



**EDB**

Postgres<sup>®</sup> for the AI Generation



# The Ultimate Guide to Reducing Your TCO

with EDB Postgres

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## Introduction

Every company strives to lower the cost of doing business, especially given today's macroeconomic uncertainty. That's why business leaders are constantly searching for ways to minimize expenses and optimize the total cost of ownership (TCO) of their technology.

You may be familiar with the common business concept called the Cost Iceberg, which refers to the idea that, like an iceberg where only about 10% is visible above the waterline, the visible costs represent only a fraction of the total cost. It's a useful metaphor if you're responsible for your company's spending, as it will help you keep hidden costs to a minimum.

One way business leaders are reducing TCO and generating cost savings is by taking a good hard look at their database and database software—which are among the most important purchases a company can make. By taking steps to ensuring that their database technology is running at optimal levels, fully meeting their organization's needs, not incurring any hidden costs, and positioned to keep pace with digital transformation, CIOs and CTOs are successfully decreasing TCO and increasing their business advantage. In the next few pages, we'll show you how.

### What is TCO?

Total cost of ownership (TCO) in this case, refers to the combination of people, hardware and software costs of running a database platform. This metric is key for forecasting the long-term cost of making a purchase and quantifying the likely return on investment.



## 1 - Optimize software costs

There are many ways to reduce software costs. Here are a few of the most common practices:



### Review your usage

Regularly review the necessity for the vendor products / tools you use. Check the terms and ensure you are not overpaying for services or support levels you do not need.



### Standardize platforms

Consolidate tools that serve the same purpose.



### Renegotiate with your vendors

Consider volume licensing / contract consolidation.



### Cloud services

Public cloud may offer cost efficiencies, particularly when coupled with pay-as-you-go usage or services where version upgrades are included.



### Maintain your systems

If your software is up to date, you may be able to avoid the costs associated with addressing vulnerabilities or compatibility issues.



### Open source software

Many companies are on a journey to find alternatives to legacy commercial software providers. PostgreSQL is leading the charge in the database space, and has been the developer's favorite for years. We'll expand on open source in the next chapter.

The right database partner can help you safely and efficiently deploy, operate, and securely manage open source Postgres databases to reduce TCO.



# 80%

**of IT leaders expect to increase their use of open source software for emerging technologies, including their DBMS.<sup>1</sup>**

<sup>1</sup> [The State of Enterprise Open Source, a Red Hat Report](#) [Chris Mayfield](#) [real-world assessment](#)

## 2 - Move from proprietary to open source

One approach that companies are taking to reduce TCO is to transition from proprietary software to open source database solutions. While legacy, proprietary database providers have been the norm in the past, many leaders are recognizing the constraints that these systems impose on their organizations—especially when it comes to control over their own data.

As [the most popular database among developers](#) in Stack Overflow's annual survey, Postgres is the ideal open source solution for organizations looking to reduce operating costs. By transitioning existing databases to Postgres, organizations can break free from proprietary vendor lock-in and restrictive licenses and drastically reduce their operating costs.

EDB Postgres offers a guaranteed Postgres migration program that [can reduce software, support, and maintenance costs by up to 80%](#) while enabling organizations to take advantage of the unparalleled performance, scalability, and security benefits of Postgres for their database needs.

Open source software solutions like Postgres are beginning to change the landscape of the global database market, and the implications are transforming the future of business itself.

### 3 - Prioritize flexibility and optimize tech purchases

It is highly recommended to opt for computing resources that offer flexibility in the event that optimization becomes necessary in the future.

According to the [2024 State of IT report](#), 66% of organizations plan to increase IT budgets in 2024, while only 4% plan to decrease tech spending. In addition, 74% of organizations have changed their tech purchasing behaviors (e.g., reducing seats, delaying purchases, consolidating technologies, reevaluating vendors or contracts, adopting cheaper or free services, decommissioning unnecessary infrastructure) to reduce costs in response to the risk of an economic downturn. These approaches help to ensure that organizations are not bound to a particular platform or supplier or technology, enhancing overall TCO in the long run.

### 4 - Consider moving to the cloud

Moving databases to the cloud is currently one of the most popular IT activities in enterprises around the world. According to [Gartner](#), spending on cloud databases is outpacing on-premises spend, with [95% of new workloads](#) expected to be deployed in a cloud-native platform by 2025.

Public cloud adoption is as much an operating model change as it is a reduction in required on-premises rack space and power consumption. By relocating workloads from on-premises to the cloud, organizations are decreasing costs associated with hardware and delegating some of the most laborious IT management and maintenance tasks to the cloud service provider (CSP) of their choice. As a result, in-house IT teams can more easily focus on building revenue-generating business applications and innovations that add value to their businesses.



