MARKET NOTE

Oracle for Startups: Deep Tech for Enterprise Scale

Naima Camara

EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: Oracle for Startups

This IDC Market Note provides insight on the Oracle OpenWorld Europe, held on February 12 and 13, 2020. During the event, several start-ups from the Oracle for Startups Program were given the opportunity to pitch and showcase their solutions to a panel of analyst judges.

Key Takeaways

• The creation, delivery, and continued success of a vendor-led accelerator is difficult to scale. Oracle combines the solution to a recurring market failure (lack of low-cost cloud for start-ups) with mentoring and visibility for the start-up that would not otherwise be possible.

• The start-ups selected to pitch at Oracle OpenWorld highlighted the importance of using deep tech to solve a recurring challenge faced by potential consumers. They articulated the outcomes their solutions could solve through examples and customer testimonies.

• Several start-ups focusing on different industries emphasized supply chain tracking and provenance. This highlights growing demand from the market to ensure more visibility and ethics and increase consumer confidence.

Source: IDC, 2020
IN THIS MARKET NOTE

This IDC Market Note covers Oracle OpenWorld Europe, an annual convention bringing together leading global innovators, partners, and start-ups, held on February 12 and 13, 2020. The event was a chance for attendees to hear from Oracle executives and customers to better understand how Oracle’s product suite fits together. As part of the conference, Oracle convened some of the brightest start-ups and scale-ups that formed part of its Oracle for Startups program.

This program is both a virtual accelerator and platform for start-ups to scale. It was developed to provide innovative start-ups looking to build solutions on Oracle Cloud a low-cost, high-performance cloud. At the heart of the program, Oracle offers cloud credits alongside opportunities to engage with Oracle's vast network of mentors, product experts, and customers. The program began as a physical residential program held in limited locations and has since become global to reflect the distributed nature of cloud and the ecosystems surrounding it. Emerging technology start-ups leveraging artificial intelligence (AI), machine learning (ML), blockchain, or analytics are the most prevalent companies in the program.

There is no application process and all technology-enabled start-ups can join. However, to qualify for higher-level benefits, such as customer and marketing opportunities, start-ups must complete a profile, begin using $500 worth of cloud credits, submit their reference architectures, provide a customer case study, and explain their product integration strategy with an Oracle product solution (if applicable). Oracle intends for the start-ups to remain within the family, with many of them graduating to Oracle Cloud for ISVs as part of Oracle PartnerNetwork (OPN).

The start-ups’ increased global visibility through Oracle is one of the most valuable benefits from the program. At the ExCeL Centre on February 12, the start-ups participated in a one-hour session. Short lightning pitches were provided by the following companies:

- **Ld8a.** Headquartered in London, the company provides a database facility that amplifies solution development and reporting processes.
- **retraced.** Headquartered in Dusseldorf, this start-up provides blockchain-based supply chain tracking (transparency-as-a-service) solution for fashion brands.
- **BotSupply.** Headquartered in Copenhagen, this start-up provides conversational AI company driving customer engagement and experiences.
- **DeepZen.** Headquartered in London, this company provides unique voice solutions that create ultra-realistic emotional and expressive human voice offerings.
- **Joulica.** Headquartered in Galway, this company provides real-time analytics solution for customer experience optimization in real time.
- **Intris NV.** Headquartered in Antwerp, this start-up provides sustainable and transparent solutions to enable logistics players to manage business processes.
- **Kinetica.** Headquartered in San Francisco, this start-up provides an active analytics platform to help organizations manage the use of data as an active asset.
- **Circulor.** Headquartered in London, this company provides traceability for industrial supply chains.

There were prizes available for the most innovative solution, the most creative, and the best overall pitch.

**Most Innovative Solution: DeepZen**

DeepZen's focus on audio/voice solutions proved timely in an age where podcasts and audiobooks are proliferating. DeepZen CTO Kerem Sozugecer outlined a growing problem where the recording of audio books was no longer scalable using a human voice. The company priced its offering...
similar to what a human-led narrative would charge and DeepZen was able to create a 10-hour audiobook in a few hours — a task that can take humans several weeks. This product could fundamentally shift the scalability of long-form audio content at a time when the audiobook and podcast markets are growing quicker than the overall media and entertainment market.

