

Five best practices for Oracle Cloud cost management

Understand Oracle cloud services, their associated costs and contract structures for effective cost management.

Cloud spend forecast

Businesses are increasingly moving to cloud platforms to migrate away from legacy data centres, leverage scalability, flexibility, and drive cost-efficiencies.

Gartner forecasts worldwide public cloud end-user spending will surpass **\$675 billion** in 2024.

	2023 Spending	2023 Growth (%)	2024 Spending	2024 Growth (%)	2025 Spending	2025 Growth (%)
Cloud Application Infrastructure Services (PaaS)	142,934	19.5	172,449	20.6	211,589	22.7
Cloud Application Services (SaaS)	205,998	18.1	247,203	20.0	295,083	19.4
Cloud Business Process Services (BPaaS)	66,162	7.5	72,675	9.8	82,262	13.2
Cloud Desktop-as-a-Service (DaaS)	2,708	11.4	3,062	13.1	3,437	12.3
Cloud System Infrastructure Services (IaaS)	143,302	19.1	180,044	25.6	232,391	29.1
Total Market	561,104	17.3	675,433	20.4	824,763	22.1

Source: Gartner May 2024 - Press Release

Note: Totals may not add up due to rounding.

Understanding Oracle Cloud services

Oracle Cloud provides a wide range of services which although 'classically' used for supporting Oracle technologies and Oracle applications, can be used like any other cloud.

Each service offering comes with its own pricing model and billing structure;

- Consumption via Universal Credits for IaaS/PaaS offerings
- SaaS subscription for enterprise applications

Understanding these services, their associated costs and contract structures is crucial for effective cost optimisation.

The following 5 best practices will help you manage your Oracle cloud cost.

Five best practices for Oracle Cloud cost management

1

Analysis

2

Cost Visibility

3

Tagging

4

Culture

5

Industry expertise

1

Analysis

Analyse reports to identify trends, anomalies, and areas where costs can be reduced. Set up automated reports and alerts to ensure timely monitoring.

2

Cost Visibility

Tagging resources with relevant metadata, (common examples include department, project, or owner), enhances cost visibility, accountability and potential for internal cross-charging.

3

Tagging

Implementing a tagging strategy and enforcing its use across the organisation is not always easy but pays dividends.

4

Culture

Promoting a culture of 'cost consciousness' within your organisation is essential for effective on-going cost optimisation. Organisations should educate teams on best practices for resource utilisation, cost-saving strategies, the importance of monitoring expenses and individual accountability for savings.

5

Industry expertise

Involving industry expertise in 'real-world' FinOps and cost savings will pay significant dividends and returns on any such investment



Watch our video on Oracle Cloud Infrastructure cost optimisation budgeting and forecasting



Watch our video on what FinOps is and why it's important for cloud cost optimisation and ongoing cloud cost management.

Case study

Our global engineering client moved their Oracle applications from on-premises to Oracle Cloud Infrastructure (OCI).

By engaging with Version 1, we projected annual savings of approximately

\$540k

in their cloud environment.

Cost optimisation in Oracle Cloud is a continuous process that requires ongoing monitoring, analysis, and adjustment.

By understanding the services available and engaging with the right external consultants, such as Version 1, you can achieve significant cost savings while maximising the value of your cloud investment.