

GCCRM **evaluation guide**

Why Oracle CRM Is Only the 4th Choice

CRM Software Vendors' Evaluation

Oracle

evaluation. best practices.

About Us

GCCRM

Vision

ROADMAP CRM BEST PRACTICE through the collaboration of global intelligence on evaluation and benchmarking.

GCCRM is an independent CRM evaluation organization founded in 2001. Through evaluation, enhancement and benchmark with best practices, GCCRM helps to roadmap organizations' CRM - where they are, where to go and how to get there. GCCRM preaches the belief of "CRM Success Beyond Software™" via awards, methodology, research & portal.

GCCRM Evaluation Guide

It is a 360-degree, vendor-independent, easy-to-read evaluation guide for management and decision makers. Since the launch in 2002, the guide (previously named as China CRM Solution Guide) is the most influential CRM solution guide book in the region. Ten-of-thousand copies have been downloaded at GCCRM.com. An upgraded version will be launched in Q3 2005, including the latest survey results on CRM software vendors, outsourcing call center vendors, and CRM consulting vendors. Vendors will be featured and analyzed from four different angles: global perspective from world-renowned analysts, China perspective from local research team, survey perspective from the online and offline research findings and user perspective from interviewing the vendors' clients.

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Preface

GCCRM launches GCCRM Evaluation Guide since 2002 (previously known as China CRM Solution Guide). The purpose of the Guide is to provide a neutral and objective reference on key CRM vendors including software vendors, call centre outsourcing vendors and consulting vendors in China market. The Guide serves as a highly influential buying guide for CRM practitioners in the market and has been downloaded by ten-of-thousands of members and industry players via different channels.

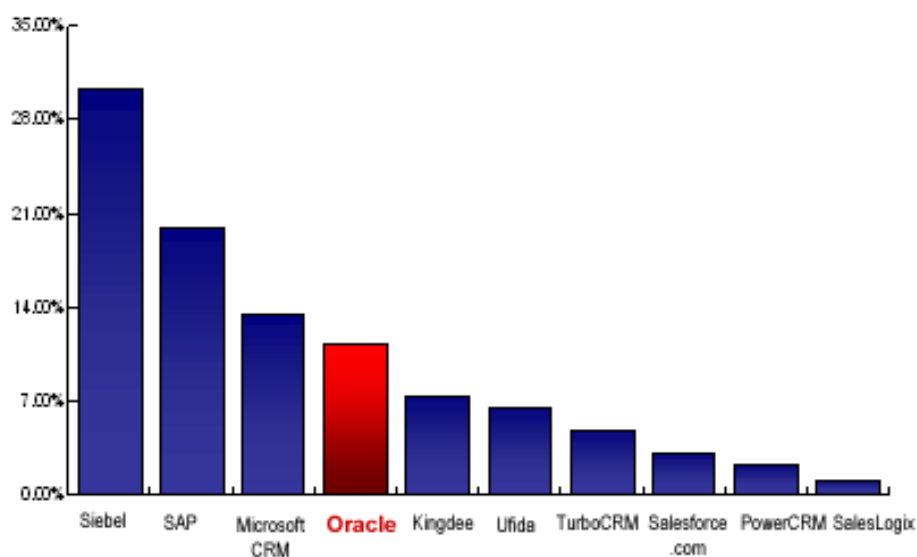
In this document, we are going to give **Oracle** a comprehensive review including **Global Perspective** by world-class CRM expert, Mr. Paul Greenberg, author of the best selling "CRM at the Speed of Light" and Executive VP of CRM Association US, **China Perspective** by GCCRM Research Team and **Survey Perspective** derived from 443 valid responses collected via online and offline survey by GCCRM. We are also in the process of collecting **User Perspective** which is a survey tailor to the clients of respective vendor to get first hand and realistic comments from a user point of view. The final report will be compiled in the full version of GCCRM Evaluation Guide 2006.

Looking ahead, we will conduct surveys on various vendors on a regular basis to ensure timely and updated information are provided.

Survey Perspective From 443 Valid Survey Respondents

In order to listen to the pulse of the Chinese CRM market and uncover the macroscopic picture of how the market operates, GCCRM conducted the "China CRM Software Vendor Survey". Ten vendors were selected for evaluation, namely, Siebel, SAP, Oracle, SalesLogix, Microsoft CRM, Salesforce.com, Kingdee, Ufida, PowerCRM and TurboCRM. The survey was conducted between Feb 17 to May 25, 2005, with online and off-line survey comprised of rating scale and open-end questions. The findings were based on 443 valid questionnaires, with 95% confidence level.

