

Oracle Jumps Into the Collaboration Market (Again)

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After two unsuccessful forays into the collaboration market, Oracle is back with the next generation of Oracle Collaboration Suite. Gartner believes Beehive is unlikely to be any more successful than past efforts.

NEWS ANALYSIS

Event

On 8 May 2008, Oracle introduced to market Oracle Beehive, an integrated collaboration suite with e-mail/calendar, team workspaces, instant messaging and other collaboration services. The initial release is intended for Oracle Collaboration Suite (OCS) users, with a wider launch expected later in 2008.

Analysis

Over the years, Oracle has had much success penetrating various markets such as database and integration technologies. In the collaboration sector, however, Oracle has consistently failed — it had an e-mail/calendar system in the 1990s, and most recently offered OCS. Both were unsuccessful due to a lack of market differentiation, and an installed base reluctant to switch suppliers.

It is logical for Oracle to want a piece of the collaboration market. Collaboration services are being increasingly woven into applications, allowing users to collaborate within the context of the business application. In addition, investments in e-mail, for example, can sell other Oracle infrastructure, such as databases and integration tools. Oracle also wants to thwart Microsoft's effort to make Exchange, SharePoint and Office Communications Server the default suite of collaboration services in many companies. A successful collaboration strategy could increase the value of the Oracle business application portfolio via contextual collaboration, lead to add-on product sales and combat Microsoft's hegemonic interests.

Oracle Beehive has some attractive characteristics, such as a consistent object model, tags, Outlook support and Business Process Execution Language (BPEL) workflows. But the company faces an uphill battle in the collaboration market. The business e-mail market has not seen a successful new entrant for 15 years, and most companies are well on their way to standardizing on a suite of collaboration services. Oracle has yet to define an unserved market niche for Oracle Beehive and clarify its positioning with respect to the WebCenter Web 2.0 tool, which includes overlapping collaboration capabilities.

RECOMMENDATIONS

- **Non-OCS customers:** To avoid the possibility of being saddled with an orphaned product suite, refrain from evaluating Beehive for adoption until it shows signs of sustained market success.
- **OCS customers:** Examine Oracle Beehive while engaging Oracle in discussions on an OCS obsolescence program and an orderly transition to Beehive.

RECOMMENDED READING

- "Person-to-Person Interaction Emerges as the 'Process of Me'" — Application support for business processes is evolving slowly away from the enterprise view of processes to encompass an individual's need as a participant in many processes. **By Yvonne Genovese, Jeff Comport and Simon Hayward**
- "No News Is Bad News for Oracle's Collaboration Suite" — In 2006, Gartner advised prospective buyers of OCS to exercise caution until Oracle demonstrated more

commitment to the product, with a clearer product and go-to-market strategy. **By Jeffrey Mann and James Lundy**

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