

Infomedia Cuts Cloud Costs by 40% Using New Relic

Remember the last time you took your car in for service? Chances are good that the dealership you visited relies on **Infomedia's** software-as-a-service (SaaS) solutions to streamline and automate sales and management of parts and services. Leading automakers including Chrysler, Ford, GM, Honda, Kia, Lexus, Nissan, Toyota, Volvo, and many others rely on Infomedia software to sell billions of dollars in parts and services every year.

Founded in 1987, Infomedia serves 170,000 users representing 39 global automaker brands in 186 countries around the world. Unlike many other SaaS providers, Infomedia isn't focused on delivering one main product. The company develops software across three core product groups: spare parts catalogs, parts and service selling, and lubricant point of sale solutions for oil companies.

'In all, we have approximately 200 discrete applications that we have developed and maintain,' says Daniel Schipper, chief information officer at Infomedia. 'Our products help dealers deliver the best service to their customers while maximising their profitability.' With dealers staking a major part of their daily business on the company's software, performance and reliability are crucial for Infomedia.

Shifting to the cloud before everyone else

With innovation always in the driver's seat, Infomedia was one of the first independent software vendors on the Amazon Web Services (AWS) platform when it launched in Australia in 2012. However, as the company transitioned from traditional software delivery to a cloud-based SaaS model, it needed to make sure that its customers experienced the same level of service and performance as before.

Infomedia initially erred on the side of over-provisioning the infrastructure. 'Delivering innovation was our focus,' says Schipper. 'We weren't as focused on optimisation, and so if we needed better performance for an application, we would throw infrastructure at it.'

INFOMEDIA™

Global leaders in parts and service software

**INDUSTRY**

SaaS

**LOCATION**

Sydney, Australia

**EMPLOYEES**

290

PRODUCTS

New Relic APM, New Relic Browser, New Relic Infrastructure, New Relic Insights, New Relic Synthetics

WHY NEW RELIC

Delivers real-time insight from the application frontend through to the cloud infrastructure

HIGHLIGHTS

- Optimised performance and infrastructure for 200 applications
- Cut the cost to run one application by 90%
- Reduced cloud infrastructure costs by 40% overall



Without having a single tool to provide visibility into the customer experience, application performance, and dynamic cloud infrastructure, Schipper's team couldn't efficiently diagnose and resolve the root causes of performance issues it needed to optimise both the software and the company's use of cloud resources.

Gaining visibility across the stack

Schipper and his team set out to both optimise application performance and improve utilisation of cloud resources. 'We call it optimising innovation and the goal was to do that without impacting the customer experience or inhibiting innovation,' says Schipper. 'We chose New Relic because it gives us insight into everything we need to improve our products and retain customer satisfaction.'

Infomedia uses New Relic to get performance baselines before tests and deploys, and then monitors them to determine whether there was a performance improvement. 'New Relic lets us understand application performance and resource utilisation and then see if our code changes stack up to what we thought was going to happen,' says Schipper. 'We're seeing in real time exactly what's happening, which is a big benefit for us.'

Infomedia uses New Relic APM to look at application performance, New Relic Infrastructure to link those applications back to the underlying dynamic infrastructure, and the health map visualisation for one view of both application and infrastructure. 'Traditional monitoring tools are difficult to use in an infrastructure that's changing daily,' says Schipper. 'With New Relic, it doesn't matter that we've had 50 different Amazon EC2 resources serving an application and more than 10 different versions of the application. With health map, we get an accurate view of the performance of the infrastructure.'

Schipper's team also uses New Relic Browser to understand customer experience across the company's 170,000 users. 'We get global baselines from New Relic and then compare them to a specific customer group or regional group,' he says. 'It helps us identify and fix issues that may be impacting the experience for certain customers.'

Optimising cloud resource utilisation

Today, Schipper and his team have improved application performance and the customer experience while also optimising use of cloud resources. 'We've used New Relic to help us eliminate excess infrastructure while maintaining our cadence of innovation,' he says. 'Across our 200 applications, we've run an optimisation exercise with New Relic to identify over- and under-provisioning.'

For example, by using health map the Infomedia team noticed that one application alone was using 49 large instances. 'We immediately knew that wasn't right,' says Schipper. 'Straightaway we found the deployment problem and cut the extra instances, which saved us a significant amount in costs to run the application.' Overall, optimising cloud resources helped Schipper's team decrease Infomedia's cloud spend by 40%.

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In addition to optimisation efforts, Infomedia is also using New Relic to make better decisions about provisioning infrastructure. 'New Relic helps us choose the right instance types and maintain customer experience by giving us insight into CPU, memory, and disk utilisation of an application,' explains Schipper.

He cites the example of an application that proved to be memory-hungry instead of CPU-hungry as previously suspected. By switching to the correct instance type, his team was able to cut the costs of running the application by 90% while improving the customer experience at the same time.

Democratising data to drive collaboration and communication

Beyond optimisation and performance improvements, Schipper has been able to use New Relic to change the culture at Infomedia. 'New Relic helps us collaborate better because it eliminates finger-pointing,' he says. 'Now, when we see the data we can all agree on the root cause.'

Building on the success of the operations and development teams, Schipper plans to begin providing New Relic Insights dashboards to the product teams. 'We can give product owners and others curated views that let them see how their product is performing, the customer experience it's delivering, and the associated costs of running the application,' says Schipper. 'As they make decisions, they can use New Relic to see the impact of those decisions across both customer experience and cost.'

Schipper and his team are improving communication with the executive team as well. 'The data we get from New Relic helps build trust between the executive team and our development and IT operations teams,' says Schipper. 'We can show that the company is getting the best bang for every buck, while delivering the performance our customers have come to expect.'