# "What's Up With Oracle?" GCG Survey Demographics

Oracle caused a server industry uproar in late March with their announcement that they were no longer going to port new software versions to Intel's Itanium processor. The move took everyone from Intel and Hewlett-Packard to large end-user customers by complete surprise. The party most affected is Hewlett-Packard, as their HP-UX Unix, NonStop and OpenVMS operating systems use Itanium-based architectures exclusively.

Oracle alleges that high-level Intel management told them that Itanium is no longer a focus for Intel – and, in fact, that the processor is actually near end-of-life. Intel quickly disputed this and pointed to their upcoming Poulson (est. early 2012) and Kittson (est. 2014) Itanium revs, and alluded to plans for a third iteration later on. HP also denied that there are any plans to abandon the Itanium processor or the systems that run on it.

The purchase of Sun puts Oracle in a unique position in the industry. They're now both a major ISV and also a competitor on the systems front. This hasn't happened since IBM held sway back in the 1960s and 70s. At the time of the Sun deal (and afterwards), Oracle chief Larry Ellison explicitly pointed to the top-to-bottom integrated IBM of that era as his model for Oracle moving forward. Oracle seems intent on leveraging their powerful position in enterprise software to drive their hardware sales.

This brings us to the crux of this GCG survey. Oracle is a new force in the industry, and we wanted to see how customers are reacting to their Itanium move. We also wanted to know how they regard the "New Oracle." To find out, we asked enterprise IT customers questions covering the following topics.

**Oracle Motivation(s):**

- Do customers believe Oracle's stated reasons for the action? Or do they believe Intel and HP when they say that Itanium is going strong?
- Does Oracle just want to reduce their platform support costs, or are there other factors in play? Is Oracle looking to collect 'pay for port' money from Intel or HP? Are they planning to increase license and support costs from existing/future Itanium users? Do customers see this as a shot aimed directly at HP's system business, or the first of several steps that Oracle may take to put other platform vendors at a competitive disadvantage?

**Oracle Next Steps: Customer View**

- What might Oracle do next? Do customers see them porting to Itanium again?
- How likely is Oracle to take actions against IBM's Power systems, Redhat or other non-Oracle Linux distributions, or customers running Windows environments?
- Do customers see Oracle making product, license, support, or other changes designed to make it more difficult or expensive to run on non-Oracle platforms?

**Best Moves for Oracle Now**

- Survey respondents weigh Oracle's potential courses of action and let us know which are most likely to help (or hurt) Oracle in the mid to long term.

**Oracle Esteem and Future Plans**

- Have any of Oracle's actions, statements, or changes in direction changed customer opinion about Oracle as a company or a vendor?
- How do customers feel about their current Oracle products (database, JDE, PeopleSoft, Oracle Applications, Siebel, and Solaris/Oracle Linux)? Are they happy, evaluating alternatives, or looking to migrate?

The results from this survey will be the topic of GCG press releases and web postings over the next few weeks. We're going to release each section of the survey separately due to the amount of data we've been able to gather and the discussion that the results will generate.

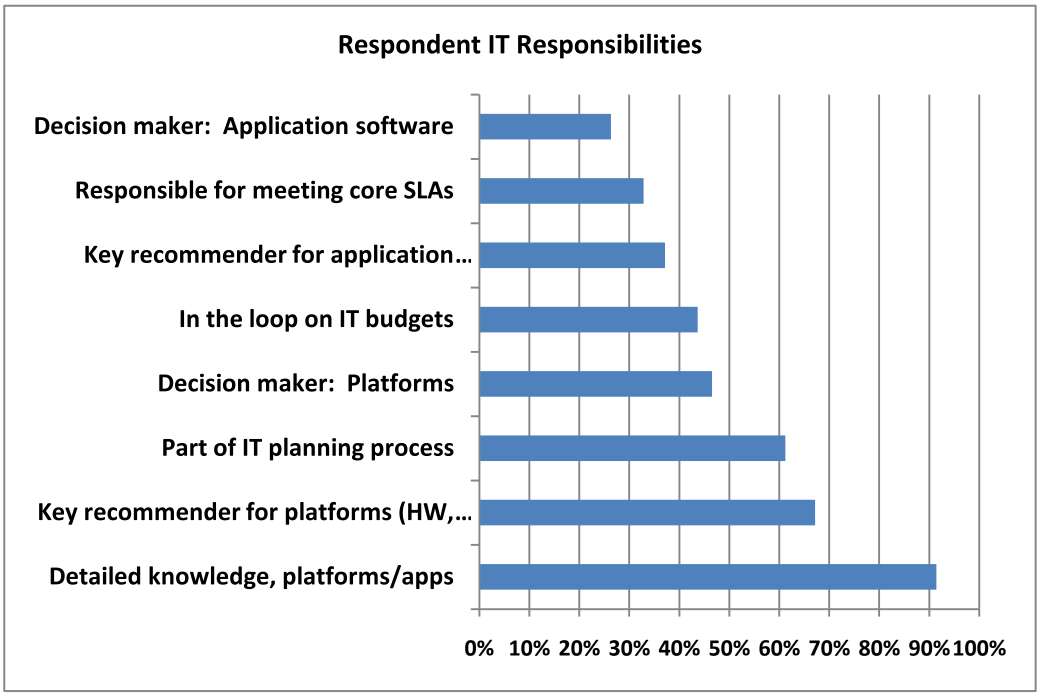
The rest of this document covers demographics and methodology for this survey, plus ways to get more information about the survey and other GCG offerings.

