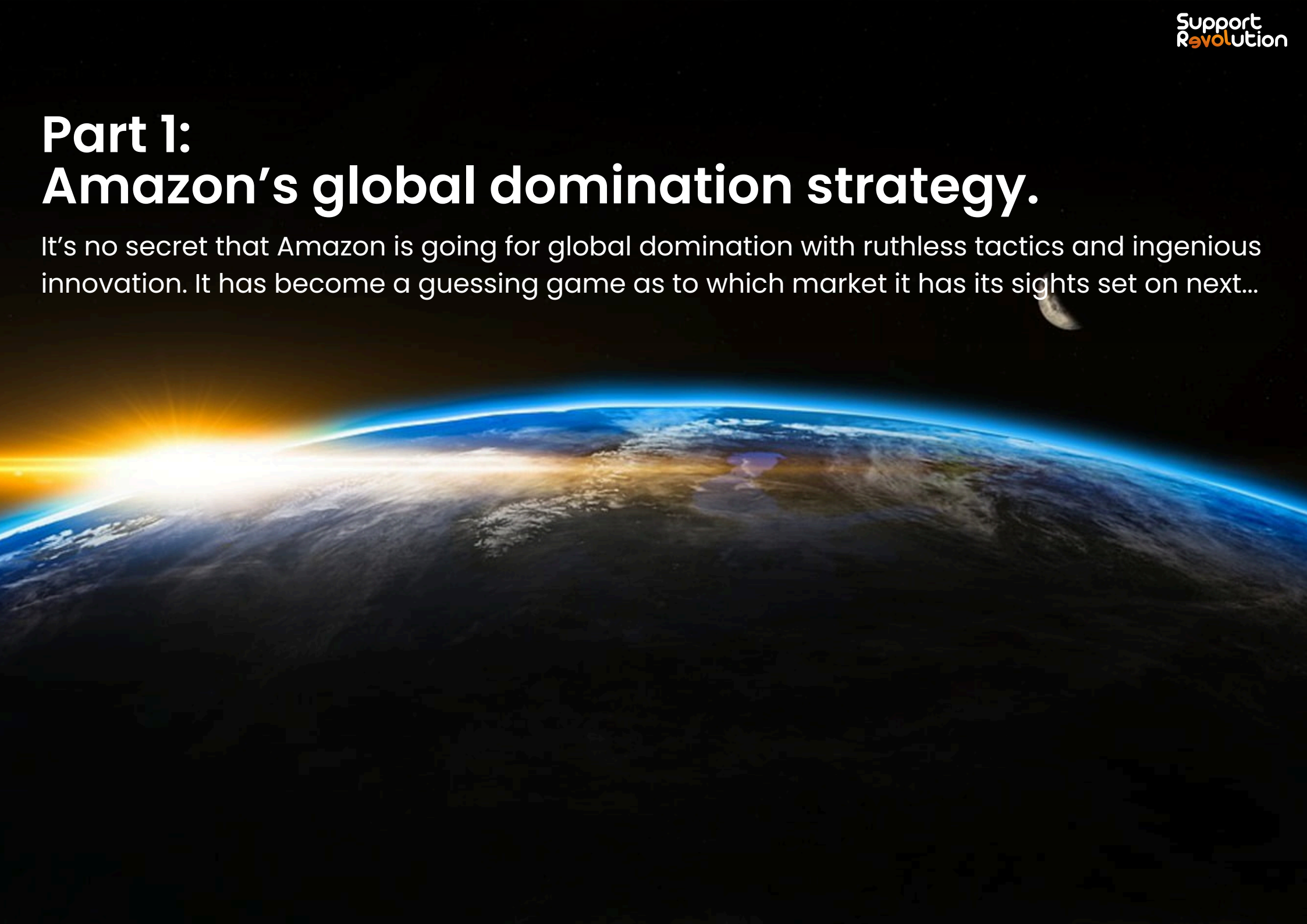
Support Revolution

Amazon vs Oracle - how Amazon's new CEO is taking on Oracle.

