



What Startups Need Most and Where They Find It

Insights from Oracle's Startup Program

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Executive Summary

Startups form a crucial part of the digital economy, with growing prominence in the wider technology ecosystem. Startups value partnerships that help them quickly build, scale, and grow their business.

Partnerships with technology vendors are key to startup development

Partnerships with vendors can provide startups with access to a technology offering. These partnerships can also provide startups with support in areas such as sales and marketing, reaching new customers and developing business knowledge and skills.



A one-stop-shop approach attracts startups to corporate programs of technology vendors

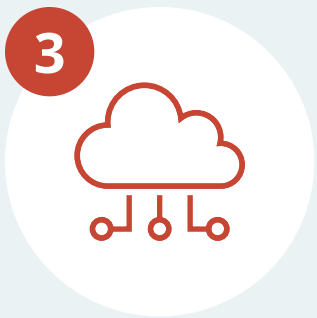
This IDC InfoBrief explores how startups use these programs to grow and scale their business, providing insights across the following focus areas:



Business opportunity and technology challenges facing startups



Partner preferences of startups



Startups' relationships with cloud providers

IDC conducted a global startup survey on behalf of Oracle in July 2021. The survey collected responses from 56 startups actively participating in Oracle's startup program. Most of these startups have participated in or are currently participating in one or more startup programs. 31% of startups surveyed were in North America, 11% were in Latin America, and 7% were in Asia/Pacific, with the remaining 51% from Europe, the Middle East, and Africa (EMEA). Deeper qualitative insight was obtained through in-depth interviews with five startup CEOs.

The Rise of the Digital Economy



The digital economy is driving investment —
\$6.8 trillion
between 2020–2023
in cloud spend, AI, ML,
blockchain, robotics,
and more.



Digitalization
will touch
65%
of the global
economy by 2022.

Technology startups are capitalizing on these digital opportunities offering solutions and services that drive digital innovation.

Startups Face Multiple Business Challenges

Finding Clients, Capital, and Talent Are Part of the Development Journey

Top 5 Business Challenges for Startups

- 1



Creating a solid customer base
- 2



Accessing capital
- 3



Meeting growth and development expectations
- 4



Accessing talent and qualified personnel
- 5



Attracting their first clients

Startups look for partners that can help them overcome initial go-to-market hurdles.

Creating a solid customer base and attracting those first clients is a challenge that all startups face. Despite record levels of startup investment in 2021, accessing capital remains a concern for startups. Startups also face a challenge to attract and retain talent in a highly competitive market for specific skillsets. Working with partners to overcome these challenges is vital for startups looking to meet their growth and development expectations.



Business Challenges Evolve as Startups Mature

Startups Face Different Challenges at Different Points in Their Development



Typical challenge faced by startups by stage of maturity

While the youngest startups face challenges in attracting their first clients, those that have been operating for two to four years are more concerned with finding additional capital to expand.

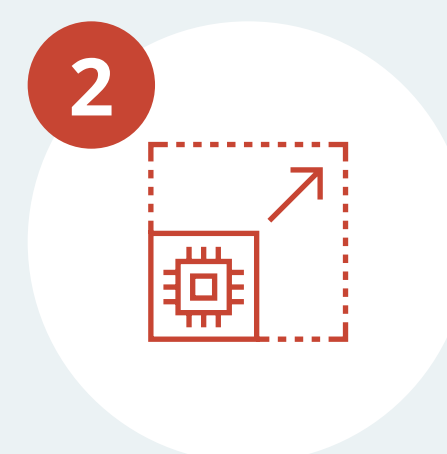
Startups Need to Overcome Technology Challenges

