

SNIA DEVELOPER CONFERENCE



By Developers FOR Developers

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Smarter Cloud Storage: Optimizing Costs with Tiering & Automation

How to Align Storage with Usage and Save Big

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Agenda

- Cloud Storage Cost Challenge
 - Storage Tiers & Their Importance
-

- Tiering Policies
 - Automating Tier Changes
-

- Key Challenges & Blind Spots
 - Tier Optimization for AI Workloads
 - Monitoring & Visibility of Data-Usage Patterns
-

- Best Practices for Cost-Optimization
- Key Takeaways

The Cloud Storage Cost Challenge

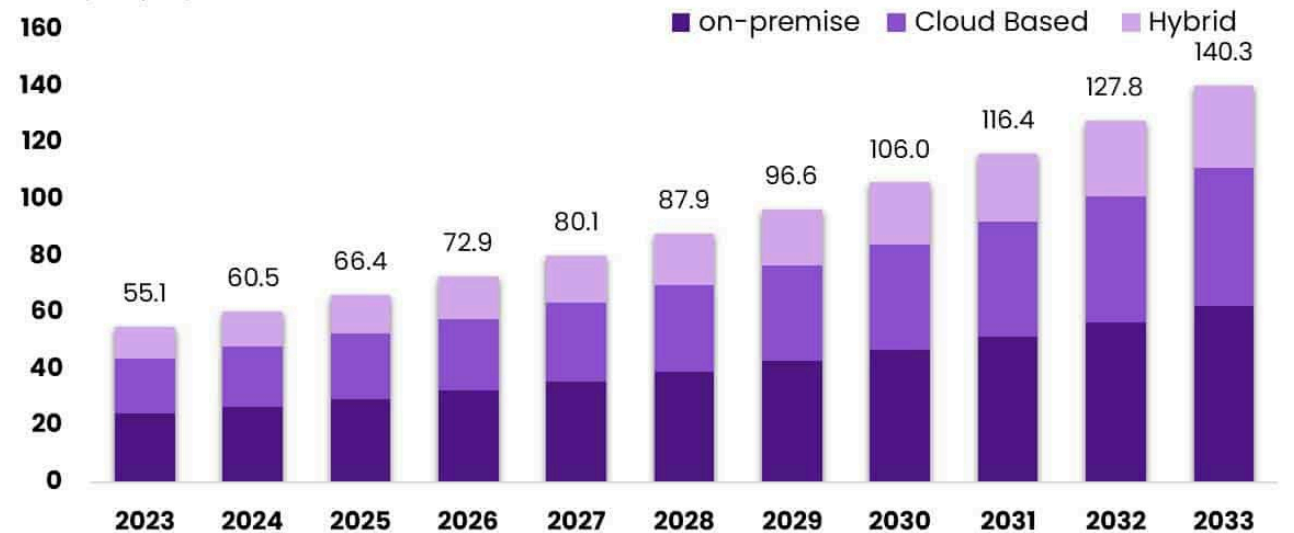
Data growth is exploding and storing everything in “hot” storage is unsustainable

90% of data is rarely accessed after 90 days

- **Problem:** Lots of cold data sitting in expensive hot tiers by default
- **Consequence:** Wasted spend on storage that isn't delivering value
- **Task:** Optimize Performance and Cost Savings

Global Next Generation Data Storage Market

Size, by deployment mode, 2024-2033 (USD Billion)



The Market will Grow
At the CAGR of:

9.8%






The Forecasted Market
Size for 2033 in USD:

\$140.3B

market.us
ONE STOP SHOP FOR THE REPORTS

Storage Costs represents 10-30% of total cloud spend for most enterprises

Storage Tiering & Why It Matters

	 Premium	 Hot	 Cool	 Cold	 Archive
	Low and consistent latency data	Frequently accessed data	Less frequently accessed data	Rarely accessed data - Online	Rarely accessed data - Offline
Per TB Per Month	\$150	\$21	\$15	\$3.6	\$1
Per 10K Read Operations	\$0.0019	\$0.005	\$0.013	\$0.13	\$6.5
Per 10K Write Operations	\$0.0228	\$0.065	\$0.13	\$0.234	\$0.13
Retrieval Times	Milliseconds	Milliseconds	Milliseconds	Milliseconds	Hours

- **Hot vs. Cool vs. Cold vs. Archive:** Warmer the temperature, faster the access, higher \$/GB
- Moving rarely-accessed data to lower tiers can cut storage costs by **90%+**
 - Archive tier ~1/10th the cost of hot

