

As cloud environments grow increasingly complex, managing and optimizing cloud costs has become a top priority for organizations worldwide. FinOps—the practice of financial operations for cloud services—has emerged as an essential discipline for driving cost accountability and operational efficiency. Among the many tools that assist in this space, **Datadog** stands out for its powerful observability capabilities. But how exactly does observability intersect with FinOps, and can Datadog's platform truly help teams control cloud expenses?

In this post, we'll break down the key concepts of FinOps, explore common challenges in cloud cost management, and explain how Datadog's cost insights and observability features can improve cost control. We'll also look at relevant companies like Future Processing in Gliwice, Poland, Ternary in San Francisco, USA, and Finout from Tel Aviv, Israel, to understand how different vendors approach this intersection of cost and performance. Finally, we'll address why AWS and Azure users alike can benefit from this combined approach.

What is FinOps and Why Does It Matter?

FinOps combines financial accountability with cloud operations to help organizations:

- Increase cost transparency and visibility across teams
- Improve budgeting and forecasting accuracy
- Drive continuous optimization through rightsizing and usage adjustments
- Align engineering, finance, and business goals on cloud spend

With cloud models like AWS and Azure charging based on usage and performance metrics, uncontrolled cloud spend can quickly spiral out of hand. Yet, simply cutting costs indiscriminately can have negative impacts on application performance and business outcomes. This is where the balance of *cost and performance* comes in—aiming to optimize resources without degrading reliability or user experience.

The Pillars of Effective FinOps

1. **Cost Visibility and Allocation:** Understanding where cloud dollars are going — down to the team, project, or service level.
2. **Forecasting and Budgeting Accuracy:** Predicting future spend based on historical usage patterns and scaling plans.
3. **Continuous Optimization and Rightsizing:** Automatically or manually adjusting resources to match the actual needs.

Teams that master these pillars can create financial accountability without slowing down innovation.

How Observability Ties Into FinOps

Observability platforms like Datadog were originally designed to provide deep visibility into application health and infrastructure performance. Their core components—metrics, traces, and logs—are invaluable for diagnosing failures, monitoring SLAs, and enhancing operational debugging.

But observability also provides a rich dataset that can fuel **cost insights**. By correlating usage data with performance metrics, teams can understand:

- Which workloads or services are driving the highest costs
- Areas where performance issues correlate with cost spikes

- Resource inefficiencies, such as overprovisioned instances or underutilized services

In this way, observability becomes a key enabler for FinOps practices, providing granular data needed for smarter budget allocation and precise rightsizing decisions.

Connecting the Dots: Datadog Cost Insights and Cloud FinOps

Datadog has expanded its platform beyond traditional monitoring to include features focused on cloud cost management. Its **cost insights** allow teams to visualize and analyze spending patterns layered with performance data. This unification enables organizations to:

- Break down cloud spend by tags, teams, or applications
- Identify anomalies and unexpected cost increases in near real-time
- Integrate cost data with infrastructure monitoring for holistic optimization

For instance, Datadog can alert engineers when a costly service is running inefficiently or provide finance teams with dashboards that combine usage and spend forecasts. This transparency helps avoid the “cost surprises” many organizations encounter when isolated cost reports miss the operational context.

Real-World Vendor Perspectives

Future Processing (Gliwice, Poland): Outcome-Based Pricing for FinOps Efficiency

Future Processing, headquartered in Gliwice, Poland, offers cloud-related services with a unique pricing model—no explicit dollar pricing is listed upfront. Instead, they employ *outcome-based and success-based pricing*, focusing on delivering measurable results and operational improvements. This approach aligns closely with FinOps principles, emphasizing measurable cost control rather than generic promises of “instant savings.”



For customers using AWS or Azure, Future Processing integrates observability data with financial metrics to tailor optimization efforts. By focusing on the outcomes in the first 30 to 60 days, they ensure their FinOps implementations yield actionable insights and realistic cost forecasts.