An Effective Partnering Strategy Helps Startups Overcome Obstacles

Top 3 Technology Challenges for Startups



Finding and attracting technical talent

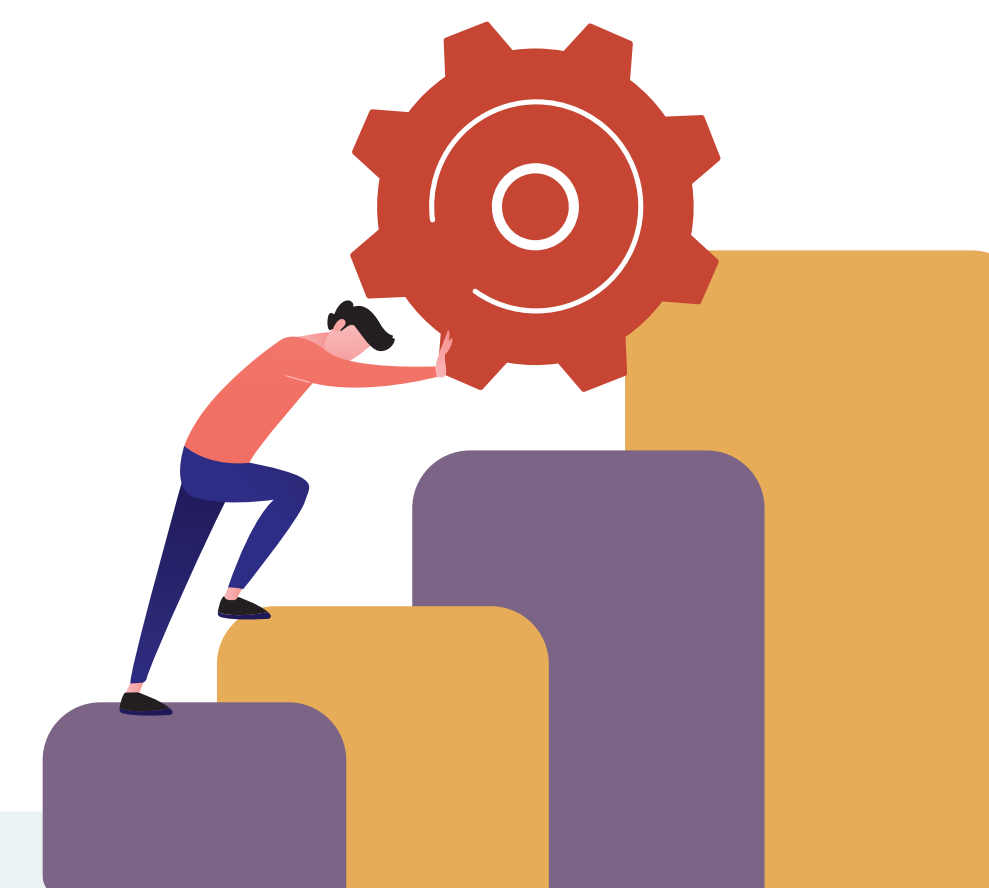


Scaling technology requirements and capabilities



Finding the appropriate technology partnerships

Setting up a new business is challenging from many perspectives. Having the appropriate IT infrastructure can make it easier to start or grow a business more efficiently. Technology can help with onboarding new employees, serving new clients, and creating efficient business processes that are truly scalable. But technology does not come without challenges. Attracting and hiring the right technical talent is a growth inhibitor for startups, as is the ability to scale technology and capabilities. Startups also say it is a challenge to find the right kind of technology partnerships. With a variety of startup programs available, startups need to carefully evaluate their options and select a partnership that supports them beyond technology challenges alone.



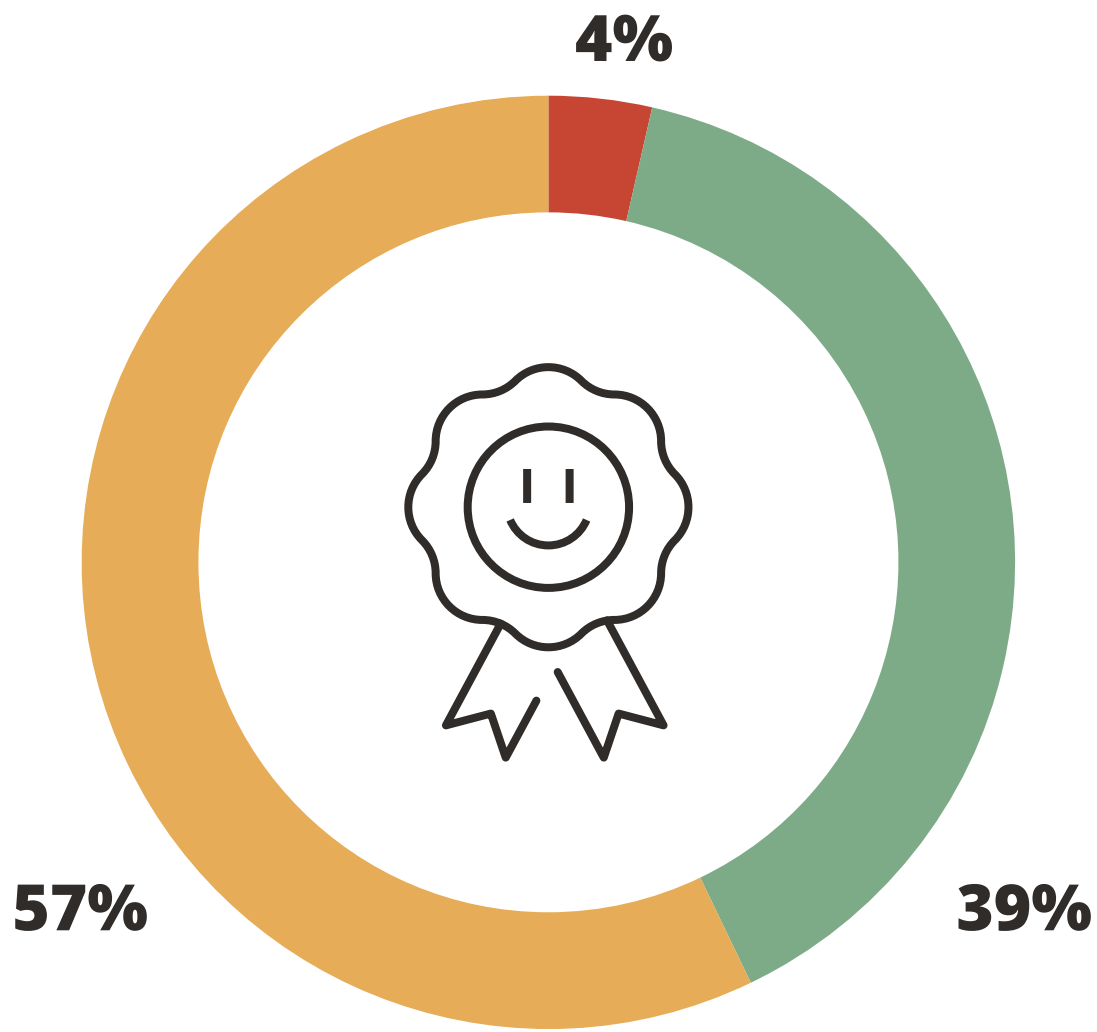
Startups Value Specific Attributes When Selecting Vendor Partners

Vendors with Strong Reputation and Cloud Experience Are Highly Valued

REPUTATION

96% of startups say that **reputation** is of moderate to high importance.