Tiering vs Transactions: Breaking Even

- Objects tiered down to cooler tiers must stay for a minimum duration
- Let's take an example of 1GB of data stored in the Cold tier

Early Deletion Penalty

Max Early deletion penalty (90 days)	\$ 0.0240900
Cold to Hot tier txn (billed as read)	\$ 0.0000130
<hr/>	
Total Penalty	\$ 0.0241030



Transactions in Cold to Break even

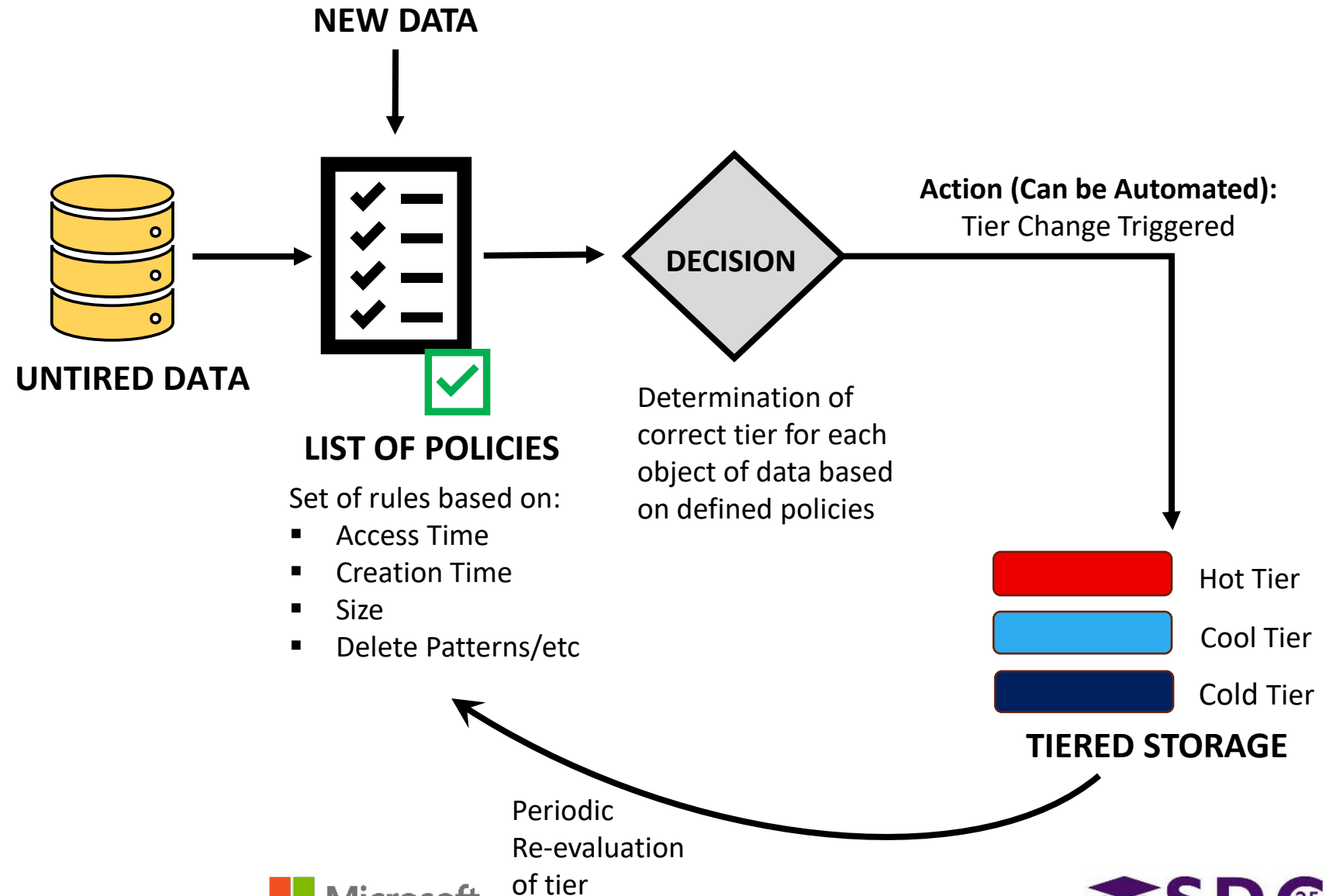
Read transactions	1,854
OR	
Write transactions	462

1GB of data = 562 objects (avg. of 2MB per object)

