

# Oracle Strategy & Channel Directions

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June 2019

Oracle VADs Global  
Community Forum



#oraclevadforum







# Welcome to Dubrovnik





# The Market

**Oracle VADs** Global  
Community Forum



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# SEISMIC CHANGES

E-Commerce



Travel & Entertainment



Mobile



Geolocation



Hospitality



IoT



Rideshare



Bots



VR



Crypto



Virtual Assistant



Machine Learning



AI



# For the Past 20 Years

There Was a Stable Ecosystem of IT Suppliers...



HITACHI

ware®



Cloud is  
**Reordering the Industry**

# Market Growth

**35%** \*

YoY CY18

**X86 Server  
Global Value**

**19%** \*\*

YoY CY18

**Enterprise Storage  
Global Value**

**25%** \*\*\*

YoY CY18

**Global Cloud  
Market Value**

*\*IDC Quarterly Server Tracker, 2018Q4*

*\*\*IDC Quarterly Enterprise Storage Systems Tracker, 2018Q4*

*\*\*\*IDC Semiannual Public Cloud Services Tracker Forecast Release, 2018H2*





# Cloud and Emerging Technologies Will Impact the Fundamental Structure of Your Business

Last seismic shift caused significant casualties:



WANG



Nov. 8, 2015

**Citrix** to split itself apart at shareholder's behest; 1,000 layoffs to come



Oct. 12, 2015

The biggest tech deal ever:  
**Dell** buys **EMC**  
for \$67 billion



Nov. 4, 2016

**CenturyLink** to Sell Data Centers for \$2.3B

THE WALL STREET JOURNAL.

Feb. 18, 2016

**Rackspace** Pivot to Cloud Support Fails to Impress Investors



May 24, 2016

**HP** splits again, as Hewlett Packard Enterprise spins off IT services



Feb. 2, 2018

**Dell** says it will explore IPO or merger with VMware



Dec. 15, 2016

**Violin Memory** Files for Bankruptcy with \$145M in Debt



Dec. 14, 2016

**Cisco** to terminate \$1B public cloud unit



Aug. 11, 2015

**Veritas** Goes Private for \$8 Billion Following Split from Symantec



June 7, 2016

**HDS** Freezes High-End Storage Hardware Investment



Oct. 19, 2017

**HPE** Is Exiting the Cloud Server Business

FORTUNE

April 4, 2017

**VMware** sells off struggling vCloud Air Platform



Aug. 26, 2016

**Rackspace** Going Private in \$4.3B Deal



Oct. 22, 2015

**HP** to put public cloud out of its misery

Feb. 12, 2016

**Verizon** kills some public cloud services

Oct. 31, 2018

**IBM** to acquire RedHat for \$34B - WOW



# Oracle Strategy: Innovation that Works

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## Why Oracle:

### Investing in Innovation

More than **\$50B** in R&D since 2004

Innovation that Delivers Value

Oracle R&D FY18

**\$5B+**

# Why Oracle: Three Deployment Models

**On-Premises**



**Cloud at Customer**



**Public Cloud**



**For all your workloads**



# Innovation That Works:

ODA to Exadata to Oracle Cloud: Best Place to Run Oracle DB

Upgrade  
Customers to the  
Cloud

All-new expanded portfolio

Starting at  
**\$18,500 USD**

Entry



Oracle Database Appliance X7-2S

Performance



Oracle Database Appliance X7-2M

High Availability



Oracle Database Appliance X7-2-HA

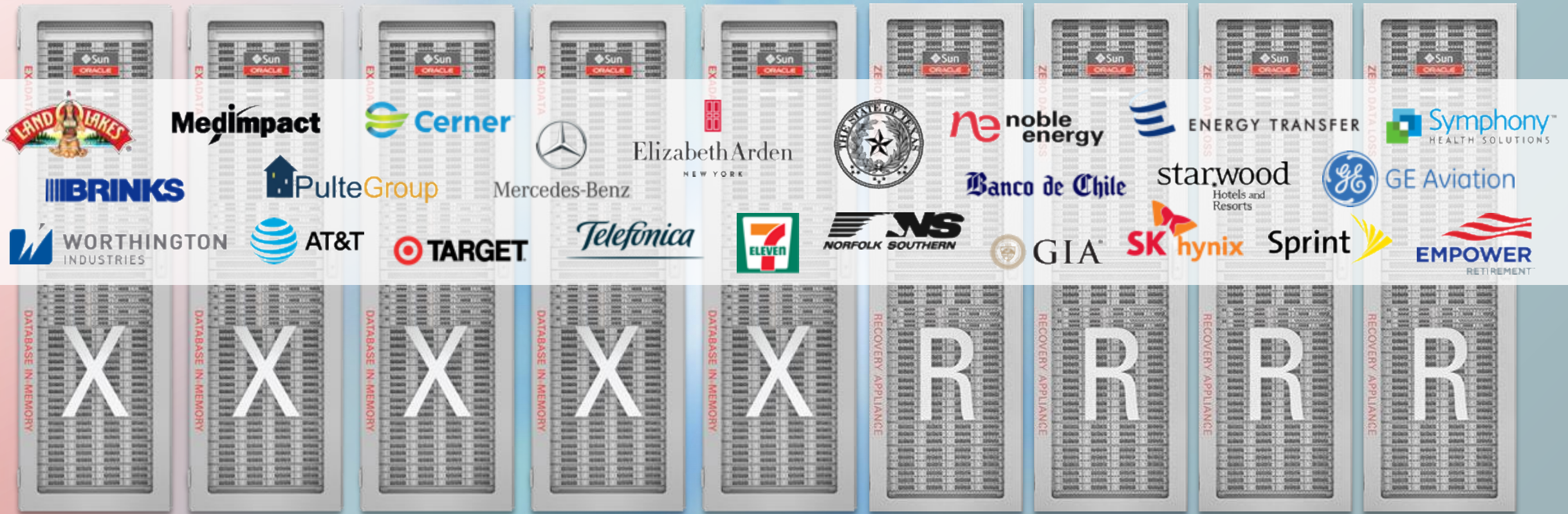


Exadata X8

**85% of ODA Sold  
Through Channel Partners**



# Innovation That Works: Specialized Hardware



Record Years—Exadata & Recovery Appliance Sales

# Innovation That Works: Engineered Systems For Unparalleled Performance, Scale and Efficiency



## Smart Scan

Faster Data-Intensive Query Processing

## Exabus

Direct Memory Access via High-Speed Network Virtualization

## HCC

Superior DB Compression & Query Acceleration

## ADO

Dynamic DB Optimization & Heat Map Tiering

## Delta Push

Incrementals Forever and Redo Log Shipping

## OISP

Dynamic and Automatic Database-to-Storage Tuning

## RMAN

Backup Block Format Opaque to 3rd Party Dedupe Appliances