In this next section, we outline aggregated information about respondents to this survey and the organizations they work for.

## "What's Up With Oracle?" Survey Demographics

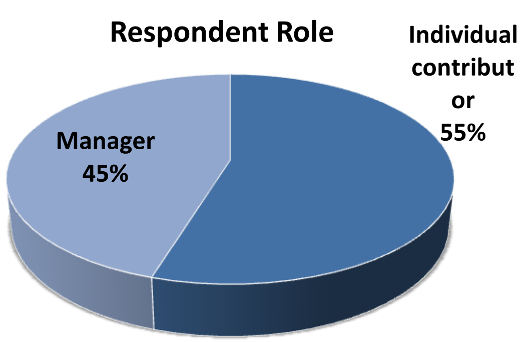
The value of our surveys is almost entirely dependent on the quality of the responses we gather. This survey was aimed at data center-savvy personnel in organizations ranging from SMBs to very large multinational firms. We had a total of 450 respondents.




Because job titles vary from company to company, we ask our respondents about their knowledge and responsibilities.

These respondents are very well qualified to assess the impact of "The New Oracle" on both their own organizations and the industry at large.

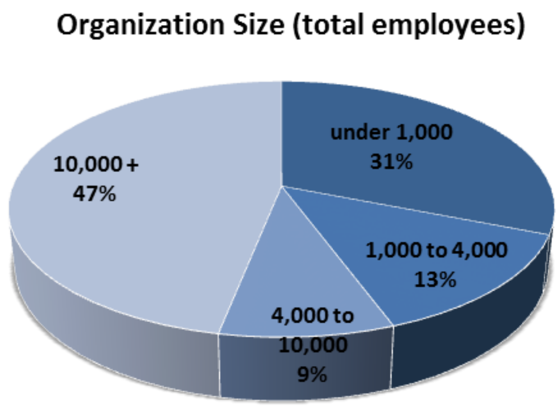
On the chart at left, we've listed the various responsibilities that respondents cited on the survey. Respondents were allowed to select more than one entry so that they could more precisely define what they do.

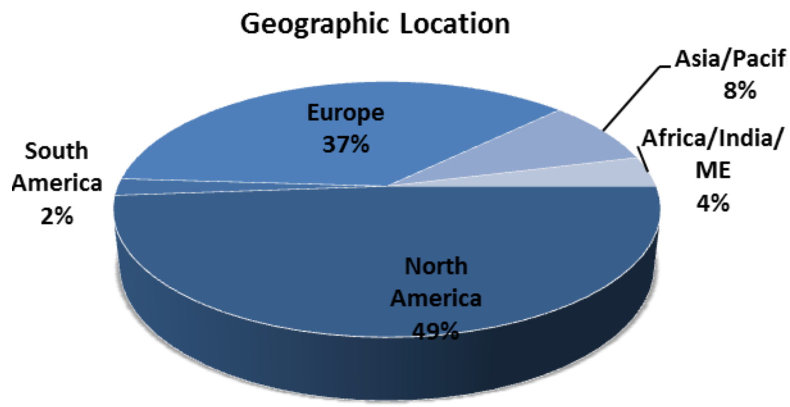



This is a highly knowledgeable survey base. Virtually all of them have detailed knowledge about their organization's hardware, o/s, middleware, and business applications. Almost 70% make recommendations on these components, and more than 60% are part of the IT planning process. Almost half of our respondents manage teams.