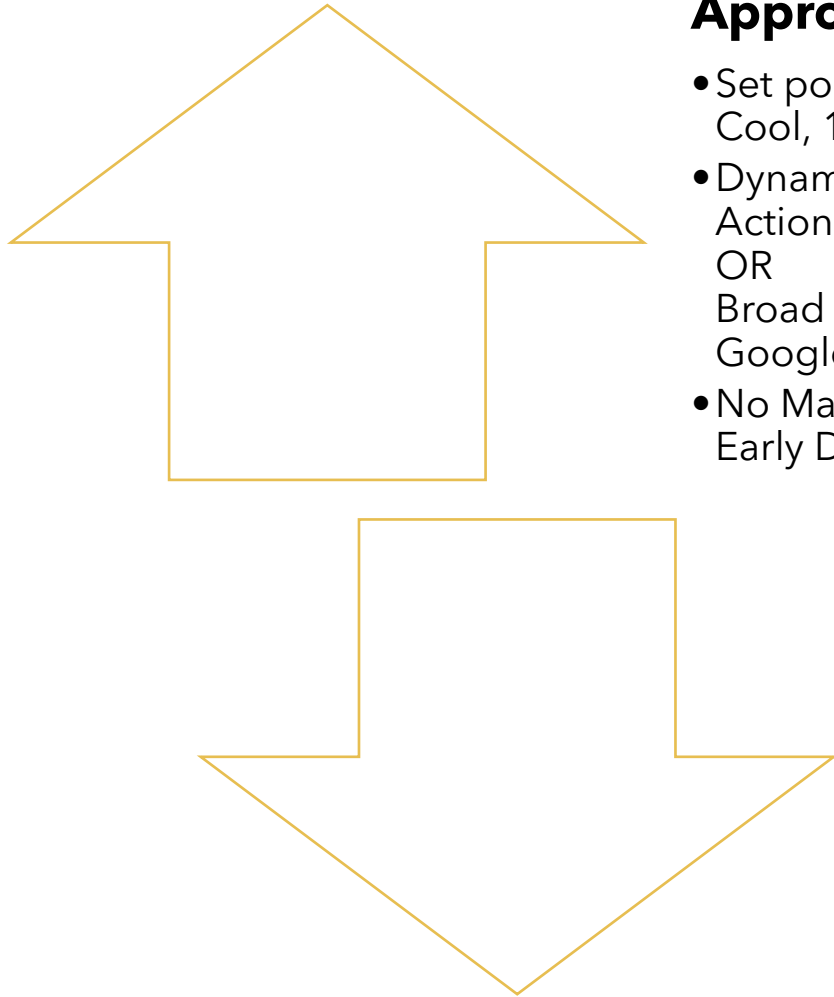
If transactions on each object is less than 5 reads or 2 writes per object in a 30-day period, it is cheaper to leave it in Cold tier.

Using Tier Move Policies

- Policies define rules for Tier-Down or Tier-Up
- One-Time effort to set policies / rules for tiering
- Policies can be defined by user or via automation
- Can be applied to all existing and new data/accounts/objects



Automating Tier Changes (via Policies)



Approach 1: Data Management Policies

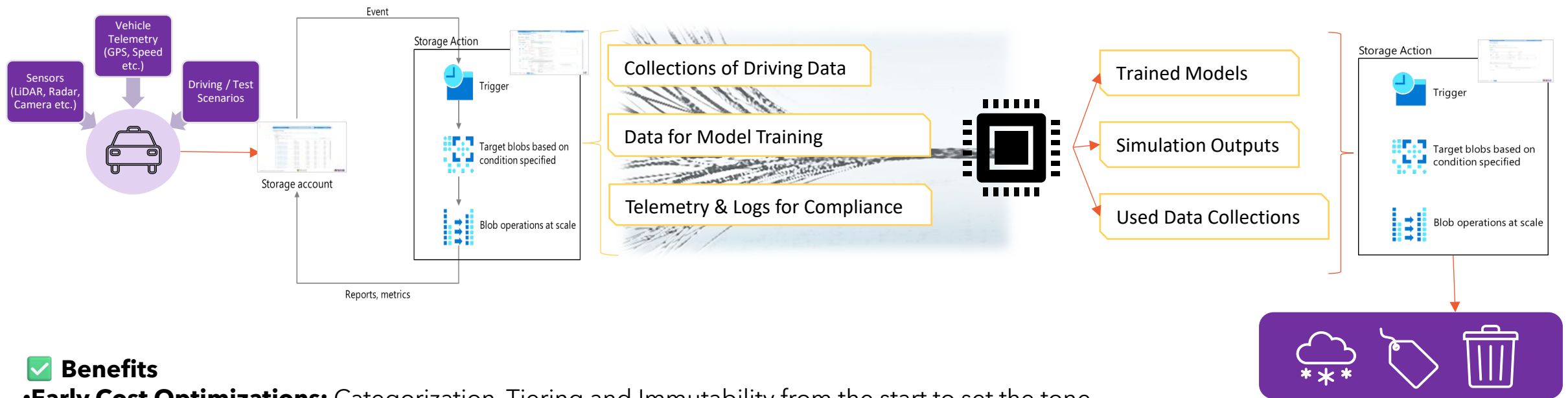
- Set policies to Auto-move data as it ages (e.g. 30 days -> Cool, 180 days -> Archive)
- Dynamic conditions and targeting with Azure Storage Actions
OR
Broad brush stroke policies with Blob Lifecycle Management, Google Object Lifecycle Policies
- No Management fee. Tier Move transactions are charged. Early Deletion penalties apply