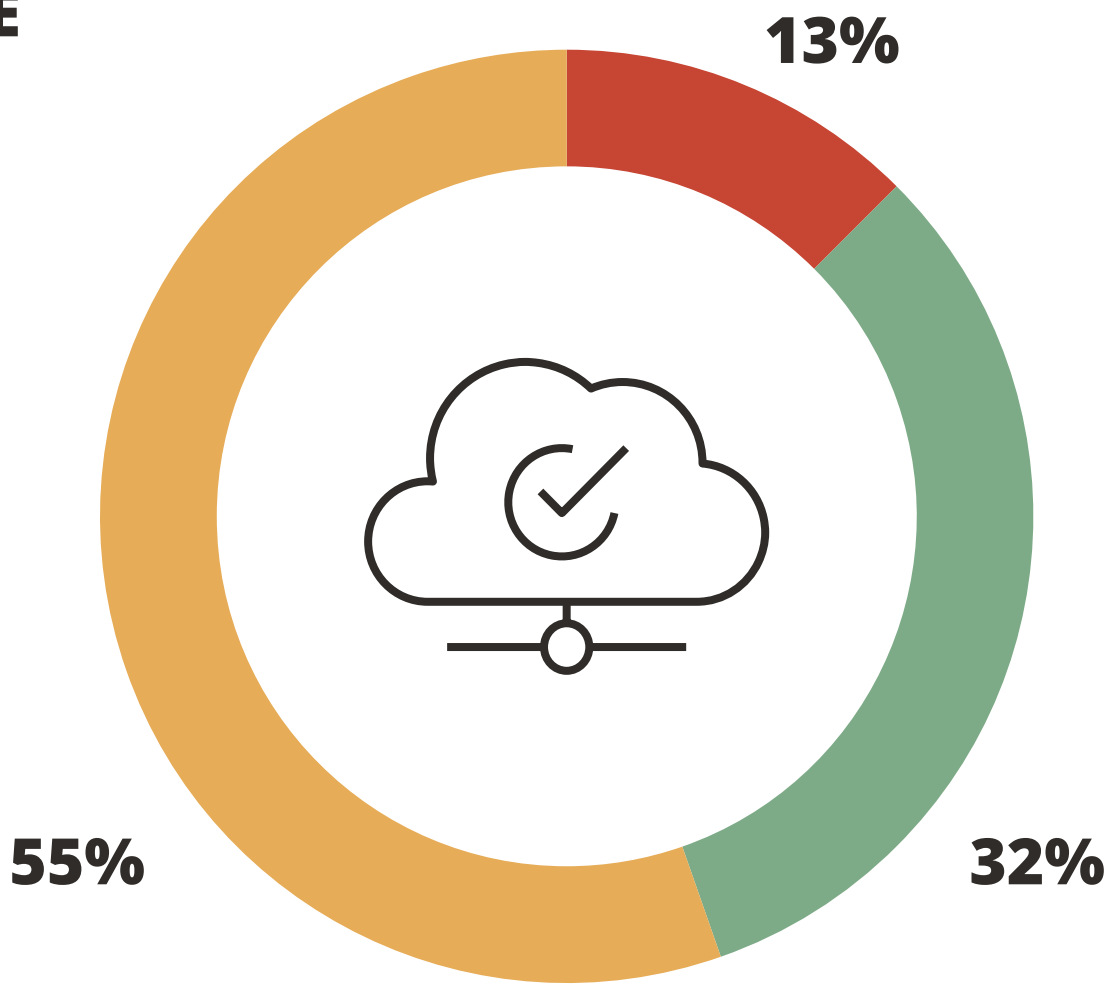
- Low importance
- Moderate importance
- High importance



PROVEN CLOUD EXPERIENCE

87% of startups say that **proven experience in cloud** is of moderate to high importance.

- Low importance
- Moderate importance
- High importance



Partners are crucial to growth for the startup community. When considering a partnership with a vendor, startups value partners that combine a **solid reputation** with a **proven cloud track record**.

Partners Derive Real Value from Oracle's Startup Program



I think the Oracle people are just really passionate about what they're doing, I think they're generally driven by startups, they really like startups. They go above and beyond. That's what I think makes them really unique. The other accelerators do not really have that, it's more of a cold thing.

GridMarkets

Oracle for Startups program member



Free or discounted cloud offerings are nice to have, but there has to be support in areas such as sales and marketing as well. Oracle's marketing team has helped us get coverage in major publications. They also helped with our social media presence and got us involved in high-profile webcasts. The same is true for sales support. Oracle has connected us to their sales team and increased our visibility. As a startup, having someone like Oracle help us in this way is huge.

