

# Oracle offers digital advice

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## Ovum view

### Summary

Organizations pursuing digital transformation initiatives benefit from identifying strong enablement and delivery partners to assist them with the interlinked changes to the business models, people, and processes that these strategies involve. Oracle may not be the first name that comes to mind as a digital partner, but over the past two years, beginning in the EMEA region, the company has developed a strong competency to advise enterprises on digital strategy, and is rapidly diffusing this know-how throughout its sales force, both in EMEA and across its other regions.

The company recognizes that these programs rarely involve a single provider, and has developed partnerships with digital teams in leading systems integrators and with the key digital agencies. Oracle's digital team uses a workshop approach to help clients progress their digital thinking, understand the impact on their business and ecosystem, develop a digital capability architecture, and to prototype digital services. Existing customers are asking Oracle to step up to a more consultative role and its approach is business rather than technology-focused, targeted at chief digital officers, chief marketing officers, and other line-of-business roles. The company has found that most of its digital engagements far have so far been either with entirely new customers or with new audiences at existing customer sites.

### Combining digital technology and business strategy

As enterprises build out their digital business strategies, the task of combining process innovation with organizational change and technology enablement is a complex undertaking. There are many sources of information and skills from different types of provider, but no single partner will have all of the necessary answers. The landscape is further complicated by the fact that these providers have little history of working closely together, mirroring the new relationships that must be established inside the organization between different business functions.

Oracle set up a core team of 15 people in EMEA about two years ago, led by the company's head of digital, Neil Sholay, with the aim of working with about 120 of the vendor's largest accounts. The team sees its role first and foremost as an enabler and adviser, helping clients to develop their digital thinking, rather than as a technology supplier, and this evident in some of the key principles of Oracle's approach. The team considers that the true value of digital is derived from interactions between people, places, businesses, and things, and it is therefore essential to engage with clients at a strategic level. Second, platforms and ecosystems are seen as the new arena of competition, so it's important to find partners with broad market knowledge and comprehensive technology know-how. Third, digital initiatives are fundamentally about data and how it can be leveraged within an organization, so data must be treated as a business asset and supported by strong data management capabilities.

### Oracle takes a workshop-based approach

Oracle's digital team will typically begin a client engagement with a discovery workshop, inviting key stakeholders to consider their existing strategy and where disruption from new sources of competition might arise. They will then be asked to envision a solution to counter this disruption, and will map out

and prototype one or more digital products or services that might form part of this strategy. The workshop also considers the business's existing capabilities, and where development is required to advance them. The next step is to develop a future state digital capability architecture, covering areas such as a next-generation data platform, enterprise mobility, and web experience management.

Although customer experience has been a strong initial driver for digital programs, Oracle believes that other business functions are now catching up, with initiatives around digital operations, digital supply chain, and business process optimization becoming increasingly prominent. This is also reflected in the portfolio of projects that the Oracle team has undertaken, which include a digital railway vision for Network Rail in the UK, an innovative waste management and recycling project for Redisa in South Africa, and a flagship digital project with the Driver and Vehicle Licensing Agency (DVLA) in the UK.

The DVLA project has seen the agency move the paper-based system for road tax certificates and counterpart driving licenses to a digital model, generating an estimated £40.6m of savings. DVLA CIO Iain Patterson was faced with outdated systems due for replacement, and took a bold approach by adopting a cloud-first strategy, reducing the on-premise footprint, and making use of Oracle's digital expertise and cloud services to build out a new digital platform.

## Oracle is broadening its digital reach

With customer demand growing rapidly, the Oracle digital team is looking to double its headcount, but the key move is to disseminate this knowledge and skills among the wider sales team. To this end, it has instigated a program of digital sales education that will equip all its salespeople to talk constructively about digital capabilities with both line-of-business and IT stakeholders. To date, about 1,300 Oracle sales staff have been through a two-day program, which involves techniques such as design thinking, question storming, and storyboarding.

Oracle is also increasing its partnerships in the digital ecosystem, working closely with digital strategy teams at companies including Accenture and McKinsey, and with digital agencies such as WPP and SapientNitro. A similar approach is now being rolled out in the Asia-Pacific region, working with both global and local partners, and applying the same principles of training up the Oracle sales team to engage with customers around digital strategy.

## Recommendations

Bringing multiple stakeholders together to collaborate on digital initiatives is an important starting point, and a discovery workshop is a helpful approach to facilitate this cooperation. Getting chief digital officers and chief marketing officers around the table with a CIO and CTO at an early stage of discussion will assist in creating effective platforms on which to design and build digital initiatives. For many companies, technology has become a core strategic capability, so these engagements will also help with the cross-fertilization of ideas around technology-driven innovation.

Oracle is investing heavily and aggressively in its move to building modern digital platforms, with a strong portfolio of cloud-based applications, platform services, and infrastructure. With its digital team, this is now allied to a clear understanding and expertise in digital strategy and projects, and there is also a welcome flexibility in helping customers to move quickly toward a modern cloud-based platform, both for individual projects and as part of a wider transformation. Flexibility in partnering also makes it easier to involve Oracle in digital initiatives, because there are relationships in place with

most of the major players from the creative and the technology worlds. We advise existing Oracle customers to take advantage of the discovery workshop program, and for enterprises where there is no existing relationship, an exploratory conversation with a member of the Oracle team will indicate whether there is a good fit for further engagement.

## Appendix

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### 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](mailto:consulting@ovum.com).

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