Approach 2 : Intelligent Tiering

- Use Intelligent Tiering services that auto-shift data between tiers based on access patterns
- No need to predefine policies by user - service monitors usage
- No Early Delete Penalties or charges for the Tier move. Management fee for the entire account.
- eg. AWS S3 Intelligent-Tiering, Google AutoClass

Storage Actions in an Example workflow

Challenge: Autonomous vehicle development generates massive volumes of data—LiDAR, camera feeds, radar, GPS, and simulation outputs—requiring efficient storage, organization, and data management.



✓ Benefits

- Early Cost Optimizations:** Categorization, Tiering and Immutability from the start to set the tone.
- No-Code Automation:** Simplifies complex workflows without scripting.
- Scalable Across Billions of Objects:** Ideal for enterprise-scale data operations.
- Cost Savings:** Reduces storage costs and operational overhead.
- Consistency & Governance:** Ensures policy enforcement across regions and teams.

Key Challenges and Blind spots

Access Pattern Related Blind Spots

Lack of Visibility & Monitoring

- Tiering without clear insight into data usage

Considering Static Data Characteristics

- Treating data characteristics as static over lifetime of the object

Frequent Metadata Accesses:

- Be mindful of metadata accesses along with data access for the objects

Data Delete Patterns (Early Delete Penalties)

- Ignoring delete patterns can incur early delete penalties as data tiered into lower tiers generally have a minimum retention period requirement

Ignoring Data egress charges:

- Analyzing the number of accesses alone and not amount of data read/written. (Can be 60-80% of total cost)






Misunderstanding Data retrieval duration / charges

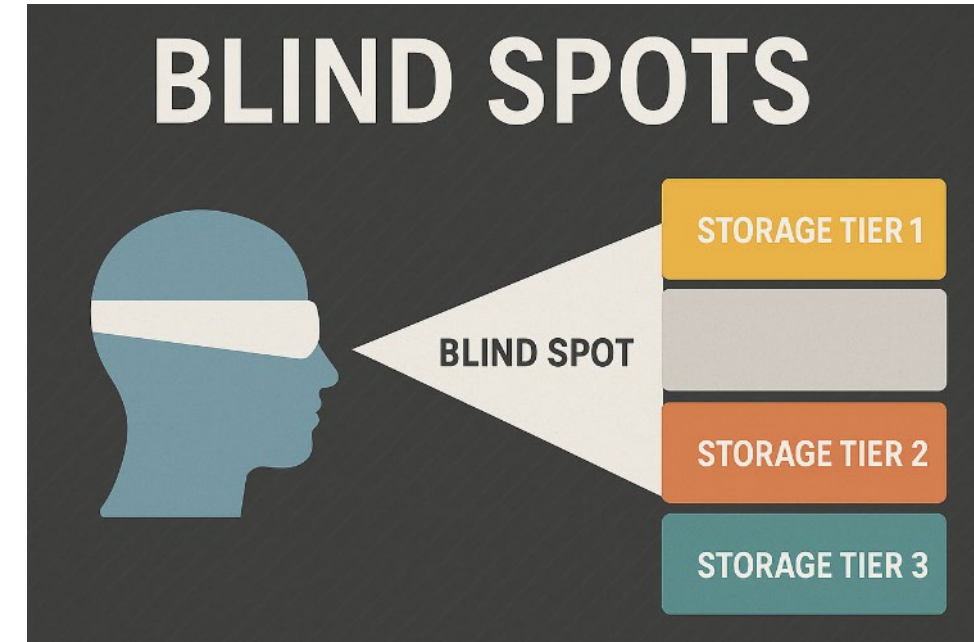
- Mindful of Colder-Archive tiers requiring longer retrieval times and specific charges



