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Research

Vendor Focus for Oracle: Analysis of Products

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Oracle's numerous acquisitions and evolving portfolio requires IT leaders and procurement managers to understand the products when making strategic buying decisions. This report reviews Oracle's offerings in key product categories.

Key Findings

- Oracle has an extremely broad array of offerings, with varying levels of clarity and stability in its product road maps.

- Oracle has made over 50 acquisitions since 2002 and will continue to make more to round out its product portfolio.

- Oracle will continue to expand and diversify its application and infrastructure product portfolios, with the goal of being first or second in all markets in which it competes.

Recommendations

- Oracle Applications customers: Determine whether or when you will move to Oracle Fusion Applications.

- Oracle Applications prospects: If you want a model-driven architecture and service-oriented architecture (SOA) applications, and can afford to wait for its full functions, evaluate Oracle Fusion Applications along with offerings from other leading vendors. If traditional architecture and existing functions suffice, evaluate Oracle Applications Unlimited along with offerings from other leading vendors.

- Oracle software infrastructure customers: Determine how much of your business process platform (BPP) you will complete with Oracle technology, and fill in gaps with Oracle Fusion Middleware (OFM) or competing products.

- Oracle software infrastructure prospects: Evaluate OFM and its components based on your BPP strategy. Determine which is the right fit for your IT infrastructure.

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ANALYSIS

Oracle, a software megavendor with many infrastructure and application offerings, has evolved significantly during the past few years through dozens of acquisitions. These acquisitions have provided Oracle with products in almost every software category — with two or more offerings in many of them. The company stands out in many categories while trailing the market leaders in others. Within a category, Oracle products often range from leading to weak. The integration of components varies, and its long-range product plans are sometimes uncertain. This variability makes purchasing decisions difficult for procurement managers and IT leaders involved with vendor strategy. This report provides detailed assessments of Oracle's major products in order to help Gartner clients evaluate them.

1.0 Enterprise Resource Planning

1.1 Financial Applications

Oracle's core suites, developed over many years, have broad and deep functions. Oracle E-Business Suite (EBS) Financials suits large and midsize enterprises and has a broad global coverage. PeopleSoft Enterprise best suits large enterprises, although new business sales now focus on specific industries, primarily financial services, higher education and the public sector (mainly in the U.S.). JD Edwards World and EnterpriseOne financials suit midsize enterprises and are most frequently deployed as part of a broader ERP implementation. Overall, Oracle's portfolio of financial applications delivers comprehensive functions for midsize and large enterprises that include the traditional core financial applications as well as many "extended" capabilities — such as treasury management, enterprise service automation, real-estate management and support for finance shared services.

1.2 Human Capital Management

Oracle is a leader in global core HR management systems, including employee and manager self-service. Its talent management and workforce management applications are at varying stages of maturity and adoption. Thus, customers often augment Oracle products with best-in-class products. Oracle needs to continue to improve these applications to close the gaps with best-in-class products. Oracle EBS v.12.1 closes, and PeopleSoft v.9.1 will close, some of those gaps. Oracle has initiatives to address emerging needs in workforce planning and analytics, workforce communications, and in applying consumer Web technologies to human capital management, but it must show greater ability to lead the market.

1.3 Operations

Operational support comes in all of Oracle's major ERP product lines: EBS and PeopleSoft for large enterprises, and JD Edwards EnterpriseOne and World for midsize companies. All products offer mature, proven operational functions. EBS has strong manufacturing functions for the high-technology, industrial-manufacturing, automotive, life sciences, consumer packaged goods (CPG), chemical, and aerospace and defense industries. The JD Edwards products mainly focus on complex manufacturing, distribution, real estate, CPG, the public sector and natural resources. Recent additions to JD Edwards EnterpriseOne include:

- Dashboards.

- Demand flow manufacturing for lean manufacturing.

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- A growing set of integrations to Oracle's edge products such as Demantra, Agile and G-Log.

- A new module for project and government contract accounting.

All product lines receive continuous additions in the Oracle Accelerators program for various industries and geographies.