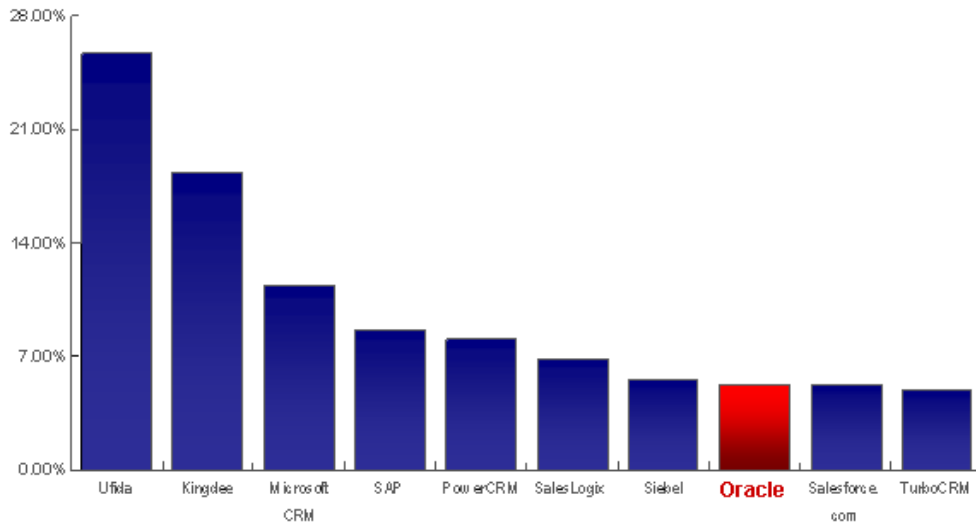
Oracle's ranking in terms of "Most Preferable Choice" by 443 survey respondents



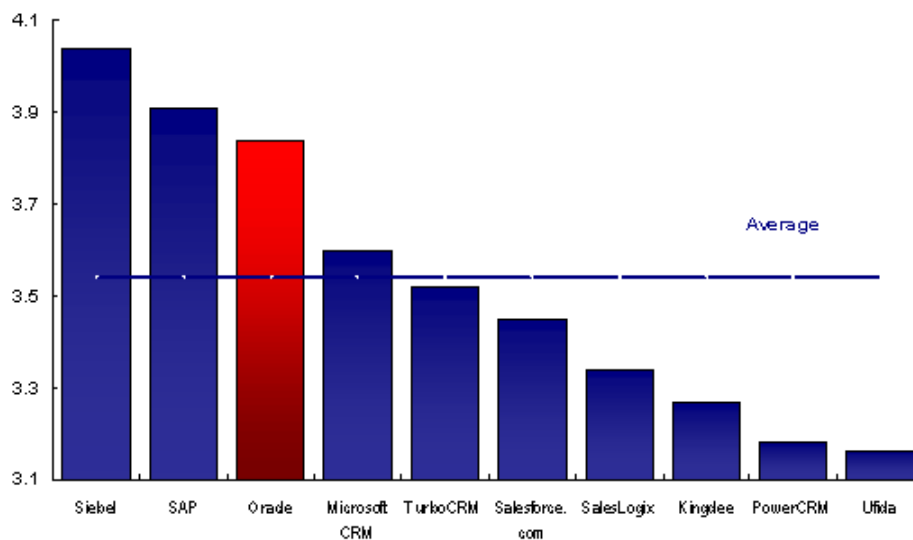
In Customers' **Most Preferable Choice** Ranking, Oracle gets the fourth position out of the ten vendors, with a percentage of 11.24% as Most Preferable Choice (As figure above says). This figure is relatively low, as compared with the total rankings. Why? Which factors hinder people to make Oracle as the Most Preferable Choice? Maybe comments from some of the survey respondents are making some sense..... "Good at database but not application"; "Oracle's users are mostly high-level clients, so its application may limit to those customer groups only"; "Hard to integrate to current structure system"..... (For more, please see "CRM Software Vendors' Evaluation – Survey Perspective")

Besides Customers' **Most Preferable Choice** Ranking, "**Least Preferable Choice**" Ranking, **Product** Ranking and **Brand Image** Ranking are also included.

