



# 10 Telltale Signs That It's Time to Change Your Database Strategy

**Rimini Street**<sup>®</sup>

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# Introduction

The advent of databases in the 1980s represented a phenomenal breakthrough for business. Companies around the world capitalized on relational databases to run smarter, faster, and more profitably.



Today, Oracle, IBM, Microsoft, and SAP databases are used by a significant number of Fortune 500 and Global 2000 companies.

1980

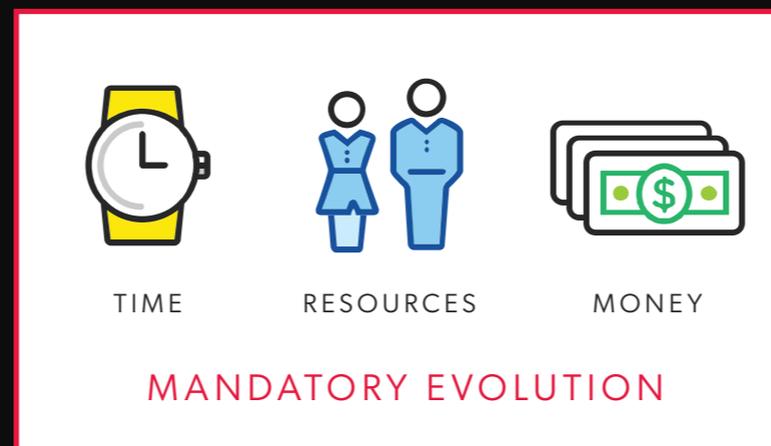
1990

2000

2010

2020

In the beginning, your vendor delivered great software and valuable database maintenance and support that helped you troubleshoot issues and optimize your systems. But over time, that model changed. The support partnership between you and your vendor has likely eroded, and database improvements have seemingly all but disappeared.



This is the era of business transformation. Your IT team is expected to deliver innovation that disrupts the status quo in your industry and builds a competitive advantage for your business. Yet, you may feel your database vendor is delivering less value to you than ever before.



90% of the average IT budget is dedicated to ongoing maintenance and operations costs, with only around 10% of the budget available for innovative projects.

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83% of survey respondents feel that Oracle's database maintenance costs are too high.<sup>1</sup>

# one

Basic support fees are eating up your budget

When was the last time you conducted a cost-benefit analysis of your database support contract?

In the early days, annual database support was typically 15% of the original license cost. Today, annual support fees for Oracle and SAP have generally risen to about 22%.

And it doesn't appear to be because Oracle, and SAP have been investing in making support more responsive to customers' needs. It's because these software vendors net up to 94% profit margins on their support revenue<sup>3</sup>, accounting for roughly half their revenue stream and making investors very happy.

Software vendors achieve up to 94% profit margins on support fees.<sup>4</sup>

"Our biggest concern was not only how expensive our annual maintenance fees were from the vendor, but the huge cost to upgrade our Oracle Database system."<sup>2</sup>

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68% of survey respondents appear to find it hard to stay current with the latest Oracle Database release.<sup>5</sup>

While database maintenance and support costs have continued to rise, the level of customer service you receive may have steadily declined. When you contact vendor support about a problem, a junior-level tech might advise you to upgrade or implement a patch bundle that combines hundreds of other fixes.

Before you know it, one small problem has morphed into a big project, with regression testing and downtime that consumes a lot of money, time, and resources. When you get back in touch with support, you're unlikely to get access to experienced engineers unless you navigate a maze of escalations.

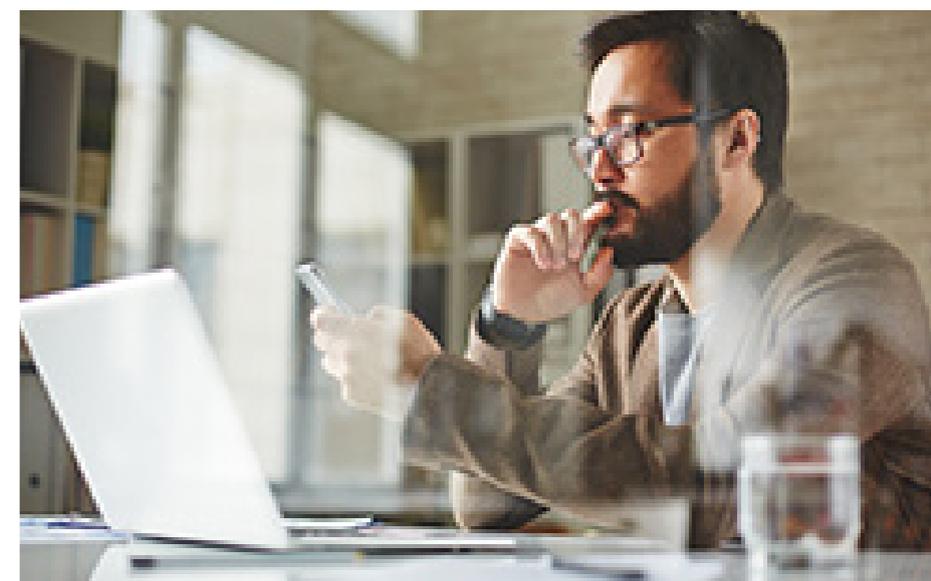
Think about it: How long did you spend on the phone and how quickly was your issue resolved, if at all, the last time you called your software vendor's support line?