Complete Intelligence

Oracle for Startups program member

Startups Work with Technology Partners for Multiple Reasons

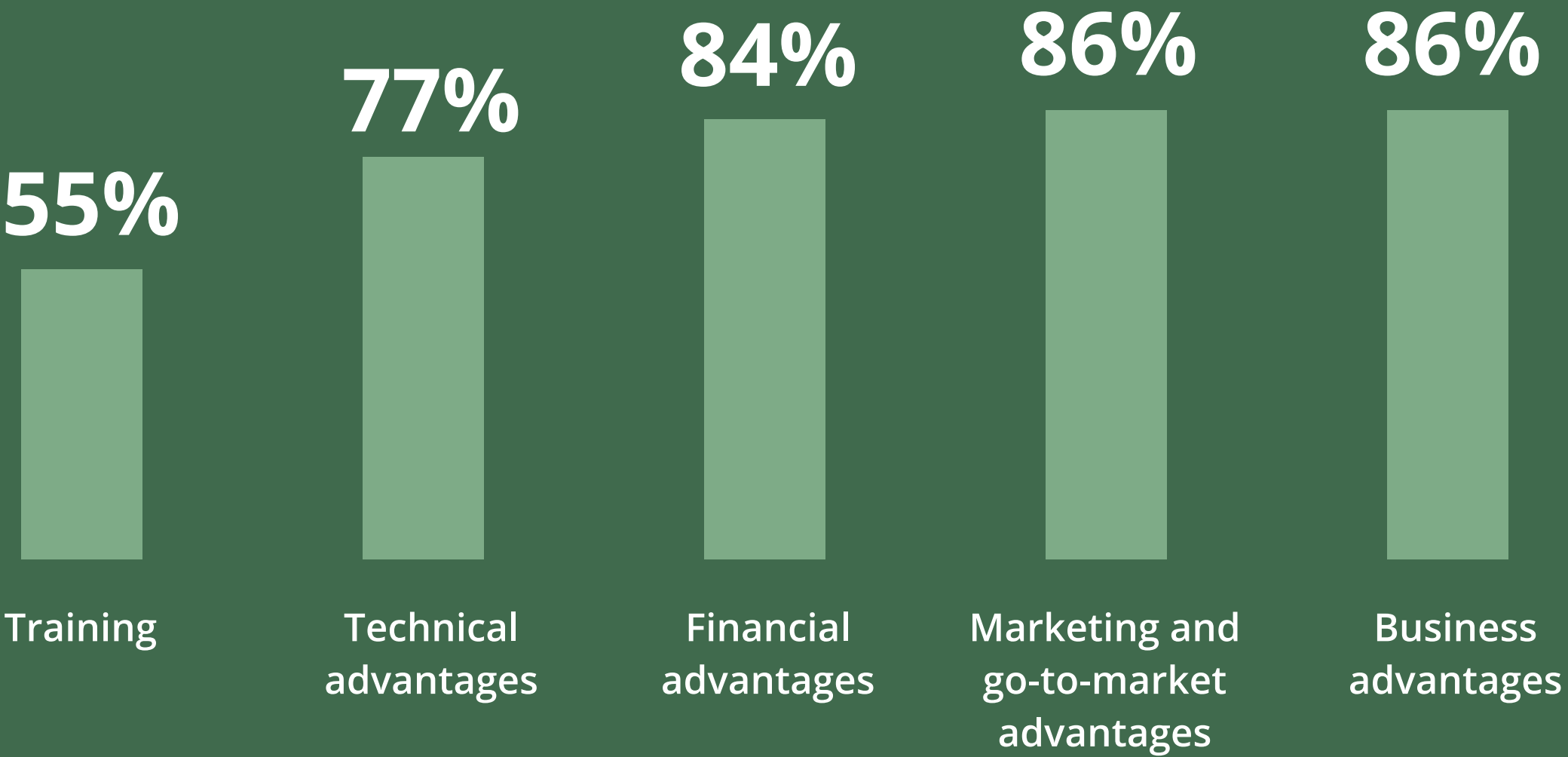
Business and Marketing Advantages Are Important for Successful Partnerships

Technology is not the ultimate differentiator when startups evaluate a technology partner. Business and marketing support are more important.

Business and marketing support helps startups accelerate their growth. Startups value partnerships that help them overcome any issues related to lack of funding, lack of experience, or lack of time and resources.



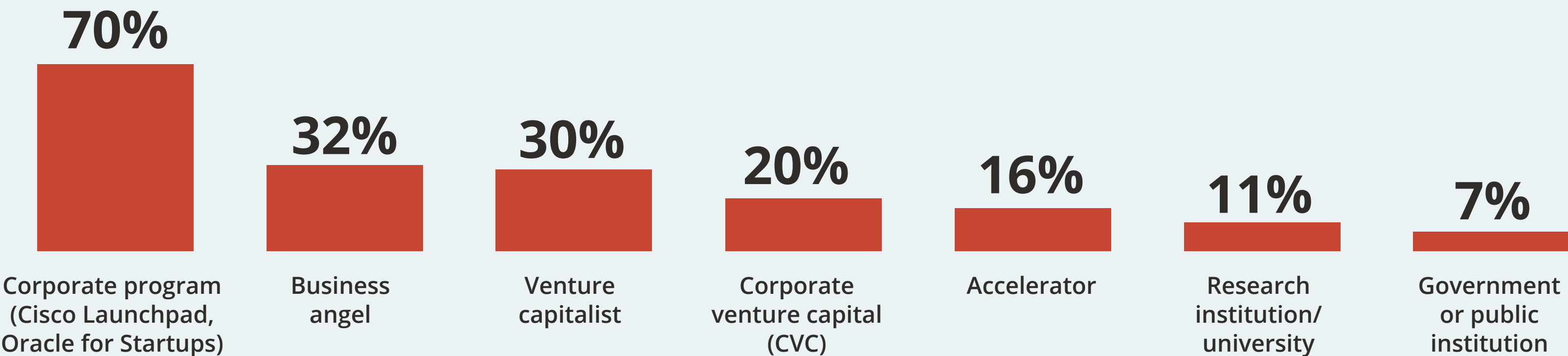
Percentage of startups ranking criteria either important or very important when evaluating technology partners



Startups Work with a Variety of Partner Types

Corporate Programs Offer Most Value to Startups

Which partner types bring the most value to your business (first- and second-ranked choices combined)?



Startups can choose to work with many different partner types and will typically work with multiple partners in different ways. Startups rank corporate programs highly in terms of the value they provide. In total, 70% of Oracle startup program participants surveyed ranked corporate programs in the top two partner types for providing business value. A corporate program can be seen as a one-stop-shop that satisfies many of a startup’s business and technology needs. Startups can help overcome bandwidth and resource issues with help from corporate programs. These programs can bring many economic, business, and marketing advantages as part of a single unified program structure.

Oracle Startups Benefit from Vendor Support



With Oracle, the relationship blossomed into something much more than just an accelerator. It is almost more like a VC relationship, but with more input than a VC normally invests into the relationship. Oracle has invested a lot in us, which is not always a monetary investment, and that has been fantastic. It has more than helped us to survive.

GridMarkets

Oracle for Startups program member



In terms of understanding what needs to be built on the product side and customer side Oracle has been great in so many things. Just easy access to simple brainstorming sessions, for example, supporting us with various kinds of questions. It is all about having this backup and feedback from them.

