing, Sponsorship Credits, COGS by TM Product
5. **Business TBM** - Understand the business from customer thru tech layers and costs per function.

## Design to Value and Customer Experience – Financially Aware DevOps

**\*\*Buzzwords: Information Econometrics and Opportunity Cost\*\***

# TECH & BIZ MEASURES - YARD VS BLADE OF GRASS

The only way to change the color of the yard is to change each blade of grass.  
Change as many single workloads as possible.  
Watch the Finance, Dev, Tech, & Biz Measures



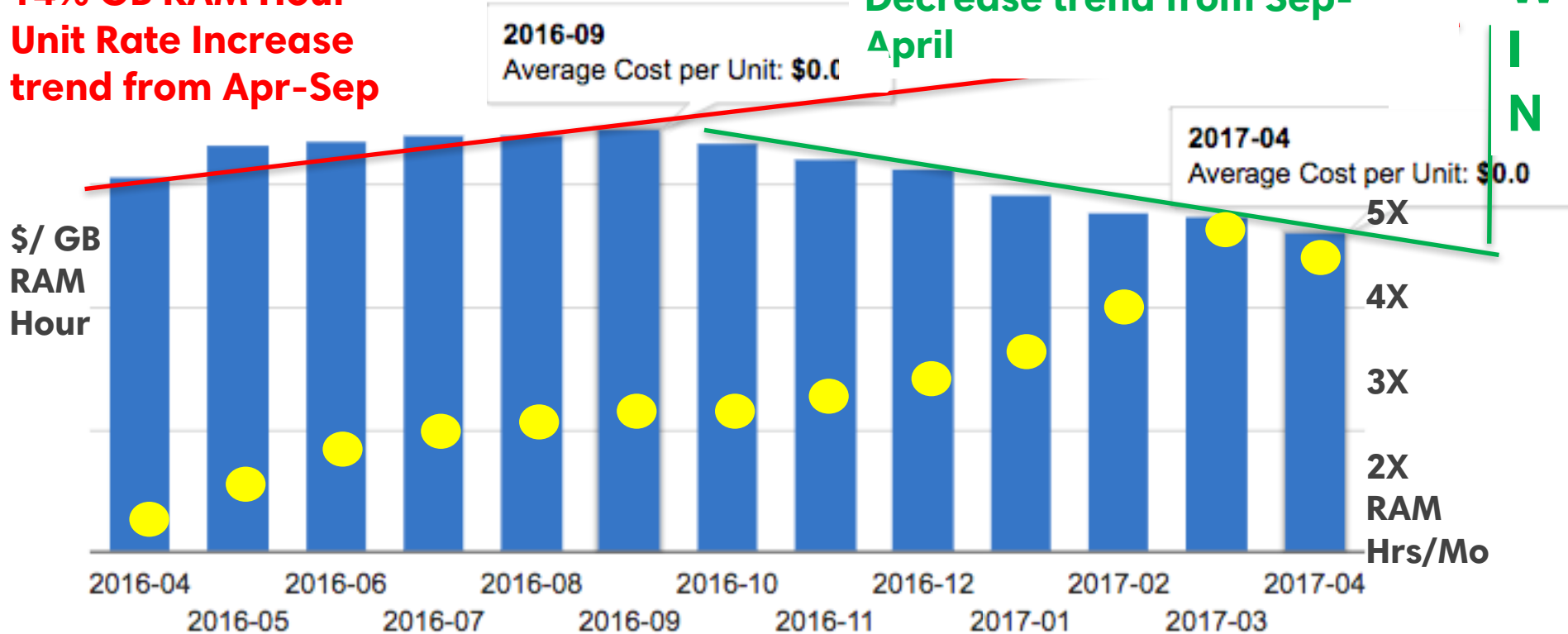


# AWS GLOBAL OPTIMIZATIONS- USAGE UP 450% UNIT RATE DOWN 24%

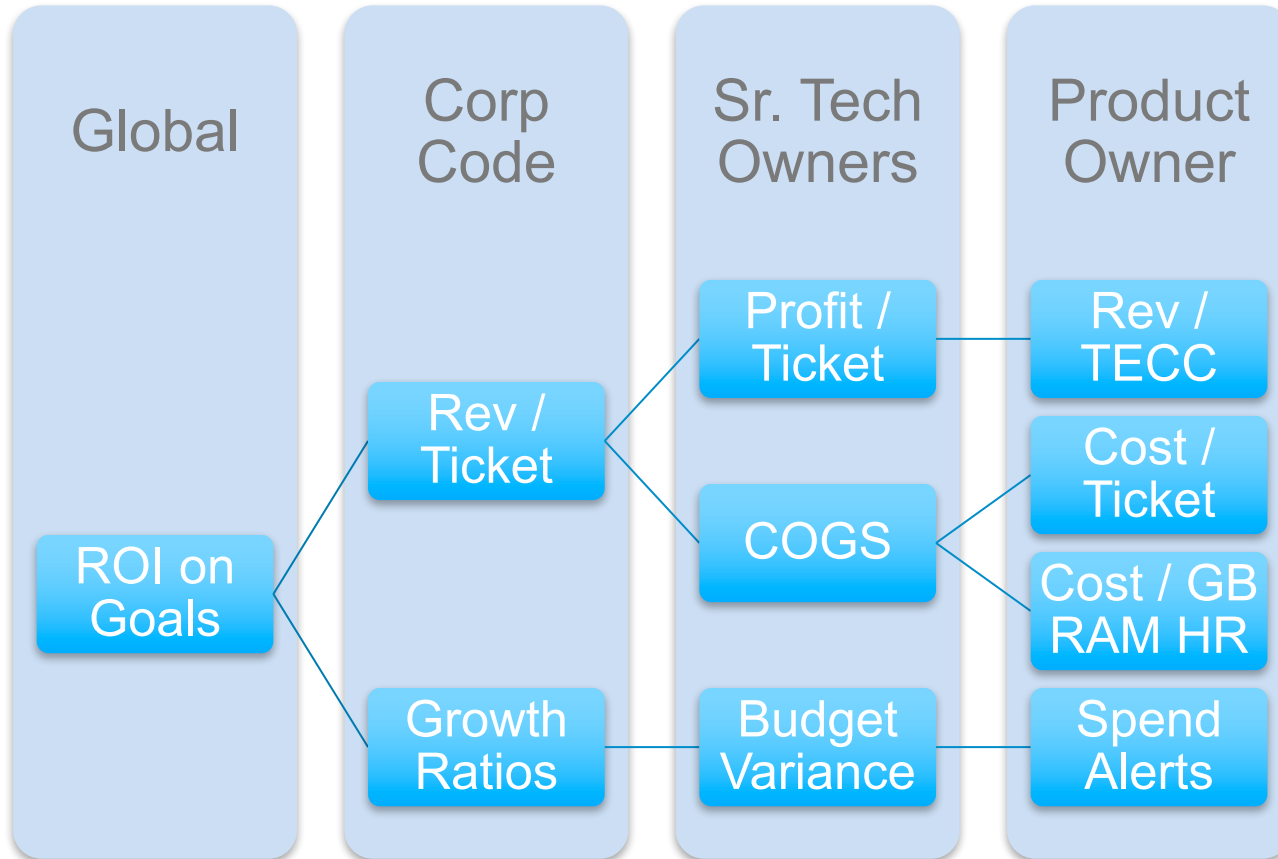
**14% GB RAM Hour  
Unit Rate Increase  
trend from Apr-Sep**