## App Templates

Engineered for Oracle DB and Application Performance

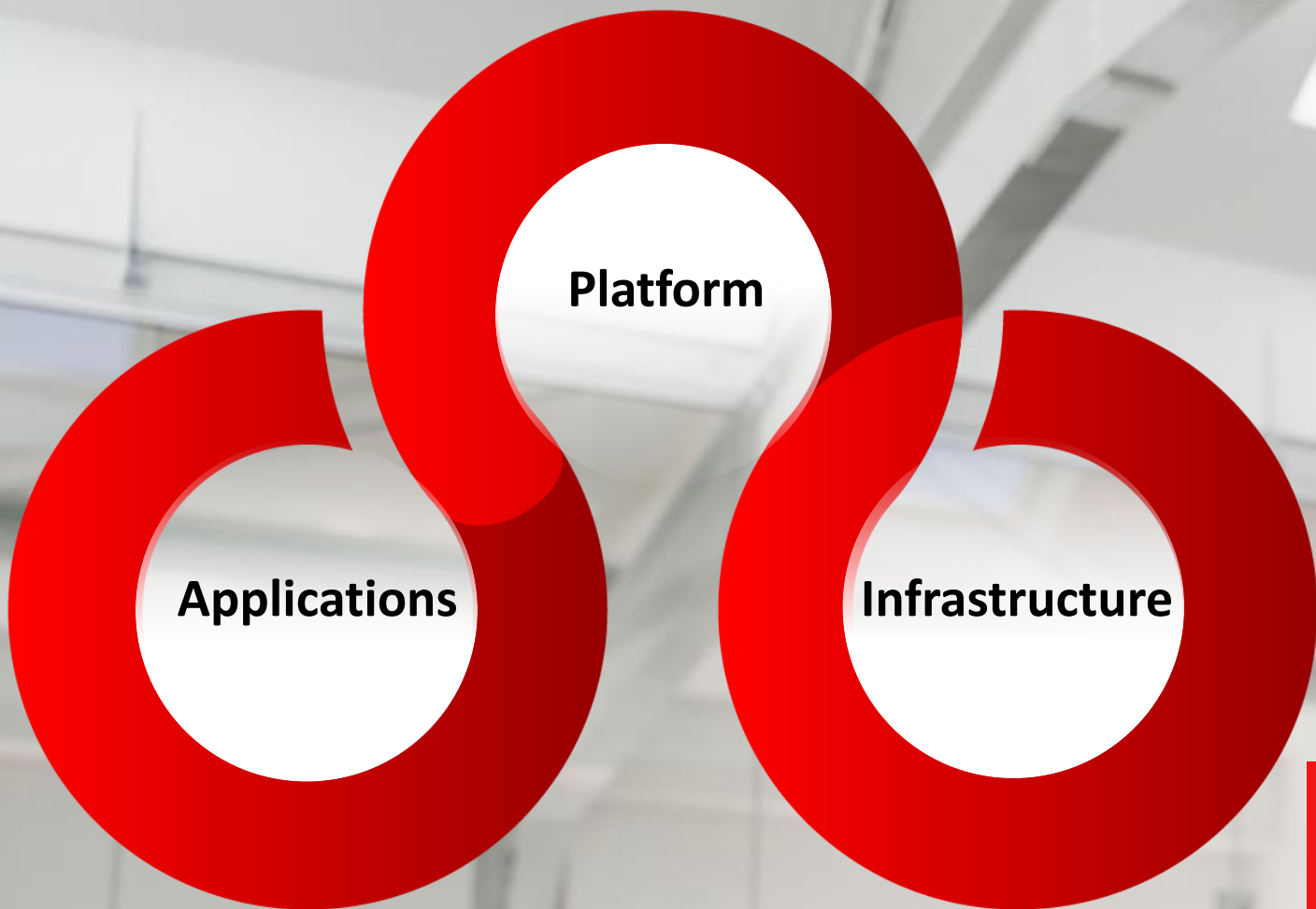
## SSM

Safeguard against Invalid Memory References and Buffer Overflows

## EM

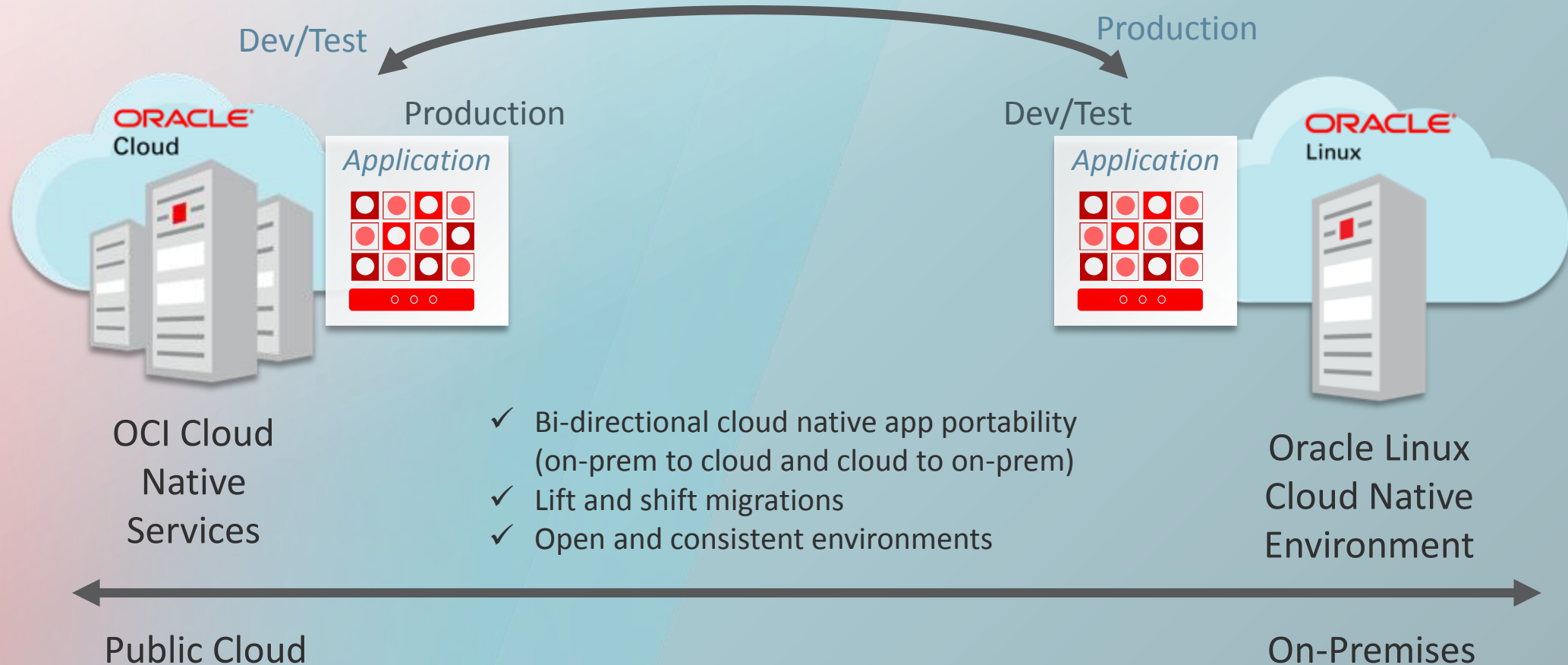
Single Pane Mgmt of Public and Private Cloud





Oracle Cloud:  
Innovation that Works

# Innovation that Works: Commitment to Cloud Native Framework - Application Portability & Migration for Hybrid Clouds



# Innovation That Works: Oracle Cloud at Customer

Ease of Migration & Financial Flexibility



Subscription-  
Based Pricing  
with Ability to  
Meter



Self-Contained  
System Behind  
Your Firewall



Same Software  
and Hardware  
as Public Cloud



Fully Managed  
Cloud by Oracle



# Innovation That Works: Oracle Public Cloud

## Price | Performance Advantage



Oracle Cloud Infrastructure  
Up to 5x faster than AWS

## Enterprise SLAs

Availability,  
Manageability &  
Performance



## Autonomous Data Management

Cut administrative  
costs by up to 80%



## Security



Comprehensive Data &  
Access Controls, Monitoring,  
Blocking & Auditing



## Deployment Flexibility

AWS only runs on AWS  
Oracle Cloud @ Customer



## Engineered Systems

On-Premises and Prop Hosting  
On ramp to the Cloud



## Enterprise Customer Base

#1 Enterprise SaaS business  