ATLAS Group

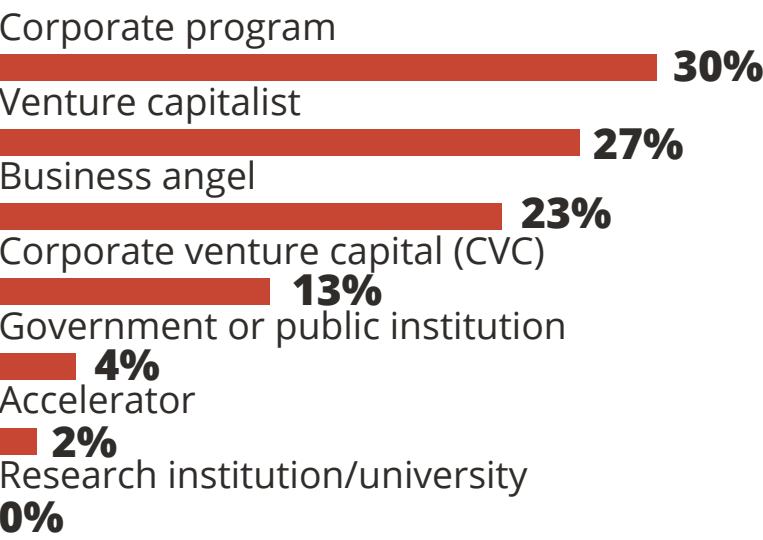
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Corporate Programs Preferred for Almost all Business Areas

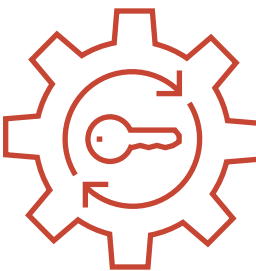
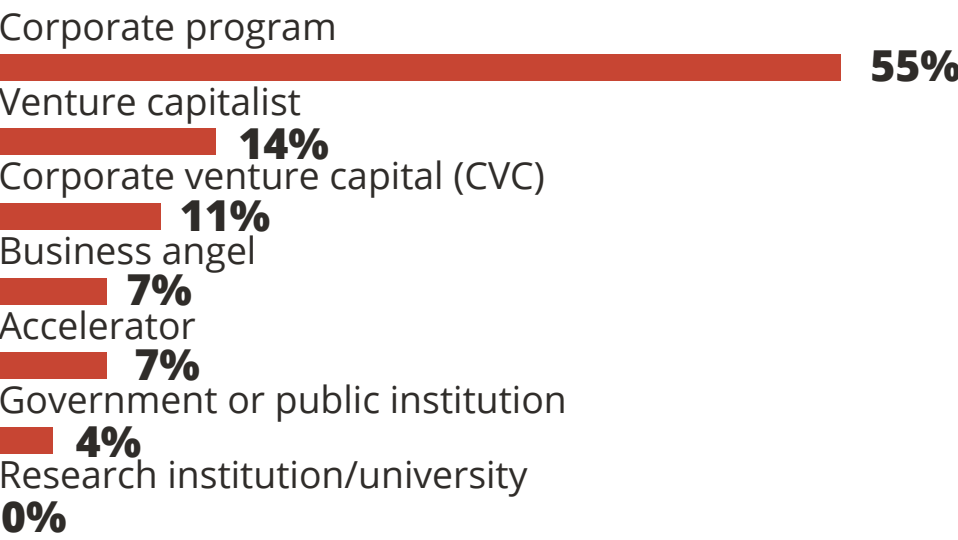
Research Institutes Preferred for Talent, VCs Highly Valued in Funding, Business, and Marketing Support

Preferred Partners High Level Overview

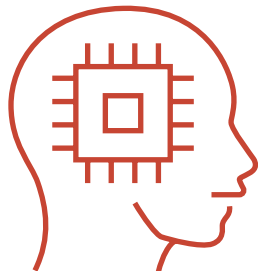
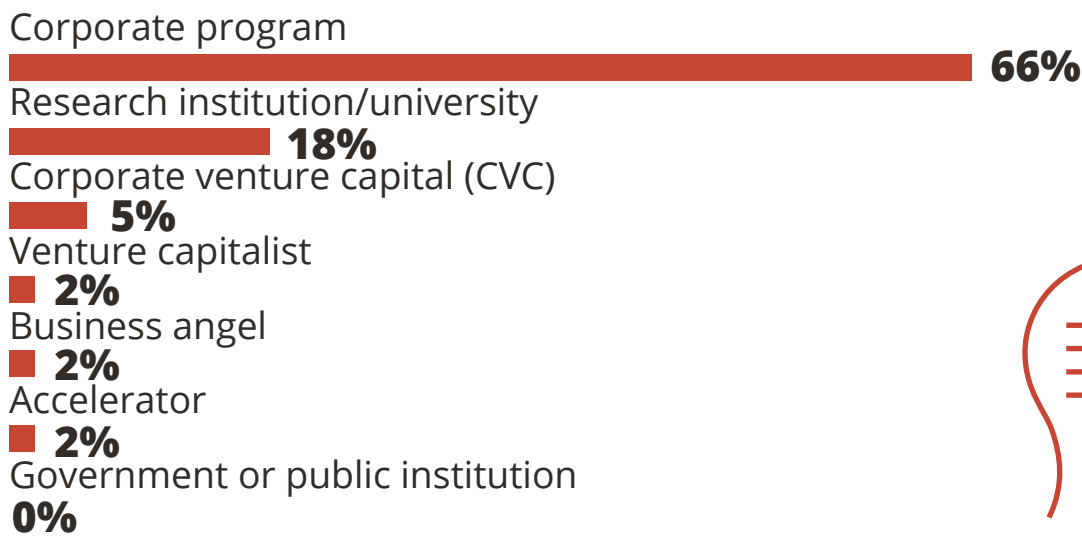
Funding