"With vendor support, not only were there times when we would wait several months for a response, but there were also quite a few cases that were never resolved."<sup>6</sup>

**KUMAGAI GUMI**

## two

Are you stuck in a dated support model?



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# three

## New features and functionality are a thing of the past

Databases have matured over several decades. Most of the obvious enhancements that customers have clamored for have already been made. You probably now see only incremental improvements in functionality. Though they do offer value, they hardly seem to represent fair return on the high price of your database maintenance and support contract.

Most database implementations are robust and stable. Without compelling new functionality in the pipeline, many enterprises prefer to continue running the current system.

“We found we were paying a huge sum of money [to Oracle] for maintenance, but were getting neither the benefit of future enhancements nor support.”<sup>9</sup>

**BAUSCH + LOMB**

Just **1%** SAP revenue is reinvested in enhancing existing software.<sup>7</sup>

**73%** of Oracle Database customers feel they are getting no valuable database enhancements or not enough.<sup>8</sup>

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# four

Your database is not fully supported and therefore could be vulnerable

67% survey respondents either have database instances that are no longer fully supported by Oracle as of December 2020 or don't understand their support options.<sup>10</sup>

Many database licensees have hundreds, even thousands of database instances, many of which are releases that are no longer fully supported by the original vendor. Depending on the vendor, that may mean you can no longer receive:

- New updates, fixes, security alerts, data fixes, and security patches
- New upgrade scripts
- Certification with new third-party products/versions
- Certification with new vendor products<sup>12</sup>

Many companies continue paying full maintenance fees for databases that aren't fully supported. These instances can drain valuable IT resources, add to the cost burden, and create high risk of business disruption.

42% of respondents stated security and the cost and effort to apply security patches was one of their top challenges.<sup>11</sup>

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Databases are the heart of your business environment. And if the heart isn't functioning well, the entire system performs poorly.

Databases can be slowed down by subpar SQL statements, bad configuration settings, under-allocated RAM, or a host of other issues. But when a performance problem arises, the vendor's typical response seems to be, "you need to upgrade," or "add new hardware," or "pay us more to solve the problem."

So, on top of your hefty database support contract, you may also be paying employees or consultants to tune your database to achieve the performance that keeps your systems running smooth and fast.

# five

You're footing the bill for performance support

71% consider guaranteeing the performance of the database and application critical under all circumstances.<sup>13</sup>

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# six

## You've accepted your time-consuming, self-support model

Are you spending time filling a database maintenance and support gap so that you can meet your SLAs? Consider the hours your team spends trying to troubleshoot or fix problems before it even contacts the vendor.

That's called avoidance, and it increases your costs and drains your resources. It is the natural reaction to a flawed database support model that is no longer relevant. In fact, the cost of these self-support activities is often equal to half the cost of your annual support fee.

55% of survey respondents resolve the majority of their Oracle Database cases on their own or don't know.<sup>14</sup>

"I used to spend hours researching case resolutions myself and was led around the world with vendor support depending on the time of day."<sup>15</sup>

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# seven

There's not enough  
time or money to  
innovate quickly

40% of all technology  
spending will go toward  
digital transformations.<sup>16</sup>



Your IT team is eager to tackle innovative projects and transform your company into a digital-first business with the agility necessary to compete in today's fast-changing world. But innovation costs money. And chances are that most of your IT budget is spent keeping the lights on.

With limited resources, innovation can still happen, but it just doesn't happen swiftly enough for the business. Meanwhile, more nimble competitors are pursuing digital transformation and taking advantage of cloud, mobile, social, big data, and IoT. They're progressing toward hybrid IT environments that combine legacy systems of record with cloud solutions of engagement.

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“Shadow IT Running Rampant in Many Organizations Despite Security Risks.”<sup>19</sup>

**SECURITY BOULEVARD**

If your IT department isn't keeping up with growing business demands, lines of business have likely been deploying solutions independently. The result is shadow IT, usually cloud-based services that proliferate without your IT team's involvement or oversight as business units seek greater flexibility and competitive differentiation.

Shadow IT introduces risks to data security, regulatory compliance, business continuity, and SLA performance. It also represents an additional IT budget line item when a critical security fix or interoperability troubleshooting is needed.

