Archera Surpasses $5.6B in Cloud and AI Spend, Closes Series C Led by Pivot Investment Partners

BELLEVUE, WA, UNITED STATES, October 27, 2026 /EINPresswire.com/ -- The round will help Archera expand its guaranteed cloud commitments, bringing insurance-backed financial protection to companies navigating unpredictable AI and cloud spending. The company has delivered more than $700 million in customer savings and now manages approximately $5.6 billion in annual cloud and AI spend.

The team behind Archera.ai

As artificial intelligence makes cloud spending harder to predict, companies face an increasingly expensive choice: commit to long-term cloud and AI contracts to unlock significant discounts or preserve flexibility and leave savings on the table. Archera has raised a $15 million Series C to expand its Guaranteed Commitments and change that equation.

The cloud economics company today announced it closed its Series C funding round, led by Pivot Investment Partners, with participation from existing investors including HighSage Ventures. The financing brings Archera's total funding to $38.3 million. It will support expanding Archera's Guaranteed Commitments and its suite of free cloud cost tools, including its FinOps Agent and MCP.

Insurance-backed financial protection is central to Archera's next phase of growth. Archera purchased a policy on a surplus lines basis from Crum & Forster Specialty Insurance Company to back its guarantee. This model helps businesses pursue cloud commitment savings while managing the financial risk of usage changes.

The company has delivered more than $700 million in savings to over 2,200 organizations, including PubNub, Art.com, and Astronomer. The thesis behind Archera is simple: companies shouldn't have to predict AI's future to commit and save money on today's infrastructure.

Why Cloud and AI Commitments Need to Change

Cloud providers reward customers who commit to spending over one- to three-year periods with substantial discounts and access to capacity. Historically, those commitments have helped businesses reduce infrastructure costs. But AI is changing the risk and economics of that decision.

A new model launch can multiply GPU spending in months. A more efficient model, a shift in architecture, or a move to a different service can reduce it just as quickly. Long-term commitments that once looked financially sound can become expensive liabilities.

Companies are left choosing between overcommitting and risking unused spend, or undercommitting and missing out on available discounts. Many choose the latter, sacrificing potential savings to preserve flexibility.

Archera believes that the trade-off is unnecessary. Its Guaranteed Commitments provide resource-level cloud and AI discounts with terms as short as 30 days. If usage declines and a covered commitment goes unused, Archera covers the cost under the terms of its guarantee.

The result is a different way to approach cloud purchasing. Businesses can pursue deeper discounts and unlock capacity otherwise gated behind a commitment, without bearing the entire financial consequence when actual usage diverges from forecasts.

Turning Cloud Optimization Into a Financial Product

Traditional cloud cost management tools provide visibility, recommendations, automation, and forecasting, but they can't eliminate the financial risk of unused commitments. Archera combines its free FinOps platform and Agent with a financial guarantee that addresses inaccurate forecasts.

“Every tool in this market is trying to forecast your cloud usage a little better. We think that’s the wrong bet,” said Aran Khanna, co-founder and CEO of Archera. “Nobody can forecast AI demand, not the customer, not the cloud provider. So instead of predicting it, we guarantee it, and we have purchased an insurance policy to back that guarantee. If covered usage drops, we address the unused commitment cost under the terms of our guarantee. That’s a new way to purchase cloud, not another dashboard, and it’s why we’ve been able to return $700 million to our customers.”

The approach positions cloud commitments as a financial risk decision, helping finance and engineering leaders manage budgets while adapting to changing technology.

Built for CFOs, CTOs, and the Teams Managing AI Costs

The approach addresses a growing challenge across finance and engineering: how to control infrastructure costs without constraining the business.

For CFOs: Capture commitment-level discounts while reducing exposure to eligible unused spend under the guarantee.

For CTOs and engineering leaders: Preserve flexibility to adopt new AI models, change architectures, and scale workloads without letting past commitments dictate future decisions.

For FinOps teams: Increase commitment coverage with a financial backstop when usage changes, without more back-and-forth with engineering teams to get perfect forecasts.

For cloud partners and resellers: Give customers a differentiated way to pursue cloud savings that can be reinvested in new cloud services while managing commitment risk.

Archera's platform connects to AWS, Microsoft Azure, or Google Cloud billing data in read-only mode and analyzes actual usage. It then recommends and automates the purchasing of both native commitments and Archera Guaranteed Commitments.

Customers can evaluate their potential savings before making any purchasing decision. Commitments remain in the customer's own cloud account, preserving end-to-end control over cloud purchasing strategy.

Archera earns when customers save through its guaranteed commitments, aligning its commercial model with the outcomes customers seek.

Customers Are Rethinking the Commitment Model

For organizations accustomed to treating cloud commitments as a single, high-stakes decision, Archera offers a more flexible approach.

"Working with Archera meant rethinking commitments as a spectrum rather than a single, high-stakes decision," said James Hamilton, VP of Operations and Controller at PubNub. "This was a big mind shift for us. We needed to think about how our commitments could be broken up into a spectrum of purchases versus a single one-time buy."

That flexibility is particularly valuable as companies adopt AI workloads, where technology choices and resource requirements can shift faster than traditional budgeting cycles.

Instead of making one large bet on future usage, businesses can take a more measured approach while still securing meaningful discounts.

A Series C to Expand Insurance-Backed Cloud Purchasing

Archera has been operating profitably at scale. It raised a Series C to support larger guarantees, expand its reach, serve more customers, and upgrade the insurance policies backing its guarantee to serve larger global clients.

The company plans to use the capital in three ways:

Accelerate go-to-market efforts.

Expand its global partner network across North America, Europe, the Middle East, Japan, and Latin America.

Serve more teams focused on AI-driven workloads.

“Archera has built a capital-efficient and differentiated business at the intersection of cloud infrastructure and risk management,” said Dinkar Jetley, co-founder and managing partner at Pivot Investment Partners. “The team pairs a deep understanding of the cloud ecosystem with a rigorous approach to underwriting, and the result is a compelling value proposition that a fast-growing roster of customers relies on as their cloud spend scales. We are privileged to have led this Series C round and look forward to working closely with Aran and the management team in the years ahead.”

Built by People Who Understand Cloud Infrastructure

Aran and Nikhil Khanna founded Archera in 2019. Aran previously planned capacity for Azure’s core compute and database services at Microsoft and was a founding member of AWS’s deep learning team leading launches, including SageMaker, DeepLens, and the Neuron SDK, behind Amazon’s Trainium and Inferentia AI chips.

His research on deep learning model efficiency has been cited more than 1,900 times, and he serves on the FinOps Foundation governing board.

As AI transforms infrastructure economics, Archera aims to make cloud savings more accessible without forcing businesses to assume unnecessary financial risk.

To explore potential savings, request a free assessment at Archera.ai.

Free savings assessment: https://app.archera.ai/savings-estimate?utm_source=forbes&utm_medium=referral&utm_campaign=series-c-2026

Ken Louis
9-Figure Media
+1 949-342-6155

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