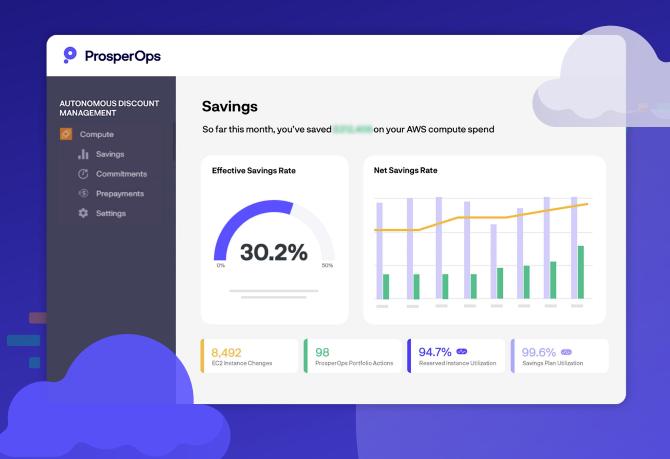


CASE STUDY

# Unlocking Cloud ROI: How Tipalti Reduced Costs by 3x with ProsperOps





#### **INDUSTRY**

**B2B SaaS Platform** 

**ESR** 

**9.2%** → **30.2%** 

**COVERAGE** 

**65.4%** → **98.3%** 

**RIUTILIZATION** 

Increased to 94.7%

# Rising cloud costs with payee and customer growth

<u>Tipalti</u>, a global leader in payments automation and expense management, empowers thousands of companies and millions of payees with seamless transactions. Trusted by top brands such as GoDaddy and ZipRecruiter, Tipalti's business grew with AWS compute usage increasing ~20% since 2022. Moreover, Tipalti expanded its offerings to include Cards, Expenses, and more. With increasing scale, Tipalti also experienced increasing cloud costs.

### An infrastructure team stretched thin

The 40-person infrastructure team responsible for DevOps, SRE, database management, and IT operations focused on their day-to-day responsibilities to drive growth, but had little bandwidth to tackle the cost issue. The responsibility of optimizing rates with commitments fell on Tipalti's Senior Director of Engineering Operations, who oversaw the infrastructure team. He managed commitments manually by utilizing traditional 3-year Compute Savings Plans. It was difficult to cover more than 60% of compute usage through this manual approach. He wondered if there was an automated way to drive maximized financial results cost without engineering effort.

"When I joined Tipalti, the company was scaling rapidly; our focus shifted to optimizing resources and maximizing efficiency. I looked to developing FinOps frameworks and practices, including rate optimization, to meet our cost goals."

#### Yuval Lavin

Senior Director of Engineering Operations, Tipalti













## **Choosing to buy: Higher ROI than DIY**

Having built internal cost-optimization tools in the past, Tipalti's Senior Director of Engineering Operations recognized the steep investment required to develop an in-house solution. Instead of allocating engineering resources to build and maintain a DIY cloud cost management solution, Tipalti turned to ProsperOps, the only platform that fully supported optimizing Linux and Windows environments and generated top financial results.

# Minimizing AWS compute costs while maximizing flexibility automatically

ProsperOps is built around <u>Effective Savings Rate (ESR)</u>, a FinOps optimization KPI that quantifies the net savings gained from using discount instruments (e.g. AWS Savings Plans, Google Cloud CUDs, Azure Reservations) versus paying on-demand rates.

Within few months of implementing ProsperOps, Tipalti significantly improved its AWS compute ESR from 9.2% to a steady 29-30%, which is at the top percentile compared to the industry average based on the ESR Benchmarking Report. This is possible because ProsperOps systems monitor thousands of EC2 instance changes and take hundreds of actions per month — a level of optimization that would have been impossible to do manually.

Tipalti also increased flexibility and reduced its <u>Commitment Lock-In Risk</u> with ProsperOps by utilizing <u>Convertible Reserved Instances</u>. ProsperOps works by tracking usage and adjusting commitments in real-time, rather than make batch purchases of immutable 1-year or 3-year Savings Plans.

"By far, ProsperOps has delivered the highest ROI for cost optimization. You can set it and forget it while enjoying automated cost savings"

#### Yuval Lavin

Senior Director of Engineering Operations, Tipalti















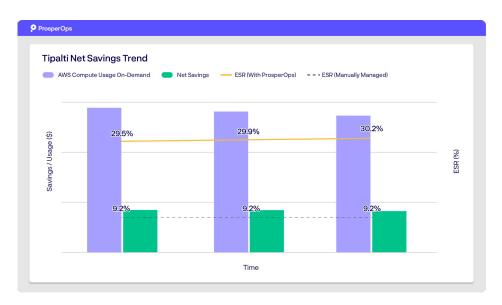
Tipalti's infrastructure team also found ProsperOps' onboarding process to be seamless. Even after migrating to a new AWS Organization, the team quickly visualized their savings and gained insights via the ProsperOps console. Each month, the Senior Director of Engineering Operations uses the Savings Dashboard within the console to report on key optimization metrics, such as ESR, coverage, utilization, and trends.

## **Accelerating Tipalti's FinOps Maturity with Automation**

With autonomous rate optimization, Tipalti's infrastructure team now focuses on higher-value FinOps initiatives, such as rightsizing resources, eliminating unused infrastructure, optimizing databases, and refining unit economics—a major priority this upcoming year.

Automation is rapidly transforming FinOps. According to the <u>State of FinOps Report</u> by the FinOps Foundation, "Enabling Automation" continues to be a top priority with the second highest increase this past year. This reflects the increasing importance of automation to free up engineers for strategic decision-making.

Since adopting ProsperOps in June 2022, Tipalti has generated hundreds of thousands of dollars in savings and reduced AWS compute costs by approximately threefold (from 9.2% to 29-30% ESR consistently). ProsperOps helps Tipalti adapt to dynamic compute usage with flexibility on commitments. At the same time, automation has enhanced team productivity by eliminating time-consuming manual commitment management, allowing engineers to focus on innovation.



Graph of of net savings and ESR over the last three months. Tiplati experienced 3x increase in ESR with ProsperOps (yellow line vs. dashed line). ESR is not only high but also consistently increasing.













# About tipalti

Tipalti is a leading global finance automation company that streamlines accounts payable, mass payments, procurement, and employee expense management in one platform. Powering over 5,000 businesses globally—including GoDaddy, Noom, and DistroKid—Tipalti ensures seamless, compliant, and secure transactions worldwide. With built-in tax compliance, fraud prevention, and multi-entity support, Tipalti helps finance teams scale with confidence.

Ready to optimize your cloud spend?
Schedule a demo or request a free Savings Analysis with ProsperOps today.

## About ProsperOps

ProsperOps is the leading FinOps automation platform. Founded in 2018, ProsperOps delivers autonomous cloud cost optimization. By algorithmically optimizing rates, ProsperOps removes complexity and delivers world-class cost savings outcomes so every business can prosper in the cloud.













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