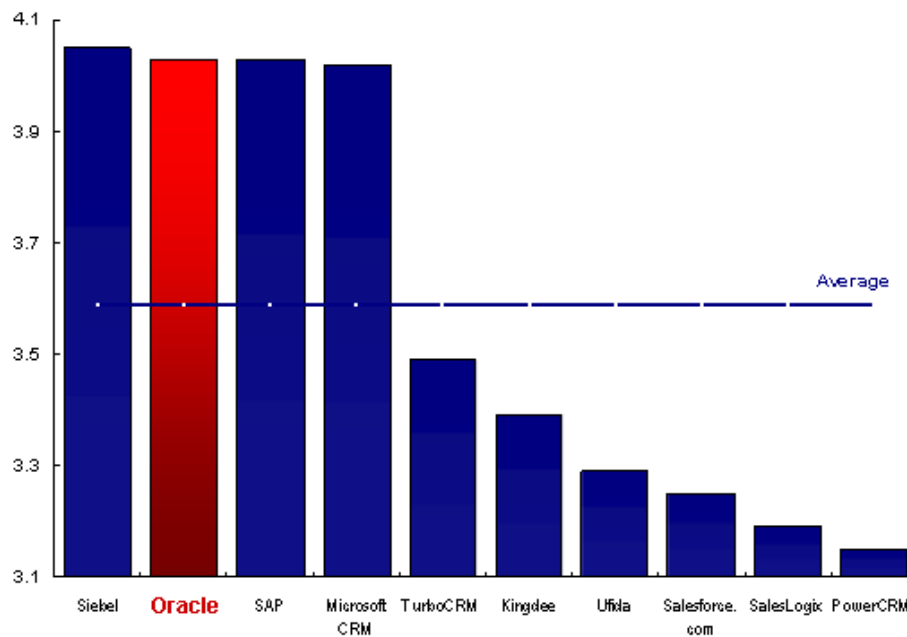
While in Customers' "**Least Preferable Choice**" ranking, compared with other vendors (As figure below says), Oracle receives a relatively low rating of 5.26%, which rates the second position (The same with Salesforce.com).



In **Product** Rating, Oracle ranks third with a score of 3.48, whose score is 9% higher than the mean score of 3.53 (As figure below says)



In Brand Image Rating (As figure below says), Oracle also wins the second position, receiving a score of 4.03 and 12.3% higher than the mean score (mean: 3.59).



All in all, Oracle ranks second in the Total Ranking of ten CRM software vendors (As figure below says).

Vendor	Product	Brand Image	Most Preferable Choice	Least Preferable Choice	Total Score	Overall Ranking
Siebel	1	1	1	4	7	1
Oracle	3	2	4	2	11	2
SAP	2	2	2	7	13	3
TurboCRM	5	5	7	1	18	4
Microsoft CRM	4	4	3	8	19	5
Salesforce.com	6	8	8	2	24	6
Kingdee	8	6	5	9	28	7
SalesLogix	7	9	10	5	31	8
Ufida	10	7	6	10	33	9
PowerCRM	9	10	9	6	34	10

(For full version of "China CRM Software Vendors' Evaluation – Survey Perspective", 24 pages, please click here: http://www.greaterchinacrm.org:8080/eng/content_details.jsp?contentid=1863&subjectid=1)

China Perspective From GCCRM Research Team

Target Market: Large Enterprise

Modules: SFA (Sales Force Automation), Field Service, CTI integrated Call Centre, self-service iSupport, Marketing Automation, Workflow, Middleware, Analytics, Partner Relationship Management, Product & Price Configuration, Industries Applications.

Selective Customers: Shanghai Hitachi, Beijing Luccent, Guangming Milk, Qingdao Guo Ren Group, Tianjing Economic Development Zone, Star Computer, Jia Du International, Fangzheng Electronics, Shengzhen Elaks.

Web Site: www.oracle.com

Oracle provides a wide range of software products, which include DBMS (Database Management System), ERP (Enterprise Resources Planning), CRM, and Application Server. Compared with Siebel's CRM, Oracle is late runner. Tom Siebel used to be President of Direct Marketing of Oracle. It was only when Siebel's CRM has made a great success that Oracle started catching up. Oracle's making a big push into the verticals as is seen with her recent purchase of Retek and ProfitLogic which gives her serious traction in retail and she will be a major challenger in retail to SAP. But she is in the process of attempting to dominate the verticals, but is not by any stretch near there yet. Oracle has a huge customer base of its database product, according to a report released by IDC in March 2005, its global database market share has reached the top 41.3%. Making best of its own relationship with these customers, Oracle will certainly present a tough competition to other CRM players.

Oracle eBusiness Suite 11i.10 is a total solution based on its newest 10g database management system. Like SAP, Oracle is not trying to draw clearly the boundary of ERP and CRM applications; it would rather offer an end-to-end solution to the customer. Oracle 11i.10 CRM fully covers automation areas of Sales, Service, Marketing, as well as sophisticated Business intelligence. Its price configuration, data mining tools and field service are among the best that market can offer. Oracle also provides industry solutions, but it seems lacking a clear promoting strategy to make it independently available, with a contrast to SAP and Siebel.

Oracle's CRM is using Java J2EE architecture, claiming to be thinner and more OS independent than its main competitor Siebel. Using so called "Discoverer modeling Technology", its Business Intelligent offering are one of the most sophisticated for analytical purpose.