80M daily users, 61B daily transactions



## Ease of Purchase

Universal Credits, BYOL,  
Reduced PaaS Pricing

# Innovation That Works: Oracle Emerging Technologies



AI / ML Embedded  
into Apps



IoT Apps



Human Interface



Blockchain







# Partner Growth with Oracle

- Channel Dynamics
- Cloud Use Case Success
- Skill Development
- Balance



# Partner Transformation

## Cloud Services Partner Gross Profit

**AWS** overall deal margin **35%**

product resell margin **22%**

**Microsoft** overall deal margin **32%**

product resell margin **20%**

**Oracle** overall deal margin **39%**

product resell margin **23%**

## Percentage of Recurring Revenue

**AWS** 32%

**Microsoft** 28%

**Oracle** 34%

## Why Distribution? *On Premise*

PARTNER ENABLEMENT **76%**

DEPTH & BREADTH OF PORTFOLIO **69%**

TECHNICAL SUPPORT **68%**

GEOGRAPHIC REACH **68%**

ASSISTANCE IN CREATING SOLUTIONS **68%**

## Why Distribution? *Cloud*

INDIVIDUALIZED STRATEGIC SUPPORT **81%**

GEOGRAPHIC REACH **81%**

ASSISTANCE IN CREATING SOLUTIONS **79%**

PRICE **71%**

MARKETPLACE SERVICES **38%**

# Transitioning to Specialized 'Hybrid' Partners

Resell Focus  
 Transactional  
 Declining Transactional Margins  
 Self Build Arch Skills  
 Vendor Programs Reward Transaction