**20% – 40%** of enterprise technology funding is spent on shadow IT according to 56% of respondents.<sup>17</sup>

Shadow IT is anticipated to increase by **65%** due to COVID-19.<sup>18</sup>

**eight**

Shadow IT has become a regular, unwelcome distraction

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## Database alternatives are gaining ground

69% of survey respondents are adding open source and cloud options to their database strategy for greater agility and lower TCO.<sup>20</sup>

The relevance of Oracle, Microsoft, IBM, and SAP databases is significant. They account for 82%<sup>21</sup> of global database vendor revenue. However, in a recent survey, 69% of respondent Oracle Database licensees indicated that they are adding open source and non-Oracle cloud options to their database strategy for greater agility and lower TCO.<sup>22</sup>

As popular as cloud is today, many are not considering an enterprise software vendor as their cloud option. This could reflect concern over being further locked into a specific vendor.

Today, there are more than 340 database options available, including open source and cloud alternatives such as PostgreSQL, MySQL, MongoDB, and Amazon.<sup>23</sup> The database market has been commoditized. According to Gartner, open source databases have now reached parity with traditional databases in terms of functionality, tools, and available resources — all with a lower TCO.<sup>24</sup>

Organizations fed up with paying high database support costs are considering these alternatives to reduce costs and accelerate time to results.

# ten There is a better way.

**Let's recap. Do one or more of these apply to you?:**

**1** Basic support fees are eating up your budget.

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**4** Your database is not fully supported — and therefore could be vulnerable.

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**7** There's not enough time or money to innovate quickly.

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**2** You're stuck in dated support model.

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**5** You're footing the bill for performance support.

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**8** Shadow IT has become a regular, unwelcome distraction.

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**3** New features and functionality are a thing of the past.

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**6** You've accepted your time-consuming, self-support model.

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**9** Database alternatives are gaining ground.

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# conclusion

## Adopt a strategy of innovation agility and create opportunities for your organization today.

Instead of continuing to make massive investments in a database that already works, liberate your resources — your people, your money, and your time — to invest in initiatives that drive business growth:

- Develop a hybrid IT environment
- Take advantage of big data capabilities
- Implement mobile or social solutions

Freeing your resources allows you to innovate throughout your organization by empowering your business units and better engaging with your employees, partners, and customers. That's the power of innovation agility.

Survey Report: Licensees' Insights into the Value of Oracle Database and Support



[DOWNLOAD REPORT](#)



### With Rimini Street Support, You Could Be Achieving:

**75%**

Average client savings compared to total annual vendor support fees and costs <sup>25</sup>

**<5 minutes**

Average response time to P1 critical issues from a senior engineer 24/7/365<sup>26</sup>

**4.8/5.0**

Average client satisfaction score<sup>27</sup>

# Sources

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<sup>5</sup>Ibid. 1

<sup>6</sup><https://www.riministreet.com/clients/kumagai-gumi-company/>

<sup>7</sup>[https://go.forrester.com/blogs/13-02-14-saps\\_maintenance\\_price\\_hike\\_should\\_concern\\_sourcing\\_professionals\\_and\\_their\\_cios/](https://go.forrester.com/blogs/13-02-14-saps_maintenance_price_hike_should_concern_sourcing_professionals_and_their_cios/)

<sup>8</sup>Ibid. 1

<sup>9</sup><https://www.riministreet.com/clients/bausch-lomb/>

<sup>10</sup>Ibid. 1

<sup>11</sup>Ibid. 1

<sup>12</sup>Lifetime Support Policy, Coverage for Oracle Technology Products, January, 2021

<sup>13</sup><https://www.dbta.com/DBTA-Downloads/ResearchReports/2019-IOUG-Data-Environment-Expansion-Survey-8595.aspx>

<sup>14</sup>Ibid. 1

<sup>15</sup><https://www.riministreet.com/clients/county-of-cuyahoga-ohio/>

<sup>16</sup><https://www.cio.com/article/3211428/what-is-digital-transformation-a-necessary-disruption.html>

<sup>17</sup><https://www.globenewswire.com/news-release/2019/01/17/1701128/0/en/Enterprise-IT-Focused-on-Moving-More-Workloads-to-Cloud-in-2019.html>

<sup>18</sup><https://securityintelligence.com/articles/how-to-fix-shadow-it/>

<sup>19</sup><https://securityboulevard.com/2019/01/shadow-it-running-rampant-in-many-organizations-despite-security-risks/>

<sup>20</sup>Ibid. 1

<sup>21</sup>Source: Gartner, "Market Share Analysis: DBMS, Worldwide, 2016", May, 22, 2017

<sup>22</sup>Ibid. 1

<sup>23</sup><https://db-engines.com/en/ranking>

<sup>24</sup><https://www.gartner.com/doc/3970418>

<sup>25</sup><https://www.riministreet.com/blog/how-innovative-sap-customers-tackle-performance-and-interoperability-issues/>

<sup>26</sup><https://www.riministreet.com/press-releases/multiple-2017-customer-sales-and-service-world-awards/>

<sup>27</sup>Ibid.

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