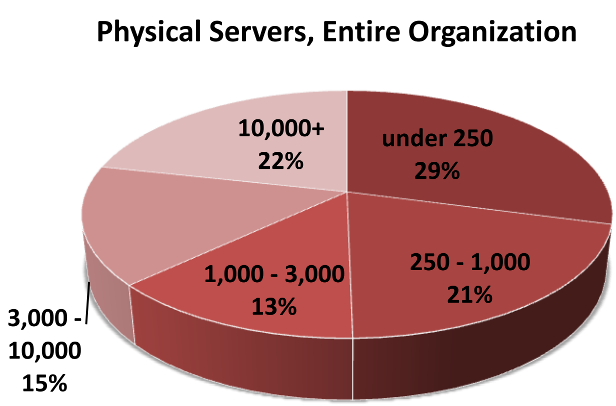
Our 450 respondents came from organizations of all sizes, but primarily from firms with 10,000 or more employees. Because this topic is so closely tied to mid-sized and large enterprise computing as well as the Unix systems market, we looked particularly hard




for respondents from this ‘sweet spot’ of enterprise computing. We also had good international representation on this survey, with just under half of the respondents (49%) coming from North America and 37% from Europe. Almost 10% were from the Asia/Pacific geographic region, with the balance based in South America and Africa/India/Middle East.

We also ask our survey respondents several general questions about their IT infrastructures. As you’ll see in the upcoming IT demographic charts, they have a large and varied technical underpinning.

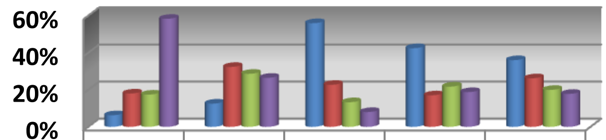



The total number of physical servers in respondent organizations is represented on the chart at left.

It’s quite a range; almost 30% of survey respondents report 250 or fewer systems, and 22% own more than 10,000 servers.

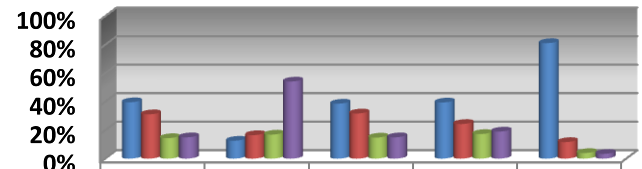
 

**Relative O/S Usage**



| | Win Server | Redhat | AIX | HP-UX | Solaris |
|---|---|---|---|---|---|
| None | 6% | 13% | 56% | 42% | 36% |
| Some | 18% | 32% | 23% | 17% | 26% |
| Moderate | 17% | 29% | 13% | 22% | 20% |
| Heavy | 58% | 26% | 8% | 19% | 18% |

**Server Vendor Presence Overview**



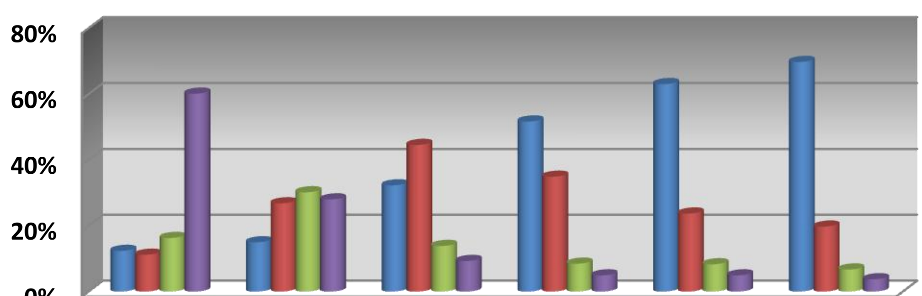
| | Dell | HP | IBM | Oracle | Cisco |
|---|---|---|---|---|---|
| None | 40% | 13% | 39% | 39% | 81% |
| Some | 31% | 16% | 32% | 24% | 12% |
| Moderate | 14% | 17% | 15% | 17% | 4% |
| Heavy | 15% | 54% | 15% | 19% | 3% |

Not surprisingly, respondents have all of the major operating systems. For purposes of this survey (mainly to keep a lid on the number of questions), we confined our demographic selections to commercial RISC and x86 operating systems.