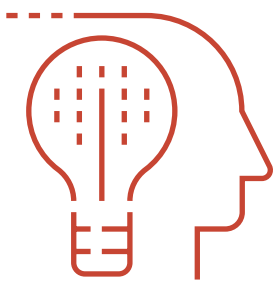
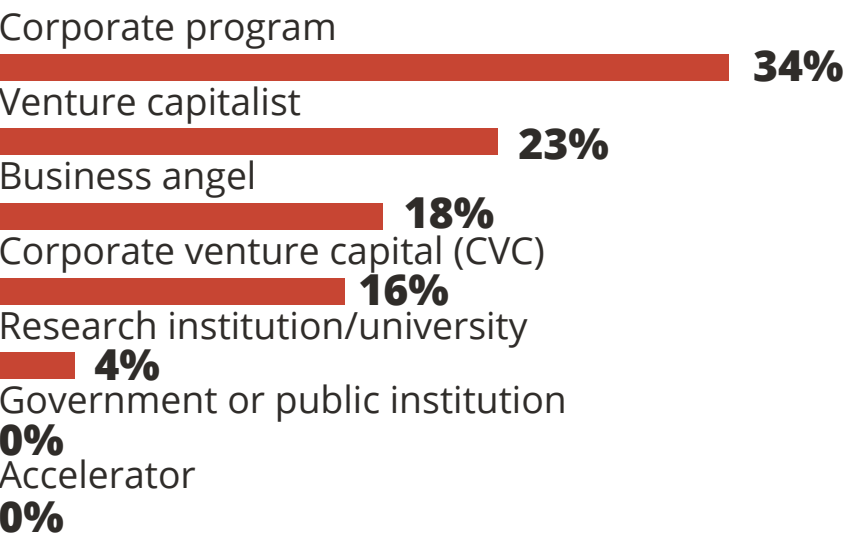
Market Access and Support



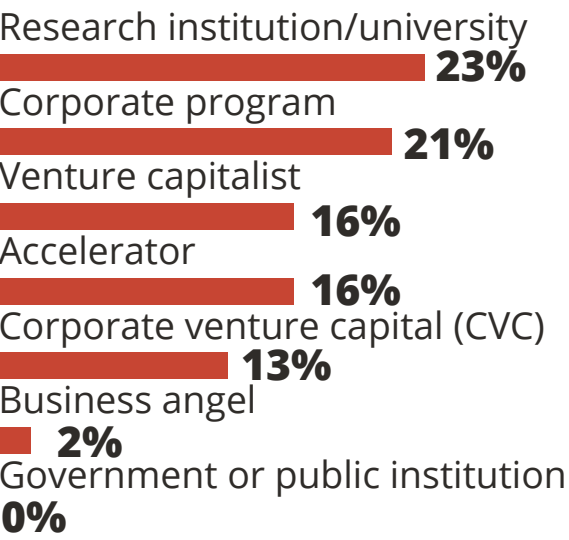
Technology Knowledge and Expertise



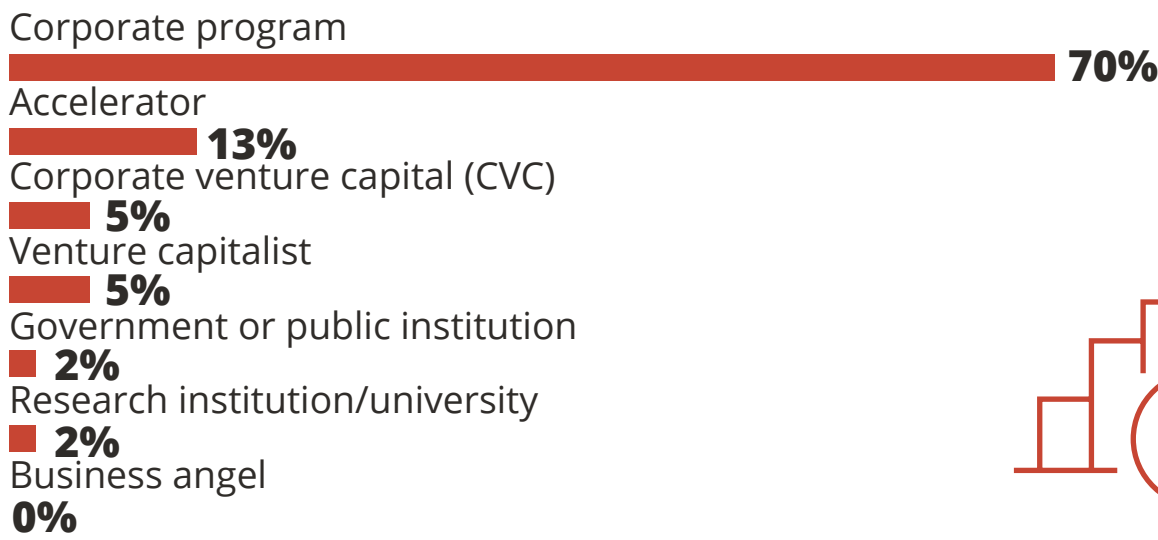
Business Knowledge and Expertise



HR and Talent Acquisition



Economic Advantages



Startups Evaluate Cloud Platform Providers in Many Ways

Support, Flexibility, and Ease of Doing Business Highly Important

Running a startup is a complex challenge. When selecting a cloud platform vendor, startups highly value support, flexibility, and ease of doing business. Startups also value events and community initiatives, with 79% of startups surveyed ranking these factors as important or very important.

Cloud platform partners need to make it easy for startups to work with them, offering a flexible engagement model that can adapt to the changing needs of each startup.