Key Challenges and Blind spots

Other Blind Spots

-  **Misaligned Tiering Rules**
 - Having conflicting Tiering policies/rules
-  **Ignoring Blob Size while making Tier decision**
 - Tiering multiple small objects to colder tiers may incur more cost in the tier change than benefit of lower storage cost
-  **Ownership Ambiguity / Orphaned Data versions**
 - Missing Tiering of objects due to lack of clear ownership
-  **Cost from the execution of the Tier change**
 - Ignoring the cost of executing tier change
-  **Compliance and Audit Risks**
 - Be mindful of changes in location of storage / retrieval durations as they could fall under compliance and audit requirements for the user



Special handling on first-time Tier Tagging

➤ Policy Overlap with Retention

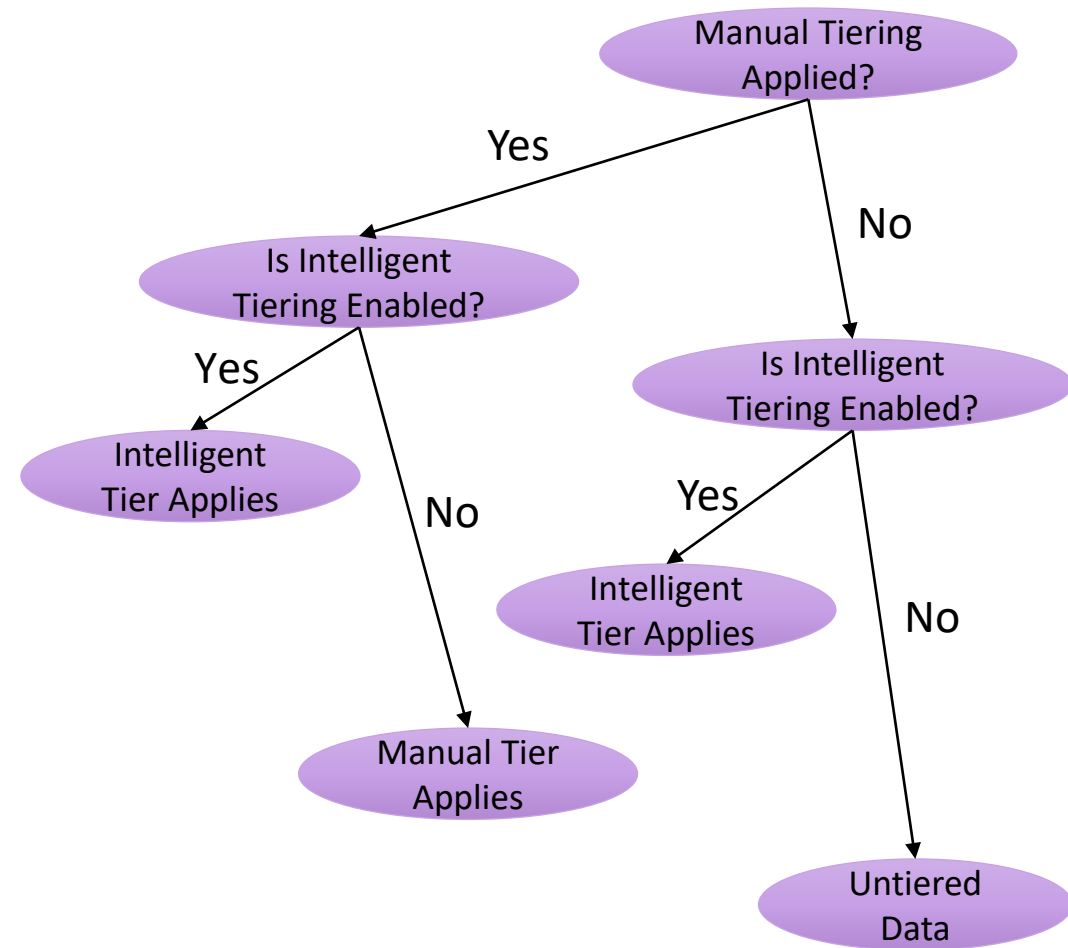
- Tiering policies may not account for retention characteristics, causing data to be moved to tiers where deletion is restricted or penalized.
- Retention and tiering rules might conflict, especially during the first 30-90 days of tiering

➤ Intelligent Tiering Override Confusion

- Users manually tiering data may not realize intelligent tiering still acts on those objects unless explicitly disabled, causing unexpected transitions.

➤ Inaccurate High-Level Analysis

- Inaccurate high-level estimate of tagging since the true tagging implementation is at Blob level.
- High Tiering execution cost in initial days since ALL data is being tiered.