Ternary (San Francisco, USA): Engineering-Focused Cost Performance Analytics

San Francisco-based Ternary is another innovator in the FinOps space, delivering tools that link engineering telemetry with cost data. Their product provides teams with analytics that identify inefficient resource usage, enabling developers and DevOps teams to make cost-aware decisions without losing sight of performance goals.

Finout (Tel Aviv, Israel): Bridging Cloud Spend and Application Metrics

Finout from Tel Aviv offers a platform dedicated to cloud cost attribution, connecting billing data from AWS and Azure with application-level telemetry. By combining cost and performance data, Finout provides FinOps teams with an integrated picture that supports continuous optimization and forecasting improvements, essential for accurate budgeting.



Impact on Forecasting and Budget Accuracy

One persistent challenge in FinOps is predicting cloud spend, which fluctuates with automated scaling, new deployments, and third-party integrations. Observability tools like Datadog improve forecasting by making resource consumption transparent and immediately actionable. For example:

- Teams can monitor trends in resource utilization and project upcoming changes
- Alerting on anomalies—such as unexpectedly high CPU usage translating into cost spikes—is automated
- Historical performance and usage data help build improved budget models matching real-world behavior

Without such insight, finance teams rely on broad estimates or siloed tools, often leading to over- or under-provisioning.

Continuous Optimization and Rightsizing with Observability

Rightsizing—matching cloud resource allocation to actual workload demands—is a critical FinOps practice that directly cuts unnecessary spend. However, achieving this without sacrificing performance requires detailed data on how resources are used under varied conditions.

Here is where Datadog's observability platform shines:

- **Resource Utilization Metrics:** Pinpoint unused or underused instances that can be downgraded or terminated.
- **Performance Correlation:** Ensure rightsizing decisions don't degrade service-level agreements (SLAs).
- **Automated Anomaly Detection:** Quickly flag cost anomalies linked to performance changes, reducing "cost surprises."

How AWS and Azure Users Benefit

Both AWS and Azure provide native cost management tools, but these often lack the integrated performance context that Datadog and other observability platforms add. Companies using both clouds or hybrid frameworks face added complexity:

- Disparate data formats and billing models
- Multiple teams managing cloud resources with different priorities
- Delayed cost insights creating reactive rather than proactive optimization

Datadog's unified platform simplifies cloud spend management across providers by correlating cost data with trusted application and infrastructure telemetry. This makes it easier for FinOps teams to identify actionable cost-saving opportunities and maintain budget discipline across their entire cloud estate.

Final Thoughts: Observability and FinOps—A Pragmatic Partnership

While the concept sounds promising, not every organization needs the same observability features for FinOps success. Before investing, always ask: *"What will we measure in 30 days?"* Defining clear, measurable goals around cost visibility, anomaly detection, and rightsizing potential is critical.

Avoid vendors that make vague promises of "instant savings" without grounding their offerings in measurable outcomes. Instead, choose tools and partners that respect the realities of engineering execution and integrate seamlessly into existing workflows.

Datadog's enhanced capabilities for connecting **cost and performance** data position it as a strong player in the FinOps space, especially for AWS and Azure customers looking to reduce surprises and build a culture of continuous <https://businessabc.net/10-leading-fin-ops-service-providers-for-smarter-cloud-spending-in-2025> cloud cost accountability.

Summary Table: Observability Features Supporting FinOps

Feature	FinOps Benefit	Example Use Case
Cost Breakdown by Tags / Teams	Improved cost allocation and accountability	Assign multi-team AWS costs accurately for budgeting
Anomaly Detection in Spend Patterns	Early warning to prevent unexpected overages	Alerts when Azure VM costs spike due to rogue deployment
Correlated Performance and Usage Metrics	Optimize resource usage without sacrificing SLAs	Rightsize oversized Kubernetes pods based on request metrics
Historical Trend Analysis	More accurate forecasting and budget planning	Predict next quarter's AWS spend based on past load

In the ecosystem of FinOps tools, understanding how observability platforms like Datadog complement cloud cost management is essential. When done right, the combination drives measurable cost control while maintaining strong application performance—helping companies like Future Processing, Ternary, and Finout deliver value across diverse cloud landscapes.