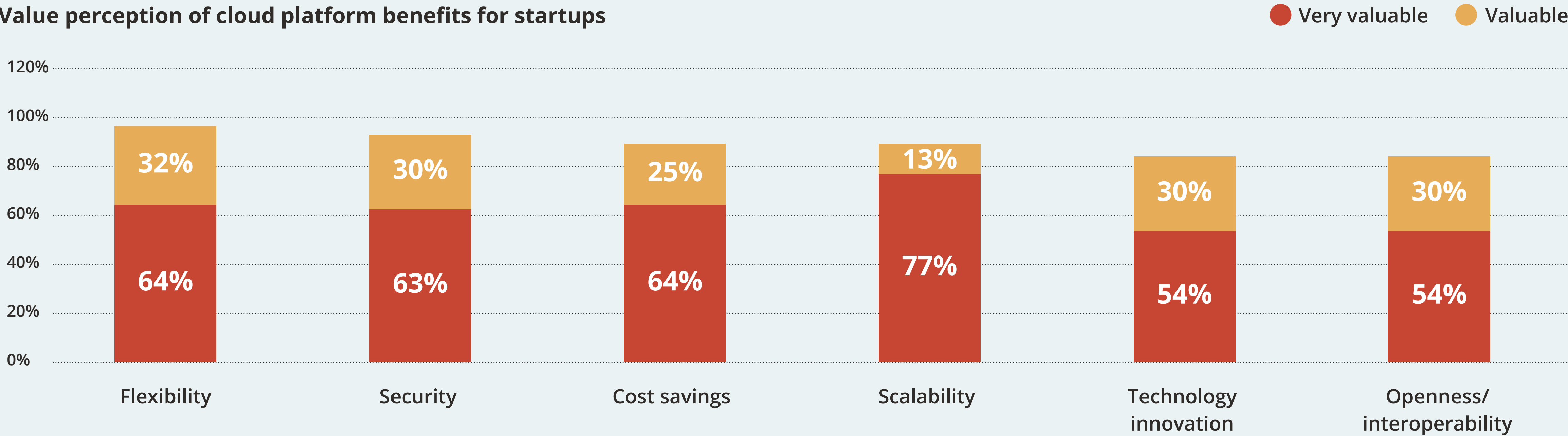
| | | |
|---|--------------------------------------|-----|
|  | Business development support | 89% |
|  | Support | 88% |
|  | Flexibility | 86% |
|  | Ease of doing business | 82% |
|  | Events and exposure | 79% |
|  | Community and networking initiatives | 79% |
|  | Ease of onboarding process | 77% |
|  | Mentorship | 66% |

Percentage of startups ranking cloud platform provider attributes as important or very important

Cloud Platforms Provide Advantages for Startups

Benefits Around Flexibility, Security, and Scalability

Cloud platforms can provide a significant boost to a startup’s growth potential. Storing, managing, and processing data and apps in the cloud offers startups a **robust, secure, and scalable IT infrastructure** ready to grow with them. **Pay as you go and scale as you grow** is the mantra for startups, and cloud platforms can deliver this.



Oracle's Cloud Platform Is Considered Flexible and Easy to Deploy, and Can Help Control Technology Spend



We initially migrated 2% to the Oracle Cloud, just to test the waters and see if the offering is what it promises to be. And it worked beautifully. Within two months we transferred 90% of what we had to Oracle. We kept control over the transition ourselves, it was not difficult to do.

Airfluencers

Oracle for Startups program member



The best part though is the support offered; Oracle really delivered on that during the migration process. The deployment and the effectiveness that the team has built over time is impressive. We never had a stage during the migration when we thought it was going to take a lot of time or be challenging. We have done comparable configurations and Oracle Cloud was truly fantastic in terms of performance. In addition, it was very easy for us to do.

Hyreo

Oracle for Startups program member

Majority of Startups Already Have a Multicloud Strategy

Startups Frequently Work with Multiple Cloud Providers

68% of startups participating in Oracle's startup program use other cloud providers.



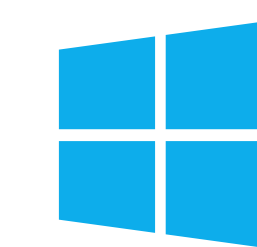
Startups opt for a multicloud strategy for a variety of reasons, including:

- 1 To limit risks
- 2 To maximize independence
- 3 To optimize cloud credits
- 4 To comply with developers' preferences

45% of startups in the Oracle program also work with Amazon Web Services (AWS).



30% of startups in the Oracle program also work with Microsoft Azure.



20% of startups in the Oracle program also work with Google Cloud.



Oracle for Startups Is Seen as a Mentor and Guide to Help Startups Build, Scale, and Grow



The Oracle startup program has so many angles to it. Fundamentally the cloud access is a big thing. But apart from that the program also supports in building your business. We gained industry connections, analyst relations, and got perspectives from the analyst community. In addition, Oracle positioned us with its global customers, a value layer on top of the existing offering.

Hyreo

Oracle for Startups program member



Part of the reason we value the Oracle relationship so much is because it is really flexible. It understands we are a startup and we need to do whatever we can to get ahead. I just get the sense that the Oracle startup team really wants to see the startups succeed. Oracle is doing that a lot better than any of its competitors. Oracle for Startups is a great program, and I would recommend it to anybody.

Complete Intelligence

Oracle for Startups program member



When Oracle came to us, we had a big spend in tech. For a small company, a big spend in tech — especially when you don't have investors — is a big issue. Instead of having to get funding from investors and selling them shares, I'm getting support from Oracle ... Oracle is supporting my tech and I can use the money that I would have spent on infrastructure for something else.

Airfluencers

Oracle for Startups program member

Startups Should Evaluate Corporate Partnership Benefits

Finding the Right Balance of Support and Assistance Can Accelerate Startup Growth

Key Takeaways



Business challenges:

Startups should select a partner that can help them with their immediate business challenges such as attracting their first client or support when building a solid client base.



Technology challenges:

Successful startup programs align technology opportunities for both vendor and startup. An environment based on shared innovation can deliver benefits for both.