**% of Business Based on Point Product Or Traditional SW Sales**



**% of Business Based on Complex Solutions / Cloud / Services Delivery**

Transaction  
 Shifting Margins  
 Solution Creation  
 Value & Volume Based  
 Joint Services Focus  
 Project vs Value  
 Enablement Programs  
 Migration & Solution Skills

Data source: IDC Multi-Client Study, Infrastructure Partner Transformation, December 2018





# TRUGREEN



- Modernized their ERP solution from JD Edwards (2003) on IBM systems
- Chose OCI using both IaaS and PaaS products

**30-40%**

Lower Costs

**4-5X**

Faster Performance with OCI





- Moved to Autonomous Data Warehouse (ADW) to personalize data modeling
- Achieved significant revenue growth

**Scale on Demand**

No Downtime or Turning

**70%**

Performance Improvement



sunera**tech**<sup>TM</sup>

**OCI**

Beat Out Azure in  
Performance and Economics

**3X**

Performance

**35%**

TCO Savings

**ORACLE**<sup>®</sup>



# Partner Enablement

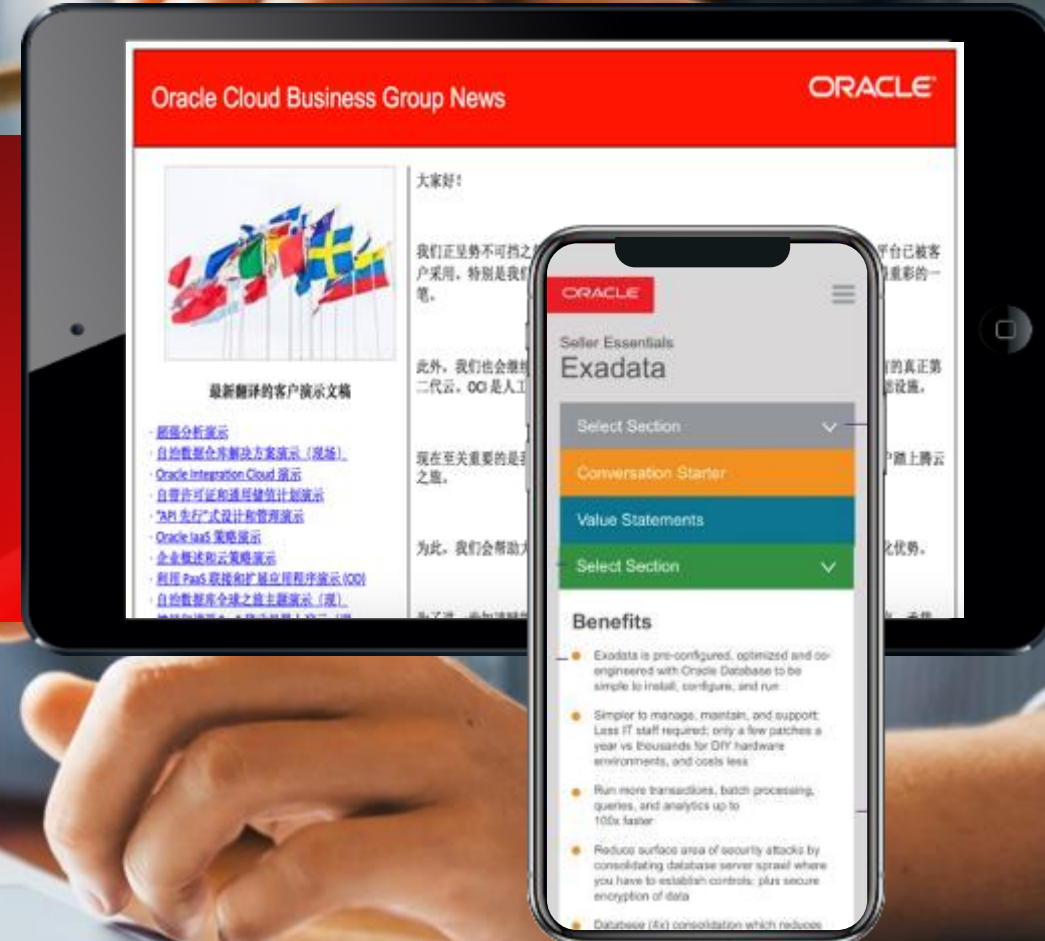
Investment in Sales Central and PREP

# Sales Central

By Product Marketing



- New Seller's Essentials; 100+ posted to date
- Conversation starters, value statements, benefits, objection handling, competitive and references
- Localized language translation



# ENABLEMENT: Your Investment Pays Dividends

>2x

MORE  
OPPORTUNITIES

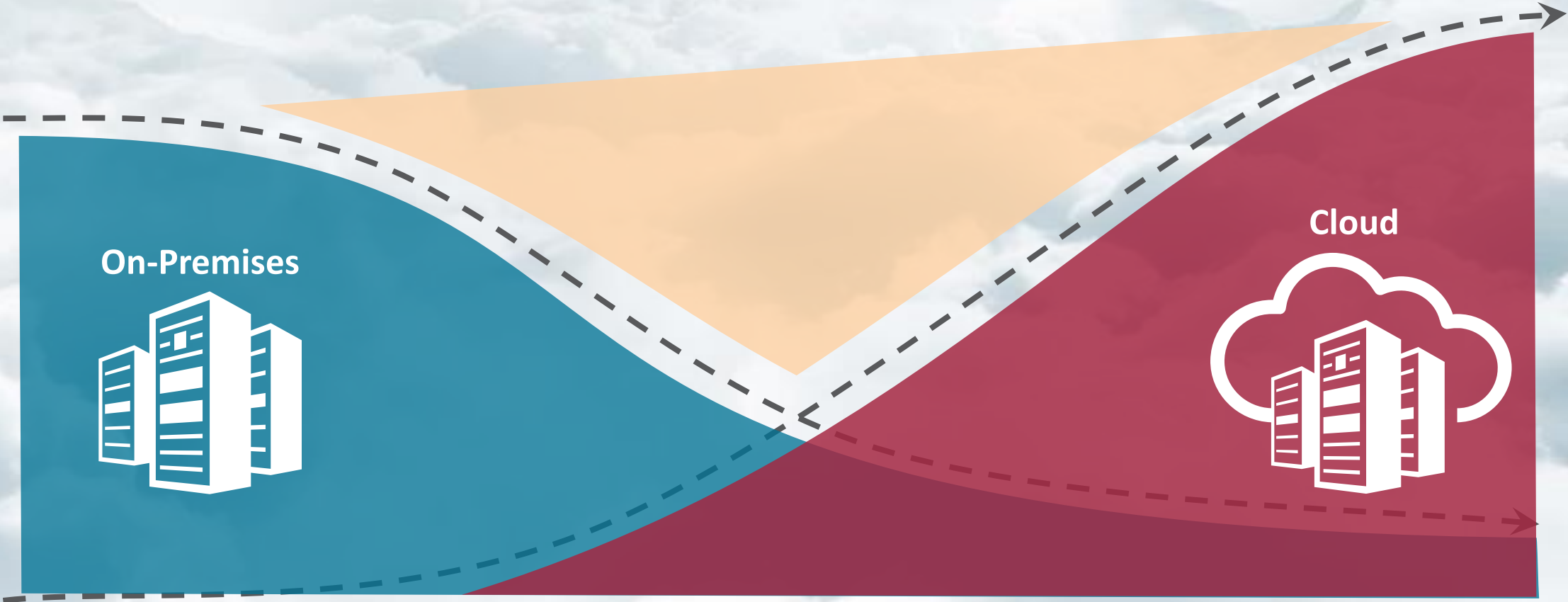
60%

MORE CLOSED  
DEALS

3x

LARGER  
DEAL SIZE

# BALANCE Your Journey





Market: Strong Oracle Opportunity

Oracle Strategy: Lead With Innovation, Create Value

Partner Growth: Balance Execution, Invest Now

ORACLE®