1.4 Procurement

The EBS Advanced Procurement Suite is Oracle's most mature and proven offering. Oracle Purchasing, Oracle iProcurement and Oracle iSupplier Portal are robust applications, enabling purchase transactions with configurable, moderately user-friendly functionality. The suite supports supplier collaboration on a small scale; Oracle partners support large-scale catalog connections and supplier community management. The suite lacks a strong, enterprise-class contract management system, which Gartner recommends for supporting contracts of all types. Oracle's sourcing offering has usability problems for strategic sourcing. Neither the suite nor the Oracle Business Intelligence Platform provides spending analysis with predefined business rules or artificial intelligence for classification.

The PeopleSoft SRM procurement suite has a similar profile, with strength in transactional procurement but problems with strategic procurement functions such as sourcing, spending analysis and contract management. The PeopleSoft suite is significantly less mature in some areas than the EBS Advanced procurement suite due to a smaller, less diverse and younger customer base. As with EBS, partners facilitate supplier collaboration and catalog hosting for large-scale implementations.

2.0 Customer Relationship Management

2.1 Sales

Oracle has several offerings; the two strongest are Siebel (on-premises software) and Oracle CRM on Demand, a software-as-a-service (SaaS) product. In "Magic Quadrant for Sales Force Automation," Siebel and CRM on Demand are categorized as Leaders. (Oracle's PeopleSoft CRM and Oracle EBS Sales do not meet the inclusion criteria for the Magic Quadrant.) Gartner has seen contracts for CRM On Demand with more than 1,000 subscribers, and we estimate that Oracle closed over 75 deals of at least $100,000 in contract value since 2008. We also estimate that CRM on Demand has won more than 200,000 subscribers. Thus, the product shows significant market adoption, although it does not significantly affect Oracle's revenue.

Oracle has succeeded in better positioning the two products in their market segments. Oracle focuses CRM on Demand on large enterprises (over 200 subscribers) but will sell smaller contracts, especially to enterprises adding subscribers for a separate geography to an already-deployed Siebel on-premises implementation. These mixed deployments often work well for Siebel on-premises customers with specific needs that the on-premises offering does not address or cannot serve cost-effectively.

2.2 Customer Service and Support

Gartner tracks two of Oracle's applications: Oracle EBS and Siebel CRM (see "Magic Quadrant for CRM Customer Service Contact Centers"). Siebel v.8.0 has strong industry-specific capabilities such as manufacturing, high technology and communications. It is scalable and supported by strong Web services, especially within the Oracle product family. It comes in SaaS, on-premises or hosted models, with the option of bundled telephony infrastructure. The SaaS offering is rapidly gaining traction in the market. Prospects wishing to build an Oracle system

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using IBM WebSphere and DB2 will need to explore the total cost of ownership (TCO), and the system integrator should have recent competency with the application.

We no longer broadly cover PeopleSoft Enterprise for CRM Customer Service, except for higher education. EBS R12.1 TeleService is an add-on for customers using Oracle for ERP or supply chain management (SCM).

2.3 Marketing

Oracle offers three products:

- **Siebel Marketing**, the strongest of the three, is Oracle's main product. It receives the most R&D investment. Siebel's marketing vision focuses on loyalty management and integration between loyalty and campaign management. Loyalty management drives sales of Siebel Marketing within business-to-consumer (B2C) industries. Siebel Marketing also offers strong value around its closed-loop marketing and sales process; it emphasizes analytics and integration to sales force automation (SFA) for business-to-business (B2B) companies.

- **EBS** provides broad capabilities but trails best-of-breed vendors in depth, and it primarily targets EBS customers.

- **PeopleSoft Marketing** offers campaign management, e-mail marketing and marketing resource management (MRM) functions but trails best-of-breed vendors in these areas. It primarily targets PeopleSoft customers and prospects in higher education, nonprofit and government segments.

Siebel is a Visionary in enterprise marketing management, a Challenger in MRM and a Leader in campaign management (see "Magic Quadrant for Enterprise Marketing Management," "Magic Quadrant for Marketing Resource Management" and "Magic Quadrant for CRM Multichannel Campaign Management"). Gartner dropped PeopleSoft from both the MRM and campaign management Magic Quadrants, and we dropped EBS from the campaign management Magic Quadrant, because they did not meet our inclusion criteria.