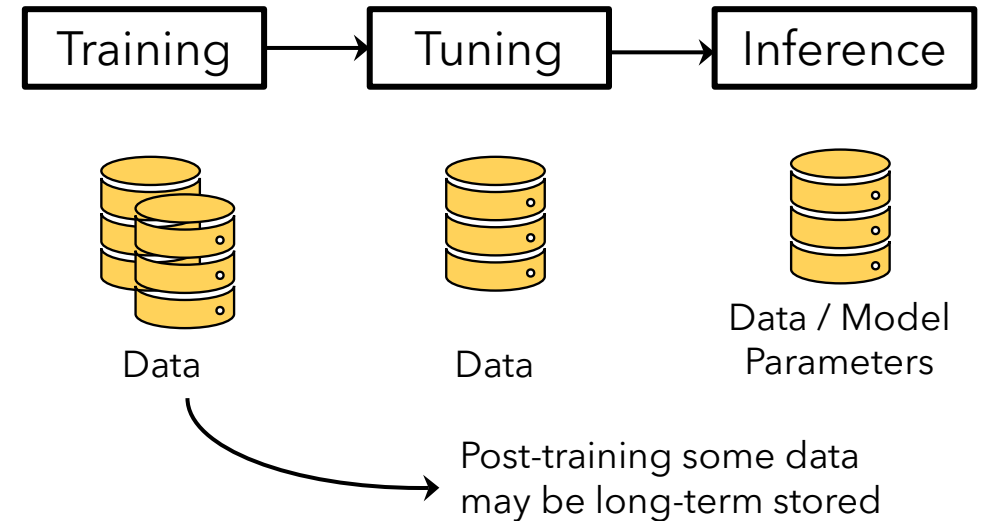


Intelligent Tiering Override Confusion

Tier Optimization for AI workloads

Importance of Tier optimization in AI Workloads

- Changing data pattern throughout the lifecycle of the Data
- Improving resource allocation & efficiency
- Extremely cost sensitive applications
- Need for long-term data management



➤ AI workload stages with possible Tier optimization

	Training / Tuning	Model Inference	Long Term retained data post-training / Logs
Dataset Size	Massive	Moderate set of Model parameters	Massive
Data Usage need	Computing pipelines that are extremely sensitive to even millisecond delays	Fast access to model parameters needed along with input of new problem data being fed	Infrequently accessed until needed for another training / tuning run
Possible Tiers	Hot / Premium Tiers	Hot Tiers	Cold / Archive Tiers

Sources:

<https://learn.microsoft.com/en-us/azure/cloud-adoption-framework/scenarios/ai/infrastructure/storage>