**45%**

**of businesses that modernized and adopted new technologies reported improved ROI for their IT investments.<sup>2</sup>**

<sup>2</sup> Jim Rapoza, VP and Principal Analyst at Aberdeen Strategy & Research, 2024 State of IT annual study



**More than**

**85%**

**of companies are expected to adopt a cloud-first approach and over 95% of new digital workloads will be deployed on cloud-native platforms by 2025.<sup>3</sup>**

<sup>3</sup> Gartner Says Cloud Will Be the Centerpiece of New Digital Experiences





**~40%**

**of enterprises are looking at automation in DB to reduce costs, according to Forrester.<sup>4</sup>**

<sup>4</sup> 4 Ways to Reduce your Total Cost of Ownership (TCO) with EDB Postgres



**While IT hiring is expected to grow,**

**63%**

**of senior tech leaders believe it's currently difficult to hire skilled IT talent.<sup>5</sup>**

<sup>5</sup> 2024 State of IT annual study by Aberdeen Strategy & Research

## 5 - Improve process efficiency and increase automation

When processes become more efficient, they often require fewer resources and less time, and can reduce errors or redundancies, all of which can contribute to a reduction in costs.

Automating repetitive tasks such as database provisioning and configuration is one proven way to reduce costs. Not only are manual database builds laborious and time consuming, they are also prone to error. Automating database provisioning and configuration and even maintenance can help organizations achieve cost-reduction objectives while upholding superior quality standards.

## 6 - Optimize resources with Remote DBA services

Creating in-house expertise is expensive and time consuming. Hiring staff is also challenging, with a recent report showing that while IT hiring is expected to grow, 63% of senior tech leaders believe it's difficult to hire skilled IT talent.<sup>5</sup>

Remote database administrators (RDBAs) can enable companies to save on hiring and training, and delegate the management, monitoring, and maintenance of databases to skilled professionals who can proactively address and solve database issues.

A Remote DBA Service for Postgres allows companies to accelerate Postgres deployment, either on-prem or in the cloud, while reducing risk, lowering total management costs, and accelerating growth.



## Meet mission-critical needs while optimizing scalability

With organizations under pressure to find ways to lower costs, many are moving away from expensive legacy database vendors with exorbitant licensing models and turning to equally powerful but significantly cheaper open source options like EDB Postgres. With 30 years of development behind it, Postgres offers the reliability, feature robustness, and performance that businesses need—at a fraction of the cost of a proprietary database.

### EDB enhances Postgres and helps organizations:

- ✓ **Lower IT costs:** Save as much as 80% on software licensing and support costs when moving from Oracle to Postgres with our migration guarantee program.
- ✓ **Avoid vendor lock In:** Embrace open source freedom and transcend cost unpredictability by moving from legacy databases to Postgres in the cloud or on prem.
- ✓ **Leverage existing dev experience:** EDB's Oracle compatible features and work-alike tools help ease the transition to Postgres and enable developers and DBAs to hit the ground running.
- ✓ **Migrate faster:** EDB helps most customers migrate schema and data from Oracle in 20 days or less, minimizing downtime and disruption.
- ✓ **Tap 24/7 support:** Gain expert support and tooling at a fraction of the cost of legacy vendors.
- ✓ **Future proof technology:** With the largest database development community in the world, open source Postgres is evolving faster than legacy and specialized databases. As the largest contributor to Postgres, EDB helps shape the technology, delivering a unique set of value-added services and tools that empower modern development and new cloud-native applications.



# MOVING FORWARD

Migrating from traditional RDBMS (relational database management systems) to open source platforms like Postgres makes good business sense, as it can maximize data flexibility, increase the ability to quickly update applications as requirements change, and enhance scalability.

At EDB, our goal is to help organizations get even more out of Postgres with extreme high availability, added security, enhanced performance, native Oracle compatibility, flexible cloud solutions, and 24x7 support. For over 20 years, EDB has been migrating databases to Postgres, and we're here to help you plan and streamline your move to the most advanced open source databases available. The lower TCO will be well worth it.



## About EDB

EDB provides a data and AI platform that enables organizations to harness the full power of Postgres for transactional, analytical, and AI workloads across any cloud, anywhere. EDB empowers enterprises to control risk, manage costs and scale efficiently for a data and AI-led world. Serving more than 1,500 customers globally and as the leading contributor to the vibrant and fast-growing PostgreSQL community, EDB supports major government organizations, financial services, media and information technology companies. EDB's data-driven solutions enable customers to modernize legacy systems and break data silos while leveraging enterprise-grade open source technologies. EDB delivers the confidence of up to 99.999% high availability with mission-critical capabilities built in such as security, compliance controls, and observability. For more information, visit [www.enterprisedb.com](http://www.enterprisedb.com).

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**Contact EDB** for a free migration business value assessment.