**24% GB RAM Hour Unit Rate  
Decrease trend from Sep-  
April**

**WIN**

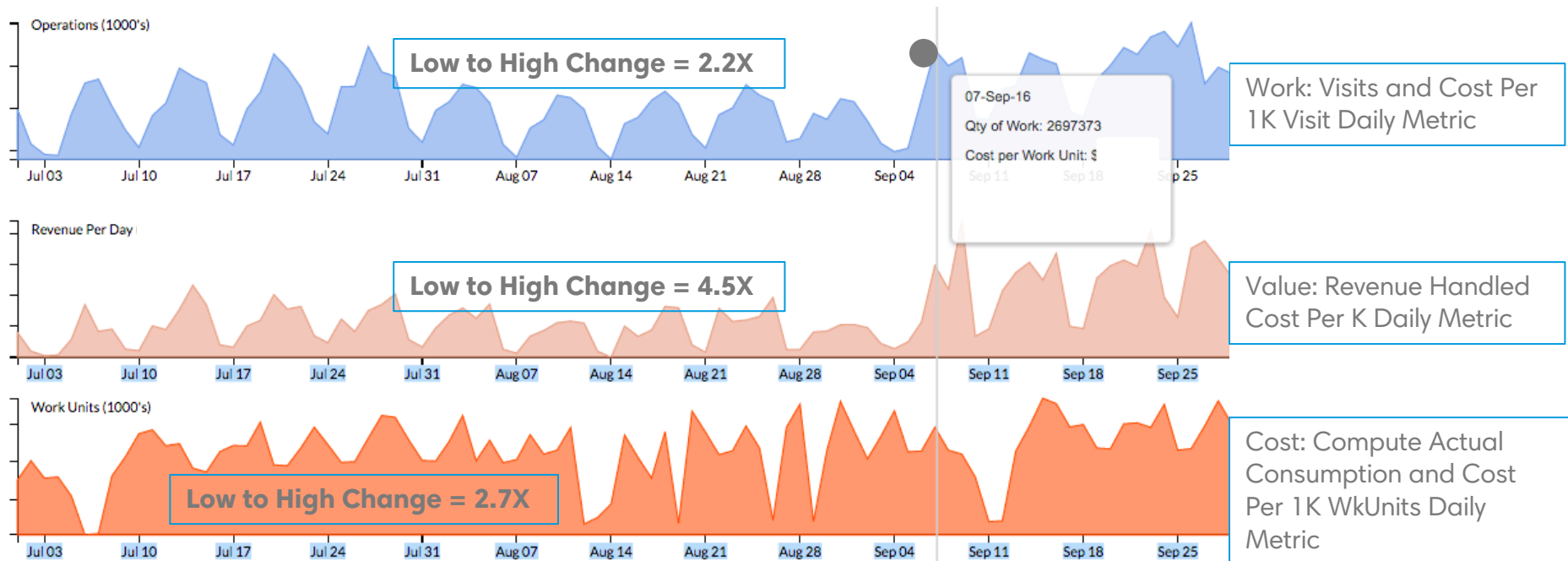


# CASCADE OF DASHBOARDS & METRICS BY PERSONA



# EVA: WORK VALUE COST INDICATORS

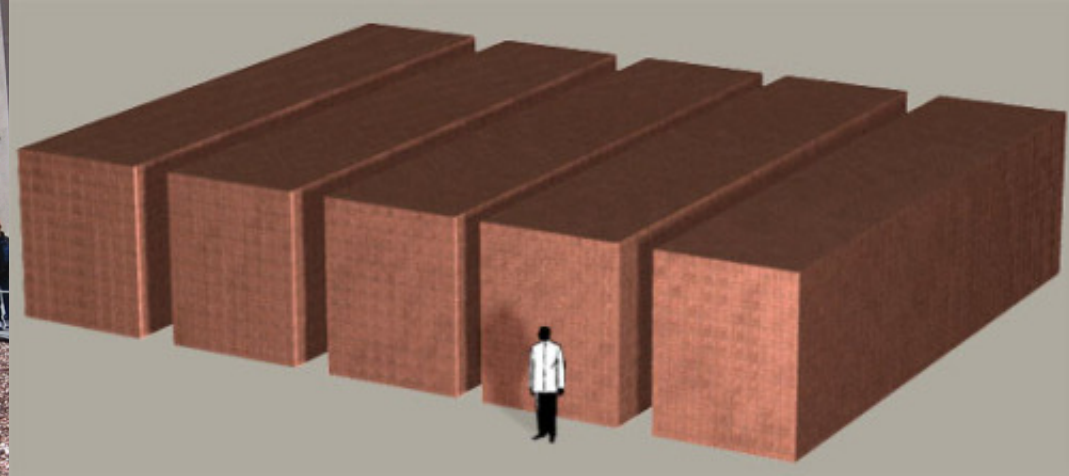
## Cross Organizational Workload Context from Biz to Tech Units



