

Datadog vs New Relic vs Grafana Cloud: which pricing model wins

The three do not bill the same way, so the cheapest one depends on what runs away for you: hosts, engineers, or data volume. Here is how each meters, and when each one wins.

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The question people ask is which one is cheaper. There is no single answer, because the three do not bill on the same axis. Datadog meters per host, New Relic meters per person and per GB of data, and Grafana Cloud meters per usage primitive. So the same monitoring workload can be cheapest on a different tool depending on whether hosts, engineers or data volume is your biggest number. Pick the tool whose meter matches the number you can keep small.

Three different meters, not three prices

- Datadog: per host, then a separate meter stacked per product (infrastructure, APM, logs), and logs billed twice, once to ingest and once to index.
- New Relic: per full platform user, plus per GB of data ingested, with the first 100 GB a month free.
- Grafana Cloud: per usage primitive, mostly metric series and log GB, with users mostly free.

Datadog: per host, and the meters stack

Datadog prices on your host count and then adds a separate line per product: about 15 dollars per host a month for Infrastructure on the annual Pro plan, about 31 dollars per host for APM on the hosts you trace, and logs billed twice, roughly 0.10 dollars per GB to ingest and again per million events to index. There is no free production tier, so you are on the meter from the first host. The model is predictable when hosts are your main number, but the extra meters, especially logs, are where the bill quietly climbs. If Datadog is already your platform, the sibling guide on why a Datadog bill keeps climbing covers which line to cut first.

New Relic: you pay for people and data, not hosts

New Relic ignores host count entirely and bills on two things: how many people need full access, and how much data you send. The free tier includes 100 GB of ingest a month and one full platform user. On the Standard plan the first full user is about 10 dollars, each additional full user is about 99 dollars a month up to five users, and lighter core users are about 49 dollars; data past the free 100 GB is about 0.40 dollars per GB, or about 0.60 dollars per GB on Data Plus. So the swing cost is how many engineers need a full seat, not how many servers you run. It is cheap when a small group owns observability across a large fleet, and it gets expensive when the whole team needs full access.

Grafana Cloud: usage-based, with the most generous free tier

Grafana Cloud bills on the raw usage primitives and keeps users mostly free. The free tier is the most generous of the three: about 10,000 metric series, 50 GB of logs and 50 GB of traces, three users, at 14-day retention. On Pro you pay a 19 dollar a month platform fee, about 6.50 dollars per 1,000 active metric series, about 0.40 dollars per GB to write logs (plus small processing and retention charges), and 8 dollars per active user beyond the three free ones. Cardinality is the bill here: high-cardinality labels multiply your series count, so the same dashboards can cost very different amounts. It gives the lowest floor and the most control, in exchange for being the most hands-on to run.

The rule of thumb

The cheapest tool is the one whose meter tracks the number you can keep smallest. Many hosts but a small team: Datadog is predictable, just watch the log line. A big team where everyone needs full access but a modest fleet: Datadog per-host can flatter you, but check the full-user count against New Relic before you assume it wins. Data-heavy, cost-sensitive and willing to self-serve: Grafana Cloud has the lowest floor and the best free tier. None of that is a substitute for adding up your own meters, which is what the estimator is for. (List prices, checked July 2026, they move.)

When logs are the line that runs away

If the number that keeps growing is log volume rather than hosts or users, the split-meter model is the problem, not the vendor. Datadog charges to ingest and again to index; New Relic and Grafana both fold logs into per-GB data pricing, which is simpler but still scales with volume. A single flat per-GB logs rate with retention included, like Better Stack Logs, is the honest fit when logs specifically are what runs away, priced against your monthly log GB from the estimator.

Watching an AI feature: one bills it separately, two fold it in

The same split shows up the moment you add an AI feature and want to observe it. Datadog gives LLM observability its own meter, a separate line now grouped under Agent Observability, billed per LLM span, where a span is a single call to a model provider. On the annual plan the first 100,000 LLM spans a month run about 160 dollars, each additional 10,000 spans about 3.50 dollars, and it sits on top of the host and log meters rather than inside them. New Relic and Grafana do not break it out at all. New Relic has no separate AI line: the traces your AI calls produce count as ordinary data ingest against the same per-GB rate past the free 100 GB, and access is a normal user seat. Grafana is the same idea on its own axes, where LLM telemetry is just more metric series, log GB and trace GB on the meters you already pay, with no generative-AI line of its own.

