

# Oracle Integration Cloud Service is well placed to exploit hybrid integration market opportunity

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## Ovum view

### Summary

Oracle recently briefed Ovum on the latest release of Oracle Integration Cloud Service, an integration PaaS (iPaaS) solution aimed at on-premise-to-software-as-a-service (SaaS) and SaaS-to-SaaS integration use cases. The iPaaS solution continues to rapidly evolve and offers several key features and capabilities, including greater ease-of-use for developers/users, pre-built adapters and integration flows, easy federation with other Oracle middleware products, automated recommendations for faster and error-free mappings, and a lightweight agent for secure on-premise integration.

### Oracle's iPaaS strategy is headed in the right direction

Enterprises are now more open to agile approaches to integration as indicated by a recent Ovum survey, where 88% of respondents showed an inclination to adopt cloud-based integration platforms for appropriate integration scenarios. Lines of business (LOBs) are more aggressive in moving ahead with the adoption of agile approaches to integration to cater for the requirements of business-critical initiatives, and iPaaS has benefited from this strategic change. Oracle Integration Cloud Service with its simplified designer interface and pre-built adapters and integration flows significantly reduces the level of skill and time and effort required for developing integration flows connecting different applications.

The iPaaS solution offers adapters for several key applications, including Salesforce.com, Oracle Sales Cloud, Oracle HCM Cloud, Oracle Messaging Cloud, Oracle Service Cloud (RightNow), and Oracle Marketing Cloud (Eloqua), as well as enabling connectivity to a range of other SaaS applications via simplified web services integration capabilities.

Over the next few releases of Oracle Integration Cloud Service, the current set of adapters will gradually expand to cover a wider range of Oracle and third-party SaaS applications, including NetSuite, SuccessFactors, and ServiceNow. Subsequent releases will also introduce adapters to a range of on-premise applications. Moreover, Oracle offers a software development kit (SDK), which allows Oracle's partners to build and deliver adapters to more than 2,000 SaaS applications available in the market. Another noteworthy feature is the simplicity of subscription pricing, which is based on the number of connections enabled via the iPaaS solution. This is by and large a more transparent and easy-to-understand pricing scheme.

Oracle Integration Cloud Service offers enterprise-grade data security and governance capabilities. It provides users with a dashboard for transaction monitoring and reporting of key performance metrics, such as throughput, latency, and service-level agreement violations. In the context of data security and privacy, the iPaaS solution offers tenant isolation, physical security, and operating system and virtualization layer security. In the near future, Oracle will also support on-premise and private cloud deployment models.

Hybrid integration middleware paradigms are no longer uncommon, and a significant number of enterprises are using an "enterprise service bus (ESB)/SOA and iPaaS" combination for "hybrid integration" (a mix of on-premise, B2B, cloud, and mobile integration) needs. This trend is expected to become steadily more pervasive. In this context, Oracle Integration Cloud Service offers easy federation with Oracle SOA Suite to effectively cater for hybrid integration requirements. This aligns

well with the requirements of existing Oracle middleware customers, as well as those of enterprises interested in augmenting existing integration infrastructure to achieve faster time to value for cloud service integrations. Oracle is well placed to secure a significant market share in the global iPaaS market, which Ovum forecasts will grow at a compound annual growth rate (CAGR) of 40% over the next four years, reaching \$940m by the end of 2019.

## Appendix

### Further reading

*Oracle SOA Suite 12c: Simplifying Cloud, Mobile, and MFT-based Integration with a Developer-centric Approach*, IT0022-000100 (August 2014)

*2015 Trends to Watch: Integration and Middleware*, IT0022-000217 (November 2014)

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### Ovum Consulting

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