Ovum
TMT intelligence | informa

Oracle's PaaS delivery of blockchain is a smart move

Publication Date: 27 Feb 2018 | Product code: INT003-000060

Rik Turner

Ovum view

Summary

Oracle is planning a platform-as-a-service (PaaS) offering of blockchain, which will enable companies in multiple verticals to develop applications and deploy them on the platform to take advantage of the benefits of the distributed ledger technology. Ovum considers the option for PaaS a canny move on Oracle's part.

PaaS makes blockchain a utility for companies to "plug into"

Blockchain is eminently suited to PaaS because it is not an enterprise application like ERP, CRM, or SCM that companies need but do not seek differentiation from, making them natural candidates for software-as-a-service (SaaS) delivery. Neither is it a piece of infrastructure like compute (CPUs and GPUs), storage, or network that are increasingly offered as a service (IaaS). Instead, blockchain is a building block that applications can draw on to perform functions such as payments and other financial transactions, identity issuance, and cold chain management that can all benefit from the inviolable system of record that blockchain enables.

In addition, the applications that companies will run on the Oracle Blockchain Cloud Service will be where they are seeking differentiation from their competitors, so Oracle is right to leave them to develop them.

Conversely, learning to build and operate a blockchain won't be core to their business, just as householders don't need to run their own sewage treatment or water purification plants, preferring instead to pay a utility company to do so.

This is where Oracle's opportunity lies. It is in effect providing blockchain as a utility for companies to distill their intelligence and vertical expertise to build and run their own applications on it. It is also abstracting away from its customers all the complexity of hardening, securing, and accelerating open source componentry to make it production-ready and enterprise-grade, and is facilitating integration with other business systems from Oracle and third parties.

Appendix

Further reading

IBM's Democratization of Cognitive, Blockchain, and Cloud Technologies, TE0005-000995

(September 2017)

Blockchain for Beginners, IT0059-000071 (September 2016)

"SAP showcases IoT and blockchain enhancements at TechEd", ENS002-000007 (December 2017)

Author

Rik Turner, Principal Analyst, Infrastructure Solutions

rik.turner@ovum.com

© Ovum. All rights reserved. Unauthorized reproduction prohibited.

Ovum Consulting

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at consulting@ovum.com.

Copyright notice and disclaimer

The contents of this product are protected by international copyright laws, database rights and other intellectual property rights. The owner of these rights is Informa Telecoms and Media Limited, our affiliates or other third party licensors. All product and company names and logos contained within or appearing on this product are the trademarks, service marks or trading names of their respective owners, including Informa Telecoms and Media Limited. This product may not be copied, reproduced, distributed or transmitted in any form or by any means without the prior permission of Informa Telecoms and Media Limited.

Whilst reasonable efforts have been made to ensure that the information and content of this product was correct as at the date of first publication, neither Informa Telecoms and Media Limited nor any person engaged or employed by Informa Telecoms and Media Limited accepts any liability for any errors, omissions or other inaccuracies. Readers should independently verify any facts and figures as no liability can be accepted in this regard – readers assume full responsibility and risk accordingly for their use of such information and content.

Any views and/or opinions expressed in this product by individual authors or contributors are their personal views and/or opinions and do not necessarily reflect the views and/or opinions of Informa Telecoms and Media Limited.

Ovum
TMT intelligence | informa

CONTACT US

ovum.informa.com
askananalyst@ovum.com

INTERNATIONAL OFFICES

Beijing
Dubai
Hong Kong
Hyderabad
Johannesburg
London
Melbourne
New York
San Francisco
Sao Paulo
Tokyo