Part 1: Amazon's global domination strategy.
Part 2: Oracle's karma.
Part 3: Amazon's latest database services.
Part 4: Amazon vs Oracle.

Part 1:
Amazon’s global domination strategy.

It’s no secret that Amazon is going for global domination with ruthless tactics and ingenious innovation. It has become a guessing game as to which market it has its sights set on next...



From a garage in Washington selling books online, to business units in almost every country selling any product anyone could ever need, Amazon is a clear success story.

Jeff Bezos has endlessly innovated and invested in his global empire, and although he has stepped down from his post as CEO, he's not done yet. The tech giant has his eyes set on the software industry, and he has seen plenty of room for improvement.

The creation of AWS

All Amazon employees are encouraged to come up with ideas and present them at an annual event. This is how Amazon Web Services (AWS) came to be.

Amazon was growing at an exceptional rate and the Oracle software it was running its operations on wasn't designed for a company of Amazon's size. Amazon was also frustrated in the way Oracle did business (a frustration shared by many of Oracle's customers). Amazon didn't want to pay excessive fees to receive minimal support and a product that wasn't up to scratch.

Oracle effectively forced Amazon to create systems to accommodate for the hyper growth it was experiencing. This formed the foundations for AWS. Fast forward to 2019 and Amazon publishes a press release with videos.

AWS CTO Werner Vogels described it as the "best day" at Amazon, having been able to write off the "90s technology" behind most relational databases.

> **"Amazon is dominating industries one by one, and software is its next target.**

Business isn't personal

As brilliantly innovative as Amazon is, it can also be ruthless in its quest for global domination.

It doesn't hold back when it enters a market, buying up its main competitors or using its size against them until they fold.

This is usually the case, even for competitors that Amazon has no former

affiliations with; business isn't personal.

But what happens when one of the key competitors in the market has openly expressed distaste for Amazon, forced it to pay millions in support and maintenance fees, and has provided a product that has not met its needs?

In the decade since its launch, AWS is already the most successful Cloud infrastructure organisation in the world, with 30% of the market (more than its closest rivals, Microsoft, IBM, and Google, combined).

A new CEO steps in

As Jeff Bezos steps down as CEO, Andy Jassy (former CEO of AWS) takes his place, another indication that AWS has been immensely successful.

Amazon's checkmate

So far, Oracle has had no reason to see Amazon as a threat. Larry Ellison, CEO of Oracle, spoke out against the idea of Cloud, and has been slow in adopting it.

While the demand for Cloud is soaring, its focus is still databases and support.

Support on its databases alone brings in 90% of the organisation's profts.*

However, AWS has just played its next move, and it's a few moves away from checkmate; is AWS going for the kill with its new range of databases?

**The register, 2013.*

Who do you think will dominate the Cloud wars over the next decade?

- ○ Amazon
- ○ Oracle
- ○ SAP
- ○ Microsoft
- ○ Google
- ○ IBM
- ○ Alibaba
- ○ Tencent

Post answer

Part 2: Oracle's karma.

Usually, Amazon's ruthless demolition of competitors seems a little harsh, but frankly, Oracle had it coming...

- **Empty SLAs –** This is the first in a barrage of vendor traps employed by Oracle; charging 22% of license fees for an SLA it contractually isn't obligated to fulfill.

- **Forced upgrades –** Amazon, like the rest of Oracle's customers would've also had to endure upgrades, disrupting the business drastically, or alternatively, resort to paying more for support but receiving even less of it.

- **Automatic renewal and price hike –** No negotiations; Oracle customers are subjected to an automatic renewal of their contracts that comes with an automatic 4% increase in price too.

Ironically, if Oracle actually cared for its customers instead of using scare tactics and traps to draw as much money as possible out of them, and just conducted business with respect and a focus on fulfilling a customer's needs, this guide probably wouldn't exist.