Windows Server is the most prevalent o/s, followed by RedHat Linux. On the commercial Unix front, we saw good representation for the three major variants. All of the major server vendors are also well-represented in the data centers of our respondents.

Since this survey looks at the implications of both hardware and software choices, we asked respondents about the databases used by their organizations. We found that a very large proportion of them are using several different databases, which is typical even in small data centers.

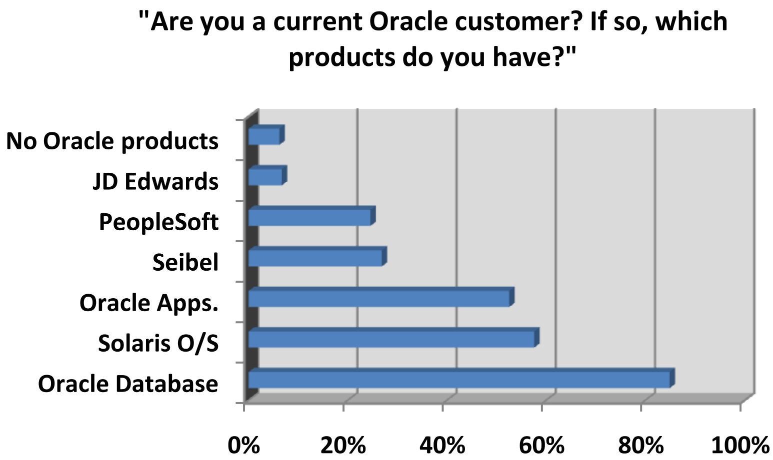
**Database Presence Overview**



| | Oracle | SQL Server | MySQL | open source | DB2 | Sybase |
|---|---|---|---|---|---|---|
| None | 12% | 15% | 32% | 52% | 63% | 70% |
| Some | 11% | 27% | 45% | 35% | 24% | 20% |
| Moderate | 16% | 30% | 14% | 8% | 8% | 7% |
| Heavy | 60% | 28% | 9% | 5% | 5% | 4% |

The most prevalent database in our survey was the Oracle Database; 85% of our respondents said that it's present in their data centers. Microsoft's SQL Server was second, with another Oracle-owned product, MySQL, coming in third.




Over 94% of the respondents to this survey are current Oracle customers.

Oracle database products see the largest response, followed by Solaris products (including operating systems and Sun/Oracle-badged hardware). A little over half of our respondents are running Oracle's flagship Oracle Applications ERP suite.

## Survey Methodology

The survey itself uses a web-based survey engine hosted on our corporate website. In general, our surveys reach two broad groups of participants. One group is our "qualified" respondents who have taken previous surveys – we've already confirmed that they're data center managers, architects, technicians, etc. The other group is comprised of readers of *The Register* and other technical publications. We've found that this mix gives us a very solid base of knowledgeable respondents.

The survey has several mechanisms in place to prevent respondents from 'ballot box stuffing' by taking the survey more than once. We also can take advantage of a token-based access mechanism that ensures that only those respondents we invite can take a particular survey.

Much of our effort is focused on data cleaning. This includes testing responses to make sure they are valid, following up with respondents to ask for additional clarification, and making sure our final data set is comprised of knowledgeable IT professionals who are giving us their honest and thoughtful opinions.

## GCG Surveys & Offerings

Our publicly-released results are just a glimpse into the massive data set generated by our surveys. GCG uses these findings (along with data from other sources, client feedback, and other activities) as the foundation for our many research and consulting offerings.

We serve our clients in a number of ways, including strategy and product consulting, custom research, and brand evaluations. Clients can obtain access to historical data and customized survey results (different cuts of the data to highlight, for example, SMB respondents or those who are heavily virtualized). We also provide clients with in-depth GCG analysis delivered via research reports that highlight survey data in the context of customer needs or vendor offerings. For further details or to find out how to access these additional offerings, please contact us via email or phone.

Gabriel
CONSULTING GROUP
phone / 503.372.9389
gcginfo@gabrielconsultinggroup.com
www.gabrielconsultinggroup.com