<https://cloud.google.com/discover/what-is-ai-inference?hl=en>

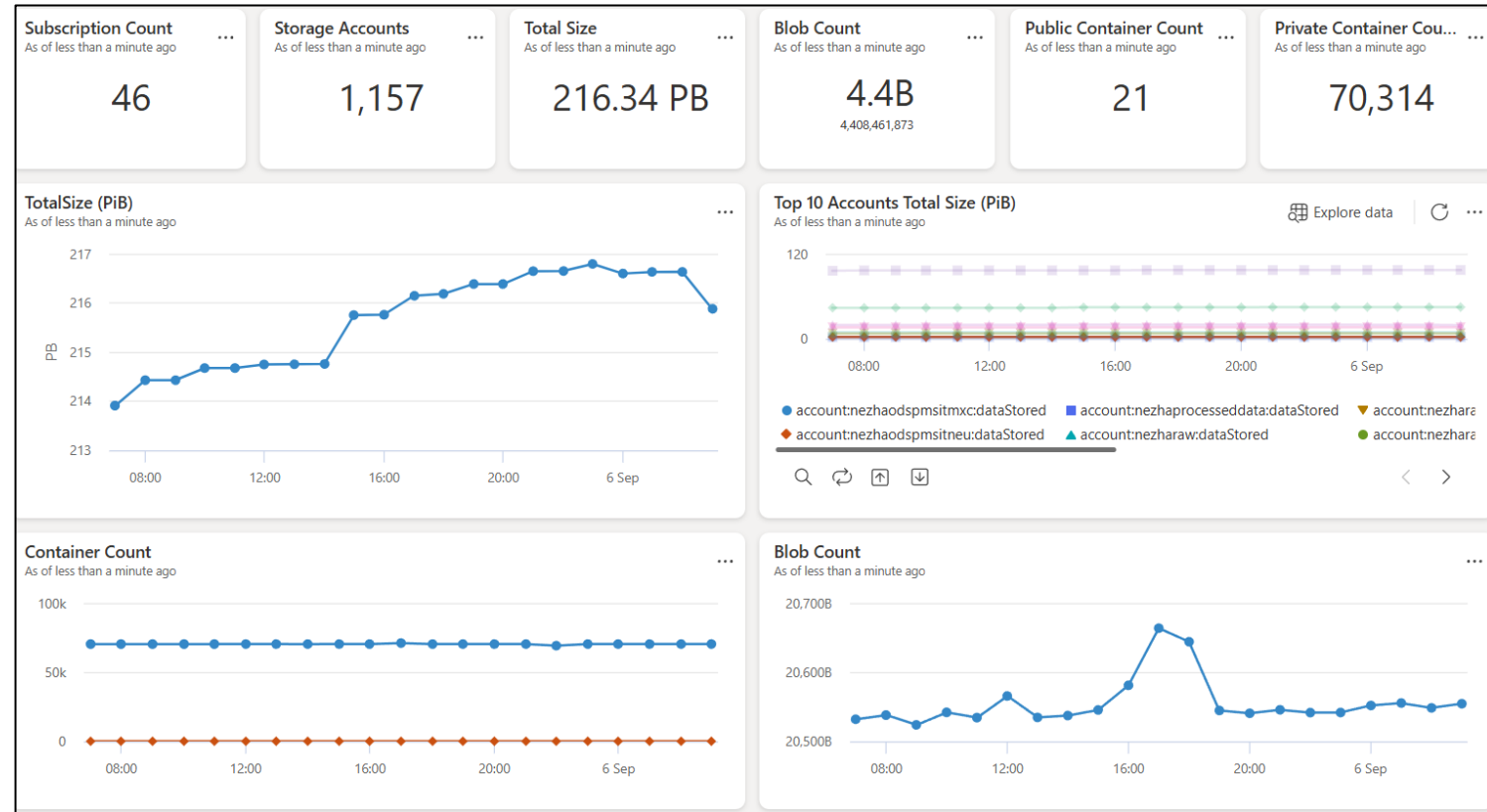
<https://insideainews.com/2024/11/11/why-auto-tiering-is-essential-for-ai-solutions-optimizing-data-storage-from-training-to-long-term-archiving/>

Monitoring & Visibility of Data-Usage Patterns

“You can’t optimize what you don’t measure.”

Leverage storage analytics (AWS Storage Lens, Azure Monitor / Azure Storage Discovery, GCP Storage Insights)

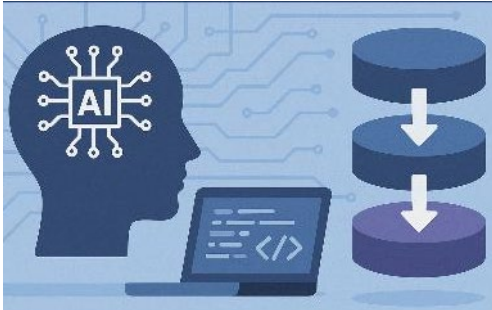
- **Track metrics:** data by tier, transactions by tier, egress costs per tier, last access times, retrieval costs along with data stored cost.
- **Set alerts** for anomalies
 - Alerts for sudden spike in reads
 - Alerts to identify stale data (e.g. buckets with 80% data unused in 6+ months)
- **AI Recommendations**
 - Eg: Azure Dashboards with Copilot recommendations



Best Practices for Cost Optimization

- Early Data Classification & Tagging
- Implement Lifecycle Actions or Intelligent Tiering
- Continuously Monitor usage and access patterns
- Hone your Retention and Deletion Practices
- Optimize Access and Cost Trade-offs
- Right-size the infra provisioning
- Apply Compression and Deduplication
- Leverage AI & Advanced Analytics
- Conduct Regular Audits

Future Tiering Innovations & Enhancements



AI-First Storage Tiering

More AI-driven automation allowing systems to predict future Tiering needs



Intent-Based Tiering (V/S Policy-Based Tiering)

Minimalistic Tiering Intent needed to be setup - such as "minimize cost", "minimize latency"



Greener Storage Tiers

Optimizing storage tiers directly to attain energy savings.

For example - Tiers based on Peak & Off-Peak time of accesses



Holistic Score Based Storage Tiers

Tiers based on score assignment incorporating multiple aspects

Call To Action

Tier data and refine Tagging in a feedback loop, leveraging latest industry tools, to best optimize storage costs!

Don't Miss out!