Amazon would enjoy the partnership it had with Oracle, providing efficient software for a good price. It wouldn't see room for improvement.

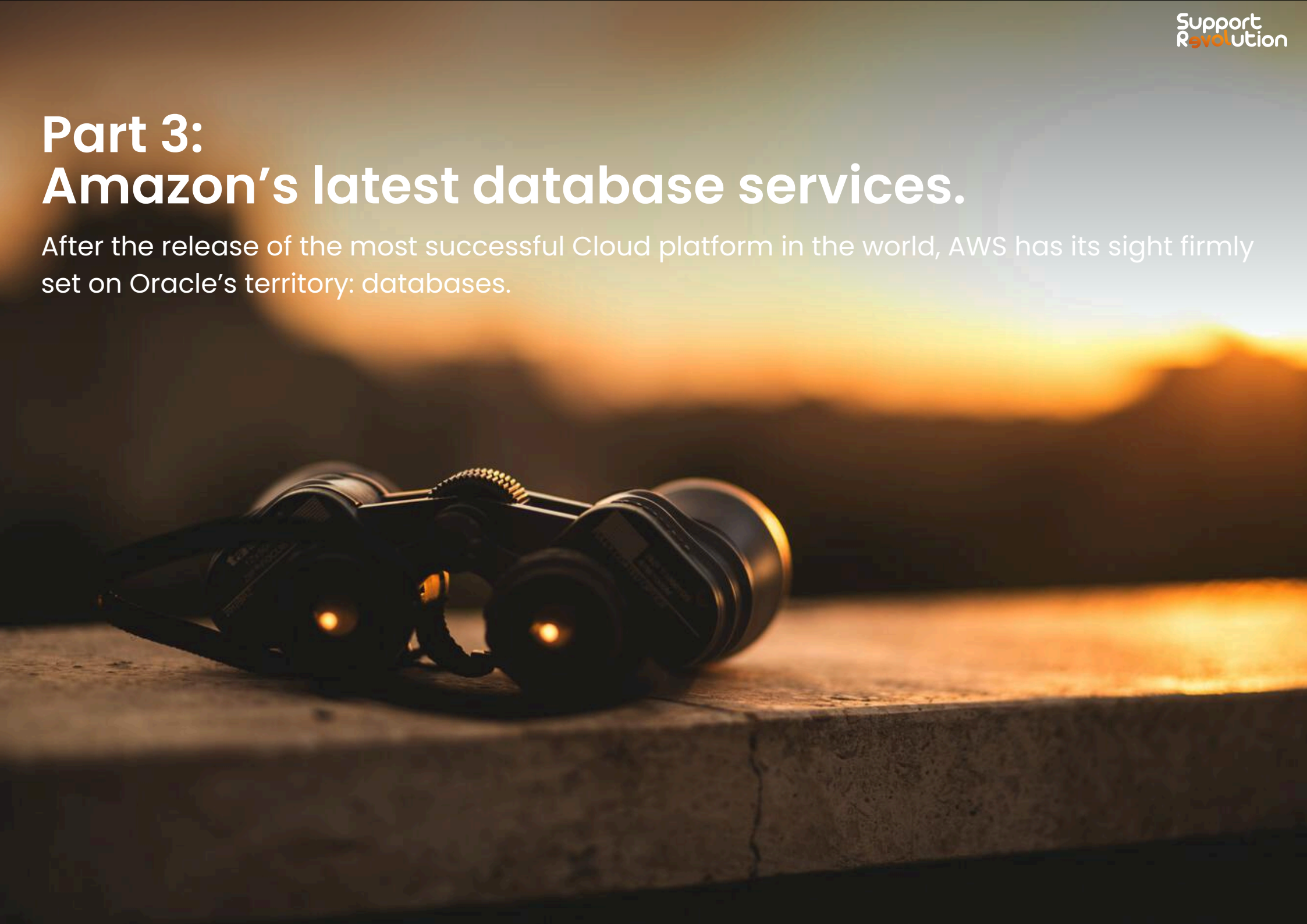
In fact, if Oracle did respect its customers, our industry, third-party support, would cease to exist.