So the practical difference is where the AI cost lands, not whether you pay it. On Datadog an AI feature adds a new, visible per-span line you can budget on its own; on New Relic and Grafana it quietly grows a meter you already watch, which is simpler to reason about but easy to miss

until ingest or series count climbs. The estimator here sizes the host, APM and log meters, not the per-span AI line, so treat that as a separate number to add on the platform that breaks it out. The sibling guide on why a Datadog bill keeps climbing covers that LLM Observability line in more detail. (List prices, checked July 2026, they move.)

See your own number

Because the three meter on different axes, a like-for-like sticker comparison misleads. The honest way to choose is to put your real host count, full-user count and monthly data volume into the estimator, read which meter dominates, and edit every rate to match a quote before you commit. List pricing is only a baseline; your negotiated or on-demand rate will differ.

Frequently asked questions

Is New Relic cheaper than Datadog?

It depends on which number is biggest for you, because they meter on different things. Datadog bills per host and then stacks a separate meter per product; New Relic bills per full platform user plus per GB of data ingested, with the first 100 GB a month free. If you run many hosts but only a few engineers who need full access, New Relic can undercut Datadog. If your whole team needs full seats, the roughly 99 dollar per additional full user line adds up. Compare on your host count against your full-user count.

Does Grafana Cloud have a free tier?

Yes, and it is the most generous of the three. The free tier includes about 10,000 metric series, 50 GB of logs and 50 GB of traces, three users, at 14-day retention, at no cost. Above that it is usage-based: a 19 dollar a month Pro platform fee, about 6.50 dollars per 1,000 metric series, about 0.40 dollars per GB to write logs, and 8 dollars per active user beyond the three that are free.

What is the real difference in how these three bill?

The billing axis. Datadog meters per host, then adds a separate meter per product, and logs are billed twice (ingest and index). New Relic meters per full platform user plus per GB of data ingested. Grafana Cloud meters per usage primitive, mostly metric series and log GB. So the same workload can be cheapest on a different tool depending on whether hosts, engineers or data volume is your biggest number.

Which is cheapest for a small team?

For a small team with light data volume, Grafana Cloud free (about 10,000 series and 50 GB of logs) or New Relic free (100 GB of ingest and one full user) usually beats Datadog, which has no free production tier and starts metering per host right away. As you add engineers who each need full access, New Relic per-user cost grows; as you add hosts and log volume, Datadog stacked meters grow. Put your real numbers in the estimator before you decide.

Is Better Stack a real Datadog alternative?

For logs, yes. Better Stack Logs bills on a single per-GB rate with retention included, instead of the separate ingest-plus-index meters Datadog stacks, so it is a genuine fit when logs, not hosts, are the line that runs away. It is a logs and uptime product, not a full APM and infrastructure replacement, so match it to what you actually need to monitor rather than

swapping like for like.

Do Datadog, New Relic and Grafana charge extra to monitor an AI or LLM feature?

They meter it differently. Datadog bills LLM Observability as a separate line, now grouped under Agent Observability, per LLM span, where a span is one call to a model provider: about 160 dollars a month for the first 100,000 spans on the annual plan, then about 3.50 dollars per additional 10,000. New Relic and Grafana do not break it out. On New Relic the telemetry your AI calls produce counts as standard per-GB data ingest and needs a normal user seat, with no separate AI line; on Grafana it counts as ordinary metric series, log GB and trace GB. So on Datadog an AI feature is a new visible line to budget on its own, while on the other two it grows a meter you already pay.

Estimate your own monitoring bill

Free, no signup: agent.mue.app/tools/datadog-cost-estimator

agent.mue.app/articles/datadog-vs-new-relic-vs-grafana-cloud-pricing