**Best Overall Pitch: Joulica**

Joulica streams data from platforms, virtual assistants, and AI with a real-time analytics solution to absorb key performance indicators that illustrate the types of systems customers have delivered. Joulica is primarily targeting global organizations with call centers and has gained its first customer in J.P. Morgan. CEO Tony McCormack outlined that the key strength of its product is the ability to "close the chasm between the customer expectation and data processing."

**Most Creative: retraced**

Germany-headquartered retraced was the most early-stage start-up to pitch – it was founded in early 2019 to develop a solution for fashion's transparency crisis. Despite its nascence, retraced has created two products:

- A business-to-consumer (B2C) app for customers to scan items they wish to purchase to verify sustainability of the brand's supply chain
- A business-to-business (B2B) platform for fashion labels to collect, analyze, and trace supply-chain information

Transparency as a service is at the heart of its business. By leveraging Oracle Blockchain, retraced managed to develop a full product within 12 months, from project start to product launch.

**IDC'S POINT OF VIEW**

**Distributed Ecosystems**

Oracle's decision to make the Oracle Startup Program virtual is part of a growing trend. As we move into the Future of Work, the necessity for headquarters lessens. The key challenge for Oracle will be ensuring a unified global presence that is fit for purpose. Identifying start-ups and ensuring the program works for all businesses will require a more localized view.

**The Quest for Provenance and Sustainability**

Three out of the eight start-ups that made pitches during Oracle OpenWorld had supply-chain tracking as a core part of their business. The technologies they used varied — Internet of Things (IoT), blockchain, and machine learning, among others — but the intent was the same: to assure customers that the goods and products they purchased came from ethical sources. Sustainability is top of mind for a lot of consumers, who are becoming more concerned with where purchases come from.

The number of start-ups emerging in this space makes for a more fragmented and crowded ecosystem. However, it also points to the fact that the multifaceted nature of this problem makes space for more than one leader to emerge. We will see venture capitalists increase the number of investments into sustainability-focused and adjacent organizations over the coming year. These new priorities come at a time when modern supply chains are becoming increasingly complex with multiple stakeholders.
Successful Accelerators Must Have A Common Goal to Those on the Program

Start-up programs are only successful when they enable start-ups to scale at a rate that would not otherwise be possible, where "core" activities are underpinned by mentorship or client introductions, for example. This ensures that the start-ups selected by Oracle have a clear trajectory outside of cloud credits and enables longevity.

Problem-Solving with Deep Tech

The caliber of start-ups on the program was extremely high. Despite the variety of the start-ups’ focus areas, they were unified through their creation of deep-tech solutions that solve a recurring challenge in the market. The pitchers spent more time focusing on the problem they were trying to solve and the outcomes they hoped to achieve for their customers, rather than describing the intricacies of their technology offering. The technology is rendered invisible once a solution works for clients.

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Related Research

- Oracle OpenWorld Europe 2020: Cloud Stays Front and Center as Oracle Plots its Transformational Path Along its Customer Base (IDC #EUR146096820, March 2020)
- Oracle OpenWorld Europe 2020: AI Takes Center Stage (IDC #lcEUR146076220, February 2020)
- Web Summit 2019 and a New Dawn for Ethically Driven Innovation (IDC #EUR145728619, December 2019)

Synopsis

This IDC Market Note analyzes Oracle OpenWorld's Dragons' Den-style pitching session held on February 12, 2020, featuring companies under the Oracle for Startups program. During this session, eight start-ups selected to form part of the program pitched to an audience and a panel of analysts; they were judged on creativity, innovation, and the best overall pitch.
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IDC U.K.

IDC UK
5th Floor, Ealing Cross,
85 Uxbridge Road
London
W5 5TH, United Kingdom
44.208.987.7100
Twitter: @IDC
idc-community.com
www.idc.com

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