As many of its customers have found out the hard way, Oracle does not conduct business with a focus on the customer.

Oracle conducts business for itself, and this strategy is about to come back to haunt it.

Part 3:
Amazon's latest database services.

After the release of the most successful Cloud platform in the world, AWS has its sight firmly set on Oracle's territory: databases.



AWS goes above and beyond what Oracle & SAP currently offer:

- **Purpose-built -** There are over 15+ databases to choose from, all tweaked and designed for specific use cases (this innovation seems to be lacking in Oracle's products).
- **Fully managed -** With Amazon's databases, the support is not separated; they're fully managed.
- **Highly scalable -** Amazon's main gripe with Oracle was its inability to scale. That's why Amazon databases are highly scalable.
- **Secure -** Rest assured your databases will feature a high-level of security, featuring end-to-end encryption.

AWS has taken a close look at all of the other database options in the market currently and has done what Amazon does best and filled a very clear gap in the market.

It has produced affordable databases that are purpose built for specific use cases.

They're fully managed (avoiding all the support frustrations many Oracle/SAP customers face), highly scalable (something Amazon was in dire need of when growing exponentially), and secure (to combat the rise in cyber attacks).

> **"**
>
> **THERE ARE SEVERAL OPTIONS TO ENSURE A SECURE AND UP-TO-DATE SYSTEM**

Amazon Database Services

DATABASE	OVERVIEW	KEY BENEFITS
Amazon Aurora	Amazon Aurora is Amazon's relational database built for the Cloud. It combines the benefits of both enterprise databases and open-source databases, making it highly capable and affordable. It's very fast and is a 1/10th of the cost of commercial-grade databases currently on the market.	**Highly scalable -** You can use Aurora Serverless to automatically start, scale and shut down databases to match application demand. **High level of security -** The database makes copies of your data and continuously backs it up. **Speed and efficiency -** Aurora is five times faster than MySQL and three times faster than PostgreSQL.
Amazon RDS	Amazon Relational Database Services (RDS) makes it easy to setup, operate, and scale a database in the Cloud.	**Easy to use -** With RDS, there is no need for installing and maintaining database software. It simplifies the whole process. **Highly scalable -** You can scale your database's storage and processing power with just a few clicks.

Open full table in browser:
https://supportrevolution.turtl.co/story/aws-amazon-vs-oracle/page/4/2

OPTIONS	OVERVIEW	KEY ISSUES
Amazon Redshift	This is the fastest and most widely used data warehouse on the market. Redshift makes it easy to see all of your data and analytics at the click of a button, and it promises to be half of the cost of other Cloud data warehouses.	**Strong customer base -** Redshift is already being used by some of the biggest companies in the world. This includes Pfizer, McDonalds, Intuit, and Yelp. **Exceptional speed -** Amazon Redshift's main USP is how fast it is. It delivers fast query performance. **Affordable -** Redshift promises to be half the cost of other Cloud data warehouses.
Amazon DynamoDB	DynamoDB is a fast and flexible NoSQL database service for any scale. It can handle more than 10 trillion requests a day, and comes pre-packaged with a multitude of benefits including built-in security and backup.	**Serverless -** DynamoDB is entirely serverless; no servers to patch or manage and no software to install and maintain. **Enterprise ready -** This database enables you to build business-critical applications at scale. Airbnb, Samsung, and Toyota are among some of the big names already reaping the benefits of DynamoDB.

Part 4:
Amazon vs Oracle.

Who comes out on top in this software stand-off?

Amazon vs Oracle

The greater twist to this tale is that Oracle's nemesis and architect of its downfall is the vendor itself. If Oracle had been more willing to care for its customers; less protective of its own practices; better prepared for innovation – this competition may not have reached the same heights that it has.