2.4 Field Service Management

Gartner covers two Oracle products: EBS and Siebel Field Service (see "Magic Quadrant for Field Service Management"). EBS has made good progress with its packaged mobile field service applications but has not yet provided an integrated development environment (IDE) and middleware platform. The field service components suit customers of EBS products that already use Oracle ERP products for depot and repair (for example, asset management, order management and parts inventory). EBS Advanced Scheduler has world-class workforce scheduling and optimization capabilities today but lacks workforce planning.

Oracle sells Siebel Field Service as a suite of service management applications integrated with parts, logistics, technical support and dispatch. Oracle's stable development effort guarantees product continuity. The Siebel wireless mobile components have few reference customers. Although feature-rich, the mobile user experience is sometimes cumbersome for simple tasks. Siebel costs more than the market average (considering initial cost, tools, ongoing maintenance, upgrade and configuration). Gartner does not recommend it as a stand-alone product but rather as part of a broader Siebel implementation.

2.5 E-Commerce

Oracle iStore enables Internet storefronts for B2B and B2C sales (see "Magic Quadrant for E-Commerce"). Oracle continues to win contracts from customers of other Oracle products. The

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most recent major release, R12.1, features improvements to the user interface, analytics, procurement integration, shopping cart and pricing, and has single-page check-out. Oracle iStore has deep integration with other Oracle products and many reference accounts. Clients find that this integration eliminates redundant data, lowers their costs and enables them to support multichannel customer experiences. Clients also say that iStore enables them to view and manage all their orders online, regardless of where the order was placed. Oracle B2B customers can offer online configuration of products because of iStore's capability to integrate with Oracle Configurator.

In 2009, Oracle will continue to sell and support its other e-commerce products: PeopleSoft E-Commerce and Siebel E-Commerce. Recently, Siebel E-Commerce has added product recommendations, comparison, and B2B-specific updates for profile management, shopping cart, check out and account management.

3.0 Supply Chain Management

Oracle's strong portfolio covers all the common SCM requirements as well as some of the less common requirements (such as inventory optimization and transportation management). Oracle has expanded its portfolio by acquisition and in-house development, and markets these as both a suite and best-of-breed products. Since 2007, Oracle has tried to establish an overarching supply chain vision, which it calls the Information Driven Value Chain. Gartner finds this message consistent with Oracle's view that the development of chaos-tolerant supply chains is the key to supply chain leadership in the future. However, Oracle has not made much headway in establishing this vision or tying it to specific products and firm road maps. Therefore, this vision and message mean little to Oracle SCM customers.

Gartner breaks the SCM market into two major segments: supply chain planning (SCP) and supply chain execution (SCE).

3.1 Supply Chain Planning

The Oracle Value Chain Planning suite combines products that Oracle developed in-house and that it acquired; they are integrated via OFM. Oracle Value Chain Planning strongly supports SCP for process automation (see "MarketScope for Supply Chain Planning: Process Automation, 2009") and also includes some elements of process innovation (for example, inventory optimization and sales and operations planning).

3.2 Supply Chain Execution

Oracle splits its SCE capabilities between its warehouse management system (WMS) and transportation management system. Oracle Transportation Management (acquired from G-Log) is a market-leading best-of-breed product, which Oracle successfully sells as a stand-alone product as well as part of its suite. Oracle continues developing this product to ensure it remains market-leading. EBS includes Oracle's main WMS product, a capable option for EBS users with moderately complex requirements across a range of industries. Oracle has made a number of enhancements, including the addition of labor management.

4.0 Platform, Middleware, Database and Development Tools

4.1 Platform and Integration Middleware

Oracle emerged as one the top three middleware vendors in the market following the acquisition of BEA Systems in 2008. Oracle's middleware offering is part of the OFM suite, which also includes business process management (BPM), enterprise content management (ECM), business intelligence (BI) and identity management. Oracle combines one of the broadest

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middleware portfolios in the industry, aggressive sales and marketing, many partnerships, and strong ties with its packaged applications. These characteristics provide a solid foundation for the company's continuing growth, leadership in multiple segments and entry in new markets such as cloud services. The middleware offering provides:

- User interaction and portal products.

- Development tools.

- Grid infrastructure.

- Enterprise application servers.

- SOA registry and repository.

- Enterprise service bus.

- Data integration.

- Web service management.

- Advanced features in event processing and extreme transaction processing.

- Content management.

- Enterprise performance management.