As early as 15 years ago Oracle entered Chinese Market with its popular database system. Over the years of cultivation, Oracle has been recognized as one of the top brands in Chinese software market. Benefit from its wide range of software products, most existing ERP Oracle users in China, especially in banking and finance sectors will likely extend naturally to its CRM offerings. However, for those non-Oracle users, Oracle's CRM is hardly attractive as an independent installation. This is of course much of the same logic to all the ERP-oriented CRM vendors, but the Chinese users are more readily adopting CRM products from the same ERP vendor than its overseas counterparts because of the fact that the top player Siebel is simply not as much present in China. If the price and functionality between CRM vendors are closing the gap, the Oracle ERP users won't have much reason choosing other

vendors' CRM, with a risk of more painful integration process.

CRM in China has been going through a downturn these years since 2003, when the SARS hit the country. Unfortunately CRM market has not been able to recover as much as other lines. This has caused almost all none purely CRM vendors in China making a shift back to their core ERP business. Oracle has, after all, won a number of CRM customers during the years, showing that Oracle was at least spending some marketing efforts on CRM. To most of Chinese companies Oracle is still a database and ERP vendor, its CRM has not yet gained enough branding elements. Oracle CRM's industry applications seem to be vague in definition. Its marketing efforts in Chinese middle market also seem to lag behind those of SAP. Clearly presenting its product lines to customers instead of "can do all" approach will help Chinese business community understand more about Oracle and therefore bring more tangible success to Oracle's China penetration.

Global Perspective From Paul Greenberg, author of the best selling "CRM at the Speed

of Light" and Executive VP of CRM Association US

Oracle – what can you say about Oracle that hasn't been said? They, as represented by their primary stockholder and founder, Larry Ellison, are ruthless, it has been said. They are trying to own the industry with the purchase of PeopleSoft and then beating out SAP for Retex, the 2,300 member retail buying consortium.

Actually, when it comes to Oracle CRM, quite a bit. Though Oracle's rivals want to shove Oracle into the "its 85% a database company" which is true, that doesn't mean that Oracle isn't poised to make a major impact in the CRM world. It has and is.

What has characterized Oracle throughout its past, present and presumably will be influential in its future is its culture. The culture is not a business focused culture but a technology focused one. Developers and user interfaces and labs and programming and data are at the heart of what makes Oracle tick, but not what makes Oracle successful. With Larry Ellison at the helm, Oracle's ambition to be THE world dominant development outfit knows no bounds. Their approach to realizing this "vision" has been by acquisition, most notably the PeopleSoft acquisition recently. According to the Nicholas Carr's weblog, Rough Type, their approach to integrating PeopleSoft has been the ruthless mechanical approach that GE usually took. Two companies merge, and over a 30 day period, redundancies are "eliminated." Ellison told Business Week, "People don't eliminate duplication of effort. We wanted to get the economies immediately." That might work for awhile, but the lack of concern for the employee as a customer of the company, will ultimately bite back. Especially when the merger of cultures involves PeopleSoft's culture – one that, despite the recent Oracle-like years of Craig Conway, was a culture built around its humanism in combination with sound business planning. Keep in mind, too, that PeopleSoft was still in the midst of what was turning out to be a difficult integration with J.D. Edwards, their key acquisition in 2004. That and trying then to merge with Retek's culture could create a situation that even Oracle might not be able to handle that well. This leaves SAP with a lot of room to take over the leadership of the market with Siebel floundering.

Technologically, this "merger" of Oracle and PeopleSoft is the Project Fusion framework announced by Oracle in May 2005. This complete integration of Oracle, PeopleSoft and J.D. Edwards is oriented around Oracle's approach to a SOA. "The key," said John Wookey, SVP of Application Development at Oracle in a recent EWeek article, "Is adding business intelligence and adaptive business process capabilities found in the application server layer to the applications themselves, making process manipulation much easier." This functionality will remain in the suite that emerges from Project Fusion.

To jumpstart this, Oracle surprised much of the technology world by deciding to give away developers tools to Oracle and Java developers to work on the extensions for this SOA approach. The JDeveloper 10g toolkit was formerly \$995.00 U.S. a seat - now free because of the fierce competition. Note that Oracle is not developing their SOA around .NET because they consider Microsoft one of their two main rivals for high tech world domination (SAP is the other).

So what does all this mean for Oracle? It means that they've recognized that the Internet is now an infrastructure. It means that they understand that the customer requirements are such that a personalized experience is the only way that Oracle's potential customers will be able to retain their own customers. That means in their culture of development, Oracle sees itself providing the technology tools and the business insight tools that will be able to support the personalized customer experience. It also means that because of the culture of development and dominance that they are going to continue to acquire and develop and acquire and develop until they are the primary platform for databases, for applications, and for services. While fraught with the trials that Project Fusion will bring, I wouldn't put it past them to succeed, though there are a huge number of obstacles in their path.