Oracle's problem was that it didn't acknowledge the competition from the start.

> **"I think that the big, established enterprise software companies did not see Amazon as a credible enterprise software company, so we had [time] to build this incredible, feature-rich product and service that is just so far ahead.**

Jeff Bezos, Executive Chairman of Amazon.

Bezos also commented that Amazon's offering *"faced no like-minded competition for seven years."*

It is difficult to speculate on why Oracle decided to ignore this shift in the market...

- Was the vendor too confident in itself to believe Amazon a threat?
- Too proud and tight-fistedly clinging to the business methods that got Oracle where it is now?
- Perhaps it was too confident and protective of its heritage?

Whatever its reason for getting lost in its own Cloud, one thing that's clear is that Oracle's strongarm tactics are what has led to these gaps in the market.

Organisations want to use flexible, fully-supported, modern solutions, but without the vendor perpetually charging more and forcing unwanted purchases.

Amazon continues to rise because of a

simple - but effective - strategy.

Amazon identified a problem and worked hard to fix it. Amazon listened to the market, and responded with what it was asking for.

Amazon left Oracle at the end of 2019 and is already asserting its presence in the software market. Where will it be in another year from now?

Jeff Bezos vs Larry Ellison

As two of the richest and most powerful men in the world, a lot of responsibility lies on Bezos and Ellison's shoulders.

How will they lead the way, innovate, and progress in this new decade?

Hubris vs assertion

Larry Ellison has led his Oracle empire to believe that it is unassailable; his belief is that their databases are the best.

This has meant over the past 20 years, the database has seen little innovation.

Meanwhile, Bezos, along with the CEO of AWS (now the whole of Amazon), Andy Jassy, entered a new market, aware of the very big fish, and completely dominated it.

How? They push forward, taking the approach that there is always room for improvement in a market in an ever-changing world.

That's why AWS has been able to put itself miles ahead of competitors despite it lacking experience.

Innovation vs investment

Both Amazon and Oracle are not shy of investment, having purchased their fair share of tech companies and competitors.

The problem is that while Ellison has solely focused on acquisition, Jeff Bezos looked towards innovation.

This is true of companies like Salesforce too.

This is how they're beating the mega-vendor that once had a monopoly.

Top of their game vs behind the times

Jeff Bezos and Andy Jassy are at the very top of their game, and they still have a long way to go.

Meanwhile, Ellison has been in the game a long time, making sure to stick to what has worked for him his whole career.

This is certainly reflected in the businessmens' organisations.

Protectionist vs customer-centric

It seems the main focus in Oracle is to stick to what it has done for the past 20 years.

The organisation has held the belief that its database is best and nothing can beat it, so why try to improve it?

While Oracle has been busy protecting this image, Amazon has focused on producing new products and services that fit the mould of exactly what its customers want.

It goes through all the main complaints that exist in the market - in this case, support, efficiency, affordability - and hits every nail on the head.

This focus on the customer rather than the product is what has driven Amazon; Amazon provides the product that customers want and are asking for.

You may produce the best sports cars in the world, but if your customers value practicality in a vehicle, how can you expect to dominate the market?

Amazon's revenge and Oracle's karma

Oracle pushed Amazon into a corner, providing mediocre software for Amazon's needs and charging through the roof for it; it almost forced Amazon to develop its own software.

As we have waited patiently, watching Amazon's empire slowly build, is the latest launch of database services going to break Oracle? Is this Amazon's revenge and Oracle's karma?

As more and more people use AWS, all we can do is sit back and watch to see the reaction, but in a world where reliability, immediate cost savings, and affordability are paramount, Amazon's new databases seem to - yet again - be hitting the nail right on the head.

Support Revolution

Looking for help with AWS?

Get in touch.

If you want to move to Amazon's Cloud, or if you want to investigate third-party support, we're here to help.

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