- Business intelligence.

- Identity and access management.

However, as a consequence of the BEA acquisition, Oracle's middleware portfolio also contains some overlapping products that it has been working to consolidate into an integrated framework. The first consolidation step happened in July 2009 when Oracle released OFM 11g, but it will take until mid or late 2010 to fully complete the integration plan. The announced acquisition of Sun Microsystems, if finalized, will pose additional challenges and may delay the stabilization of OFM's boundaries. The maturity, quality, popularity and production-readiness of Oracle's middleware products can be uneven across the portfolio. At times, customers find it difficult to choose the best fit for their needs across the multiple available options.

4.2 Database Management Systems

Oracle's database management systems (DBMSs) include a variety of products:

- Berkeley DB.

- Four versions of the Oracle DBMS based on the same code (XE, Standard Edition, Standard Edition One, Enterprise Edition).

- Oracle Lite.

- Oracle Rdb.

- Oracle TimesTen.

These products include a complete range of options for management, performance and function. Oracle recently released the latest version of its DBMS, Oracle Database 11g R2, on Linux, Windows, Sun Solaris, AIX and HP-UX. The product focuses on manageability, availability and

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performance, with features such as columnar compression, Automated Storage Manager (ASM) cluster file system and online application upgrade.

For online transaction processing (OLTP) and data warehousing, Oracle continues to have the largest market share, with 2008 growth of 10.8% giving Oracle 48.9% of the total relational DBMS market (see "Market Share: Relational Database Management System Software by Operating System, Worldwide, 2008").

4.2.1 Online Transaction Processing

Gartner clients use Oracle in all sizes of OLTP environments; however, Oracle is used in very large, multiple-application systems with the matured Real Application Cluster (RAC) in Oracle Database 10g R2 and 11g (R1 and R2) combined with ASM (see "Oracle RAC Moved to Mainstream Use"). Oracle supports more than 65% of the SAP installed base, 100% of the Oracle EBS installed base and a large percentage of PeopleSoft's installed base (see "Choosing the Appropriate Database Management System Platform for SAP").

4.2.2 Data Warehousing

Oracle continues to make strong advances and remains a Leader on Gartner's "Magic Quadrant for Data Warehouse Database Management Systems." Oracle has added functions specifically for data warehousing, such as the largest variety of partitioning options available, along with a partition advisor application, advanced data compression, and the ability to update cubes and summary tables automatically as the base data changes. In addition, RAC has begun to play a role in data warehousing, with many clients now using RAC and ASM to support the data warehouse. Along with the management packs and Oracle Enterprise Manager, Oracle has the tools to manage mixed workloads. Oracle now has four options for data warehousing:

- Stand-alone DBMS software.

- Certified data warehouse configurations.

- Oracle Optimized Warehouse on Dell and HP.

- An Oracle data warehouse appliance, the Sun Oracle Database Machine, sold and serviced by Oracle (see "Sun Oracle Database Machine Focuses on Optimizing Mixed Workloads"). This appliance includes the Oracle Exadata Storage Server V2 and standard disc storage. Oracle software enables greater performance by moving portions of the Oracle DBMS closer to the storage and allowing a greater degree of parallelism in the processing of queries.

Competition for Oracle comes from:

- Open-source software (OSS) DBMSs.

- Traditional data-warehouse-only vendors with appliances.

- Less costly DBMS engines, such as Microsoft SQL Server.

- Competing DBMSs with Oracle compatibility, such as EnterpriseDB Postgres Plus and IBM DB2 9.7 (see "IBM DB2 9.7 Shakes Up the DBMS Market With Oracle Compatibility").

The Sun Oracle Database Machine gives Oracle a competitive product against the traditional data warehouse appliance vendors. The Sun transaction, if finalized, would enable Oracle MySQL to compete with other OSS products.

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4.3 Application Development Tools

Oracle remains a market-leading provider of tools for distributed computing. The company retains its leadership in the Java software platform. Oracle's overall tool strategy focuses on its database, middleware and enterprise applications; specifically, it has focused much effort on Java in support of Oracle Fusion Applications initiatives. Oracle continues to support its older fourth-generation language technology, Oracle Forms, but the vendor bases newer efforts in next-generation technologies (for example, SOA and Web 2.0) almost entirely on Java. Its Oracle JDeveloper toolset has a strong market position among Oracle-centric enterprises. Oracle's portfolio had relied on partners and third-party suppliers to provide testing tools and utilities to manage team assets and track workflows, but with the release of OFM 11g, Oracle provides the Team Productivity Center, which manages team assets and tracks workflows.