Modern Data Management at Exabyte Scale
– With Visibility, Efficiency, and Control

Winchester

Wed Sep 17 | 1:30pm

Cloud Storage Considerations for Retrieval
Augmented Generation (RAG) in AI Applications

Winchester

Wed Sep 17 | 8:30am

References

- **Azure Cost Estimation Guide:**
 - [Estimate the cost of using Azure Blob Storage | Microsoft Learn](#)
 - [Estimate the cost of archiving data \(Azure Blob Storage\) - Azure Storage | Microsoft Learn](#)
- **Azure Blob Lifecycle Management**
 - [Azure Blob Storage lifecycle management overview - Azure Blob Storage | Microsoft Learn](#)
- **Azure Storage Actions**
 - [About Azure Storage Actions - Azure Storage Actions | Microsoft Learn](#)
- **Azure Storage Discovery**
 - [Azure Storage Discovery Overview | Microsoft Learn](#)
- **Cost Optimization Success Stories:**
 - [Unlock seamless data management with Azure Storage Actions—now generally available | Microsoft Azure Blog](#)



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- 📄 Paste
- 🏷️ Rename
- 🔗 Acquire lease
- 🔗 Break lease
- 🔧 Edit columns

platform2recordings

Authentication method: Access key (Switch to Microsoft Entra user account)

Add filter

Search blobs by prefix (case-sensitive) Only show active blobs

Showing all 30 items

<input type="checkbox"/>	Name	Last modified	Access tier	Blob type	Size	Lease state	
<input type="checkbox"/>	sa001_highway_2024-10-02_14-30-00.json	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sa002_residential_2024-10-01_12-00-00.json	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sa003_city_2024-10-03_09-15-00.json	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sa004_highway_2024-10-01_12-00-00.json	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sa005_highway_2024-10-02_14-30-00.json	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sb001_residential_2024-10-03_09-15-00.ros	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sb002_residential_2024-10-03_09-15-00.ros	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sb003_highway_2024-10-02_14-30-00.ros	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sb004_highway_2024-10-02_14-30-00.ros	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sb005_residential_2024-10-02_14-30-00.ros	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
<input type="checkbox"/>	sc001_highway_2024-10-01_12-00-00.pcap	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
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<input type="checkbox"/>	sc003_residential_2024-10-01_12-00-00.pcap	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
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<input type="checkbox"/>	sd002_residential_2024-10-02_14-30-00.raw	9/11/2025, 12:31:51 PM	Hot (Inferred)	Block blob	0	Available	...
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<input type="checkbox"/>	sd005_city_2024-10-01_12-00-00.raw	9/11/2025, 12:31:52 PM	Hot (Inferred)	Block blob	0	Available	...

Create a storage task

- Basics
- Basics
- 2 Conditions**

Define the condition of the objects to be processed.

Visual builder Code

If

And

And

And

And

Subscription *

Select a storage account *

Assignment name *

Role assignment

Select a role assignment for the managed identity of the storage task. The role assignment will determine what permissions (read, write, modify) the managed identity will have. [Learn more](#)

For a successful role assignment, you must have owner permissions on the selected subscription 'Blob Storage Team'

Role

Filter objects

Select the blob or file objects you want to target by specifying a container name or path prefix. [Learn more](#)

Filter by Blob prefix Do not filter (run task against entire storage account)

Include blob prefixes *

Exclude blob prefixes

Trigger details

Determine how often, when, and where the storage task is queued to run.

Operatic

Set blob

Set blob

Run frequency Scheduled run (recurring) Single run (only once)

Start from

End by

Repeat every (in days)

Report export container * [Create new container](#)

Enable task assignment

Then

Additional costs may apply based on:

Additional costs may apply based on:

Additional costs may apply based on:

[Preview](#)

[Preview Conditions](#)

[Preview condition](#)

ms process that will take a while to complete.

Create a storage task



- 1 Basics
- 2 Conditions**
- 3 Assignments
- 4 Tags
- 5 Review + create

Define the condition of the objects that you want to target for this storage task. Then, select which operation you'd like to perform upon these objects.

Visual builder Code

If + Add new clause Group Ungroup Add Not Operator Delete Not Operator Move clause up Move clause down

And/Or	Blob property	Operator	Property value
<input checked="" type="checkbox"/>	Blob name	Contains	.log
<input type="checkbox"/> And	Last modified time	Greater than or equal ('>=')	30 days ago (Edit)
<input type="checkbox"/> And	Tag value	Contains	training : done



Then + Add new operation Delete section Move operation up Move operation down

Additional costs may apply based on the selected operations and the volume of data processed. [Learn more](#)

Operation	Parameter
<input type="checkbox"/> Set blob tier	Cold

Warning: Rehydrating blobs from the Archive tier to Cold tier is an asynchronous process that will take a while to complete.

Preview Conditions

+ Add new condition