ITBM Needs? Dev Cycle Times, Labor, Licensing, Migration, CapEx Migration Phase, Custom Charges/Splits

\*EVA: Economic Value Add

# NURTURING MY PENNIES

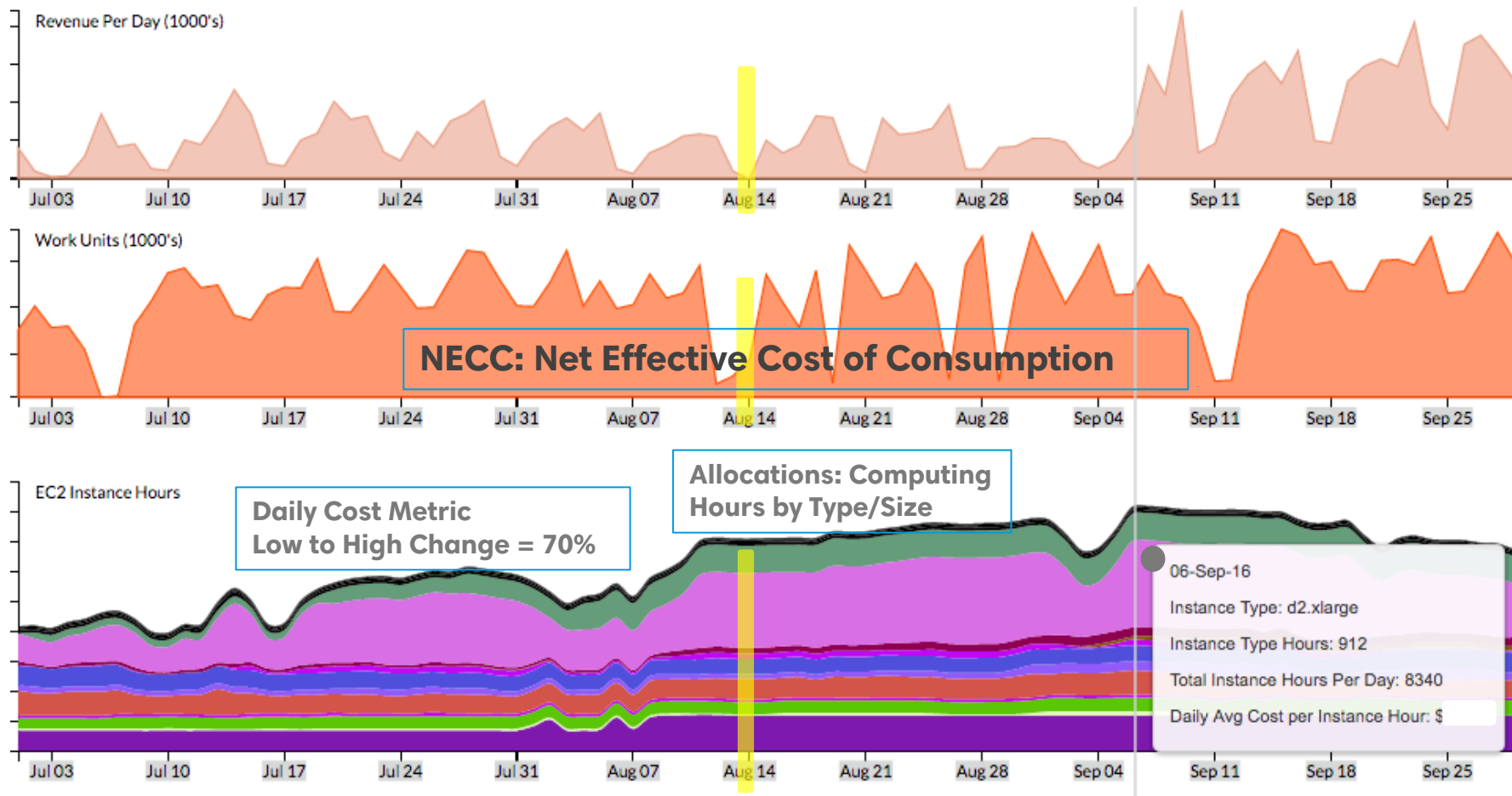


**A Billion Pennies at Scale**

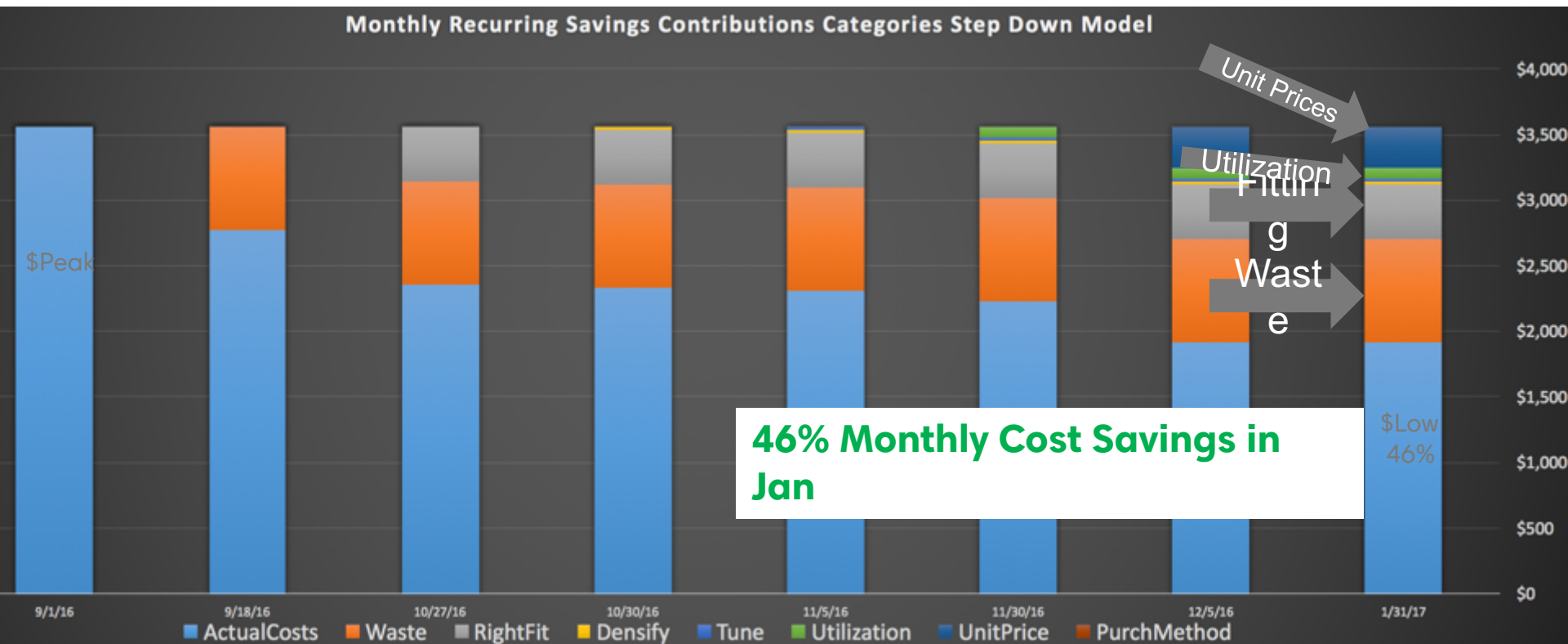
**Which ones returned the most value to your business?**