4.4 Business Intelligence Platform and Corporate Performance Management

Oracle is a Leader in both the BI platforms and corporate performance management (CPM) suites Magic Quadrants (see "Magic Quadrant for Business Intelligence Platforms" and "Magic Quadrant for Corporate Performance Management Suites"). Oracle Business Intelligence Enterprise Edition (OBIEE), Oracle BI Publisher, Oracle Essbase and Oracle Business Intelligence Applications form a solid BI platform offering, which appeals particularly to Oracle enterprise application and data warehouse customers. Since the Hyperion acquisition in 2007, Oracle has issued a series of releases focused on integrating the various components in its portfolio via its BI Foundation layer and Common Enterprise Information Model. In addition, Oracle has more than 35 packaged analytic applications built using OBIEE, comprised of predefined data models, extraction, transformation and loading maps, and packaged content with role-based interactive dashboards and guided analysis.

Despite its long heritage (with products such as Oracle Discoverer), and functional strength and depth, Oracle has a smaller share of the BI platform market than its megavendor competitors — for example, just over half that of SAP Business Objects in 2008. Oracle needs to become more strongly associated with BI to retain its existing customers and win new ones.

Oracle's Hyperion CPM suite has comprehensive functions, although the Profitability and Cost Management application is relatively new and has few live customers as yet. Hyperion remains the best known CPM brand among the global CFO community, so it appears on most shortlists. Oracle has increasingly integrated the Hyperion applications with Fusion middleware and Oracle applications, thereby increasing its appeal to Oracle enterprise customers.

4.5 Master Data Management

Oracle's master data management (MDM) portfolio includes three different technologies. Oracle Customer Hub includes two of them:

- The Oracle-developed Oracle Customer Data Hub for enterprises with major Oracle investments (typically including Oracle EBS).

- Siebel Universal Customer Master, offered to enterprises with Siebel applications and as part of Oracle's industry application portfolio.

PIM Data Hub includes the third technology, the natively developed product information management product and Siebel Universal Service Catalog for product compatibility and eligibility rules (an option for telcos only). The MDM portfolio includes other components as well.

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Oracle customers that use Oracle for MDM typically adopt a mixed set of technologies that will not be unified until Oracle Fusion MDM appears, likely in 2010. Oracle's broad MDM experience encompasses both operational MDM use cases centered on the Customer Data Hub and Oracle PIM, and analytic MDM with Siebel Universal Customer Master. Oracle needs a unified solution to serve an enterprise's MDM needs.

4.6 Business Process Management

At the center of Oracle's BPM Suite 10g R3 is BEA's AquaLogic Business Process Management Suite (ALBPMS) v.6.1, now called Oracle BPM. The business analyst experience and round-tripping within the ALBPMS elements are well proven. Oracle BPM Suite 10g R3 also includes other BEA and Oracle value-added components (for example, Oracle Business Activity Monitoring, Oracle Business Rules and the Oracle WebCenter portal product) and costs less than ALBPMS. For example, with Oracle Business Rules, customers can benefit from "one-stop shopping" for situations requiring the abstraction of rules from the process.

Oracle BPM and the value-added components of Oracle BPM Suite 10g R3 are loosely integrated. As a result, using Oracle BPM in combination with the value-added components of the suite places the burden of process governance on the user via manual procedures and policies, including the synchronization of logical and physical models. While Oracle's BPMS vision includes empowering business users, continuous process improvement and business transformation, 10g R3 does not yet deliver on this vision. Oracle BPM Suite 11g aims to start to execute this vision and strengthen the integration between Oracle BPM and the value-added components. Customers not on Release 10g R3 will first need to upgrade to that version before moving up to Release 11g. Customers should factor this extra move into the overall cost of the upgrade.

