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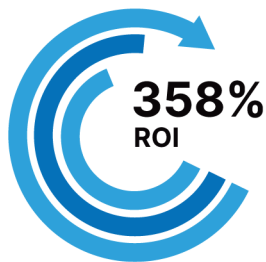
Total Economic Impact™ of Elastic

Through four customer interviews and data aggregation, Forrester concluded that Elastic Observability and Security solutions have the following three-year financial impact:

358%
ROI

358% three-year return on investment for organizations using Elastic Observability and Security solutions

10x
faster

Customers have seen 10x faster response times, while their licensing costs have gone down

$19.08M
PV

Present value of benefits (PVB) of $19.08M realized over three years

$14.91M
NPV

6
months

Less than 6 months payback period

Key customer assumptions

- Multibillion-dollar global business
- Large customer base using online applications
- 50,000 employees at risk for phishing attacks
- 1.5PB of log file data, pre-Elastic with security and observability gaps

Three-year customer quantified benefits

33%
Improvement

IT labor efficiency
Observability: Reduced operations monitoring labor cost

6.25%
Improvement

Productivity
Observability: Developer labor savings due to Elastic use for dev, testing, and debugging applications

8.675%
Improvement

IT hardware & software efficiency
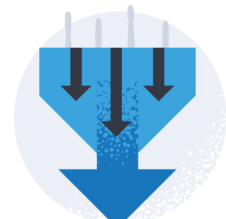**Observability**: Savings due to improved data center, cloud demand forecasting and ML use

30%
Improvement

Security:
Savings due to reduced risk of data breach

18.75%
Improvement

Security:
Reduced security operations cost by year three

25-50%
Improvement

Combined:
Reduced infrastructure and licensing costs

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Elastic customer journey organizations

$15B+
Revenue

Industry: Technology
Region: Global
Interviewee: Detection engineering lead

$40B+
Revenue

Industry: Retail
Region: North American
Interviewee: Retail security director

$500M+
Revenue

Industry: Financial services software
Region: Global
Interviewee: Cloud service architect

$2.5B+
Revenue

Industry: Telecommunications
Region: Europe
Interviewee: Manager of streaming service monitoring

Key challenges

Siloed data. Interviewees spoke of data integration challenges both within their security information and event management (SIEM) tool and with data outside of the SIEM environment.

Slow response times. According to interviewees, the prior SIEM tool was complex to use, and it had slow response times.

High data storage costs with the SIEM environment. Interviews spoke of the tradeoffs in the cost of storing data in SIEM environments and keeping log files for longer periods, adding additional log file sources, or adding other data.

The poor integration and governance capabilities made it so that we could not connect sequences of events.
Detection engineering lead, technology company

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Solution objectives

The interviewed organizations searched for a solution that could:

Allow user expansion beyond monitoring and data governance

Combine ML and regressions, reduce false positives, reduce monitoring efforts, and identify more abnormal behavior (both observability and security)

Include more data sources to keep existing data for more time and to better integrate data, all at a lower cost and with better query response

We call our forecasting mechanism, "pre-mortem," identifying developing problems days to months in advance of when they would actually occur if we didn't have Elastic's ML. Our service level is 99.999%.

Manager of streaming service monitoring, telecommunications

But wait, there's more!
Unquantified benefits

Cost savings from shared data sources: logs, metrics, traces, and other event types

Reduced outages (incidents): faster app performance, reduced data loss

Increase in employee satisfaction: better cross-team collaboration

Key employee knowledge: institutionalized on Elastic ML

Support: improving time to Elastic issue related resolution

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Consolidated three-year risk-adjusted metrics

The financial results calculated below can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

$18,258,957
total net benefits (3yrs)

$14,908,768
Present value

$23,346,457
total benefits (3yrs)

$19,076,991
present value

$5,087,500
total costs (3yrs)

$4,168,223
present value

■ Total cost
■ Total benefits

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