# CONSUMPTION IS KEY

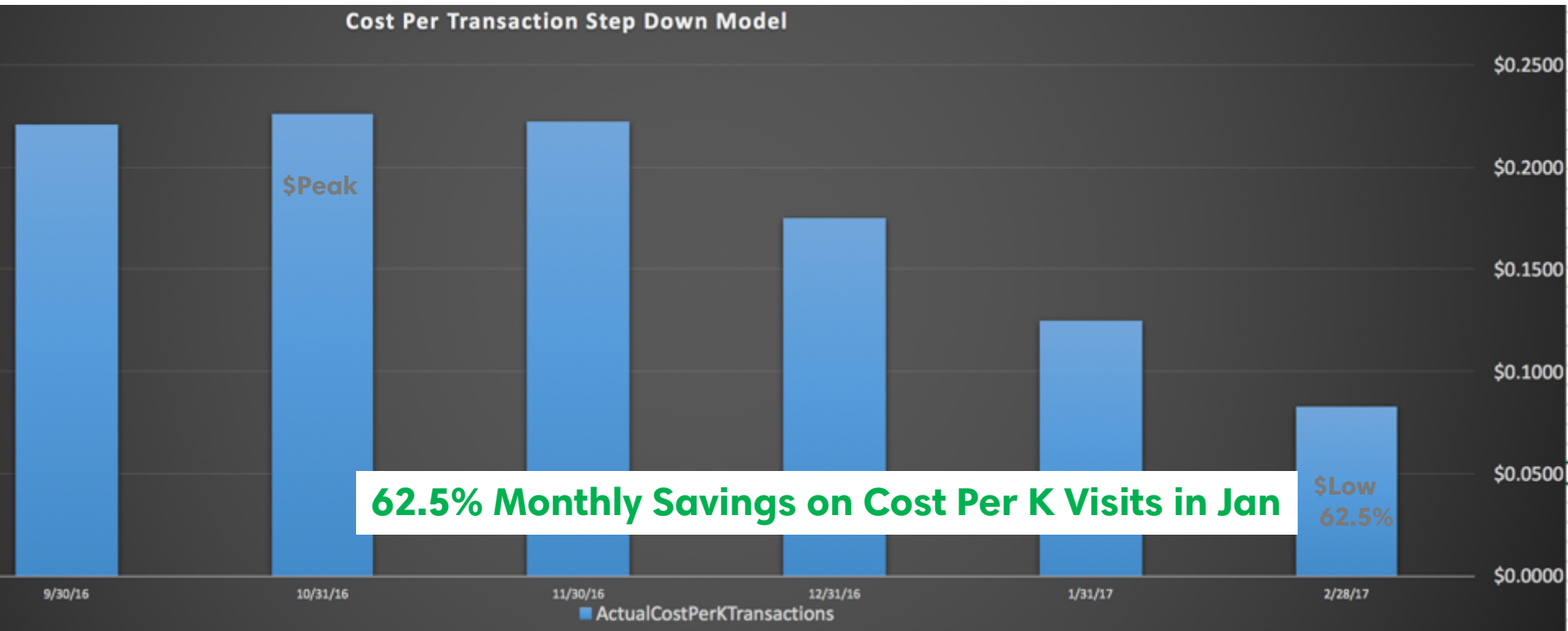


# LNOL APP - AWS TECH MEASURE WINS



Single Blade Workload View

# TM - BUSINESS VALUE MEASURED WINS



Single Blade Workload View

A man with short dark hair, wearing a dark patterned shirt, stands in the center of the frame. He is looking directly at the camera with a slight smile. Behind him, a large crowd of people is visible, their hands raised in the air, some making peace signs. The background is filled with bright, colorful stage lights in shades of purple, blue, and orange, creating a vibrant and energetic atmosphere. The text is overlaid on the top half of the image.

# **Thank you for attending**

## **Universe.com charitable solution**

### **Brent Eubanks – VP Technology Optimization**



# PRODUCT PRINCIPLES: BIZ METRICS + CONTEXT

## What to run that workload on and why?

	Dev VM	CI/CD Tests	QA Server	Stage Env	Prod AZ	HA/DR AZ
TRAFFIC MGMT						
WEB SERVERS						
APPLICATION						
USER DB						
ANALYTICS DB						
QUEUE						

# ITBM TECC FINANCIAL EVIDENCE



\*TECC: Total Effective Cost of Consumption

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