5.0 Portals, Content Management and Collaboration

5.1 Portals

Oracle has incorporated much of BEA's most-interesting technology into its strategic portal and user interaction platforms, Oracle WebCenter Suite and Oracle WebCenter Services, but the BEA acquisition also created product overlaps and duplications in Oracle's portfolio. While Oracle WebCenter Suite includes access to four different portal technologies, Oracle WebCenter Framework is the core around which Oracle will focus its future portal strategy. However, Oracle WebCenter Framework lacks a significant track record in the market despite its prominent role as the future user interface layer for Oracle Fusion Applications. The 11g R1 release of Oracle WebCenter Suite includes an update to Oracle WebCenter Framework and attractive features, including its new Spaces and Composer capabilities. Customer adoption of Oracle WebCenter Framework through Oracle WebCenter Services and Oracle WebCenter Suite will likely accelerate with this release.

Oracle enjoys a significant customer base for its Oracle Portal, Oracle Web Logic Portal and Oracle WebCenter Interaction technologies. Oracle's choice to focus on Oracle WebLogic Server as its strategic Java Platform, Enterprise Edition container has encouraged Oracle WebLogic Portal customers to continue their investment in that product. Oracle has promoted Oracle WebCenter Services (included in Oracle WebCenter Suite and available on its own) to all of its portal customers for delivering Web 2.0 functions. Oracle maintains that it will support all the portal technologies it acquired from BEA for at least nine and a half years. However, Oracle's focus on Oracle WebCenter Framework as the cornerstone of its future user interface means that enterprises using its other portal technologies should also plan on eventually deploying Oracle WebCenter Framework through either Oracle WebCenter Suite or OracleWebCenter Services.

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5.2 Content Management

Oracle's Universal Content Management (UCM) is a key component of OFM. This ECM platform enhances Oracle's BPM capabilities and integration to its business applications. Oracle continues to provide tighter integrations into its business applications and views content management as part of the "infrastructure." Enterprises should consider Oracle UCM 10g R3 for applications requiring complex document management, imaging, Web content management and process management. The Oracle ECM suite includes Oracle's UCM, Universal Records Management, and Imaging and Process Management. Enterprises can buy the Imaging and Process Management product separately to support applications such as accounts payable and contract management; it is integrated into EBS. UCM is increasing its penetration of Oracle's customer base.

5.3 Collaboration

Oracle has replaced its Oracle Collaboration Suite with a new product called Oracle Beehive. The new unified platform approach shows potential, with innovative mashup and process management capabilities, along with most of the collaboration functions users expect (e-mail, calendar, instant messaging, conferencing, voice mail, team workspaces and wikis). Beehive gives users a choice of client applications, including Microsoft Outlook, Zimbra, a Web browser, and mobile clients for Windows Mobile, BlackBerry, iPhone and Symbian.

Oracle emphasizes integration of the different Beehive functions and claims that the stability, security and manageability of Beehive, which runs on Oracle infrastructure, differentiate it from competitors. Gartner expects that it will prove difficult for Oracle to enter the crowded collaboration market, particularly after Oracle Collaboration Suite's failure.

6.0 Other Offerings

6.1 Governance, Risk and Compliance

Through the acquisitions of Stellent and Logical Apps, Oracle has furthered its ability to execute in the governance, risk and compliance (GRC) market. Oracle's central offering, GRC Manager, enables documentation and reporting for compliance and risk management. GRC Manager's reporting functions are basic, so for improved reporting from GRC Manager and integration with reporting from other business applications, Oracle provides Fusion GRC Intelligence, which requires additional licensing. Oracle's GRC stack also includes continuous controls monitoring for Oracle and PeopleSoft financials in its Controls Governors line. Other critical components in its GRC set of offerings include offerings for IT controls automation, access management and records management.

Of the large software vendors, Oracle has the most complete vision and best ability to meet customers' GRC needs. However, some of its marketing confuses. For instance, Oracle places applications for IT security, backup, application management and many others under its GRC umbrella. This breadth of offerings creates uncertainty as to whether Oracle truly has distinct GRC offerings or whether it sees GRC as a marketing term. Despite the ongoing confusion, Oracle has developed compelling offerings in both the GRC management and controls spaces (see "A Comparison Model for the GRC Marketplace, 2008 to 2010"). To maintain its edge, Oracle should more rapidly execute its vision of industry-specific GRC offerings — a vision it has had since 2006. More importantly, it must further ease the integration of both its own and competitors' offerings for continuous controls monitoring into GRC Manager, and stop the practice of separate licenses at additional cost for GRC Manager and Fusion GRC Intelligence.

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6.2 Mobile

Oracle offers multiple tiers of mobile offerings and is migrating its strongest, a Siebel offering, to Fusion Applications. Its EBS mobile extensions are weaker and take a Java-centric approach to supporting Windows CE and industrial devices through its Oracle Application Server 10g product. Customer references for support vary widely, from strong for Siebel to very weak for Oracle Application Server 10g offline. In addition to releasing a beta version of Application Development Framework Mobile, Oracle has also fashioned a lightweight offline SFA application from the Crossfire platform. Gartner expects Oracle to continue with multiple mobile integration projects that won't be consolidated within Fusion Applications until at least later in 2009.

6.3 Security

Oracle offers a variety of options across product lines, and its DBMS has more security features than its competitors offer. Oracle offers one of the most complete identity and access management products. The Database Vault, Audit Vault and Data Masking features of Enterprise Manager address compliance and protection from insider threats. Its Oracle Database 11g offers additional security-related features, such as online patching and upgrades. Its patching releases are regular, but partly due to its acquisitions, Oracle has been slow to adopt modular patch release strategies. This gap makes it harder for enterprises to make rational patching decisions and manage security weaknesses in the DBMS and applications. Oracle tends to charge substantial fees for optional security features.

6.4 Operations Management

Oracle's management strategy focuses first on managing and optimizing its own applications and databases, not non-Oracle software infrastructure. Although Oracle offers other management products such as Service Desk via its Siebel and PeopleSoft acquisitions, they are not primary to its management strategy and not leading in their respective areas. Oracle's flagship offering, Oracle Enterprise Manager, focuses primarily on application and performance management, although lately Oracle has invested more in configuration management. Since 2007, Oracle has made acquisitions to broaden and deepen this product. For server provisioning and configuration management, the acquisition of Active Reasoning added both database and more general configuration auditing capability. Most recently, Oracle acquired mValent, which brings deep knowledge about application dependencies that can help with application modeling and release management. This product is broader than Oracle Applications, but again Oracle focuses on its own applications.

Oracle's application management (including performance) strategy likewise focuses on managing its increasingly complex portfolio of applications, database and software infrastructure. Oracle's application management technology also targets applications delivered on OFM — across the application life cycle, from development to production — to develop operationally aware applications. Oracle's acquisitions of ClearApps and Moniforce support this strategy. However, Oracle will have to communicate its overall application management strategy and architecture (for what the market sees as a collection of piecemeal offerings) for functions such as user monitoring, SOA and security in the Oracle Enterprise Manager suite. Despite Oracle Enterprise Manager's ability to compete in the application management and configuration management markets, its Oracle focus and its relatively high price prevent broad market adoption, except for DBMS performance management where it has begun to make progress against competitors (such as Quest).

RECOMMENDED READING

"Key Issues for Oracle Research, 2009"

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"Oracle Partners to Bring New Products and Solutions to Market at Oracle OpenWorld"

"Sun Middleware Under New Management: What to Expect"

"Negotiate Oracle's Software License Agreements to Reduce Unexpected Cost"

"Oracle Has Completed the Acquisition of BEA Systems, But the Integration Road Map Has Yet to Be Disclosed"

Acronym Key and Glossary Terms

AIA	Application Integration Architecture
ALBPMS	AquaLogic Business Process Management Suite
ASM	Automated Storage Manager
B2B	business-to-business
B2C	business-to-consumer
BI	business intelligence
BPM	business process management
BPP	business process platform
CPG	consumer packaged goods
CPM	corporate performance management
CRM	customer relationship management
DBMS	database management system
EBS	E-Business Suite
ECM	enterprise content management
ERP	enterprise resource planning
GRC	governance, risk and compliance
HR	human resources
MDM	master data management
MRM	marketing resource management
OFM	Oracle Fusion Middleware
OLTP	online transaction processing
OSS	open-source software
R&D	research and development
RAC	Real Application Cluster
SaaS	software as a service

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SCE	supply chain execution
SCM	supply chain management
SCP	supply chain planning
SOA	service-oriented architecture
TCO	total cost of ownership
UCM	Universal Content Management
WMS	warehouse management system

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