Partner preferences:

Corporate startup programs focused on business support and sales and marketing support are considered most beneficial by startups.



Cloud preferences:

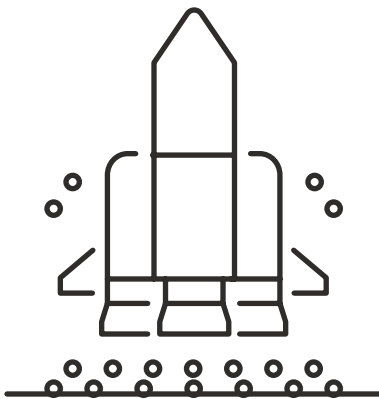
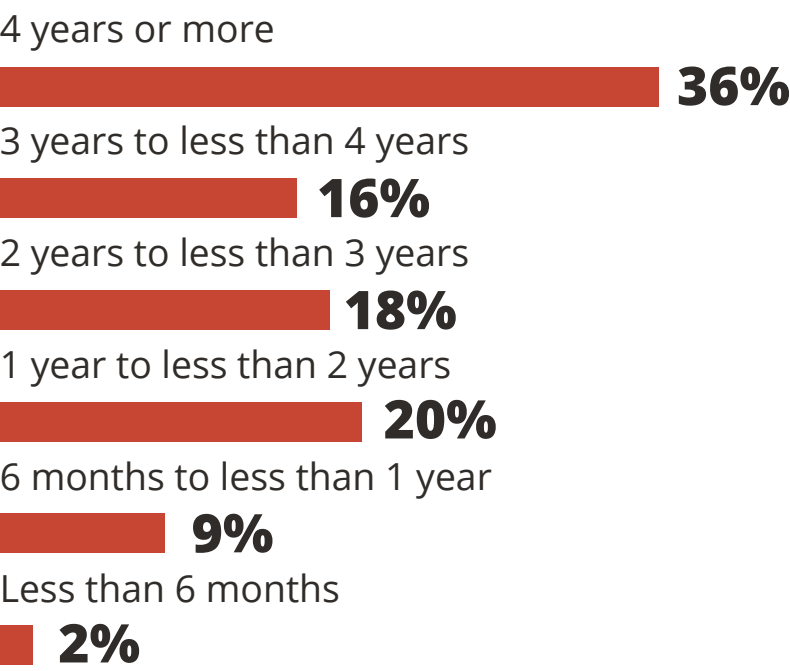
Cloud infrastructure can play a crucial role in startup growth. Scalability, flexibility, and security are major benefits startups require when building and growing a company.

IDC Opinion

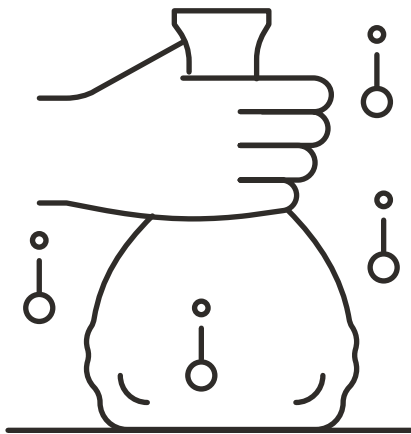
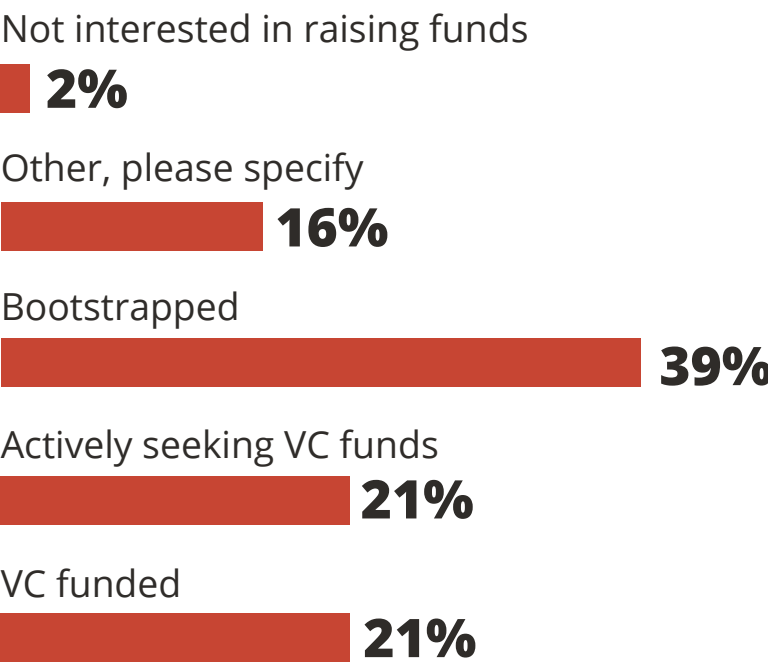
Corporate partnerships with technology vendors are **highly valuable to the startup community**. Not only do they provide technology support, but they also provide benefits in aligned business areas such as marketing, market access, business knowledge, and expertise. It is the extensive range of benefits and value-adds on offer that attracts startups to corporate programs of technology vendors.

Survey Demographics

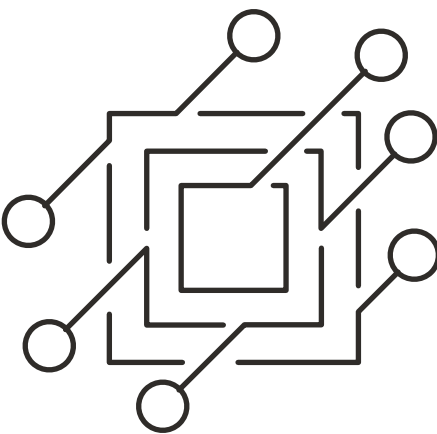
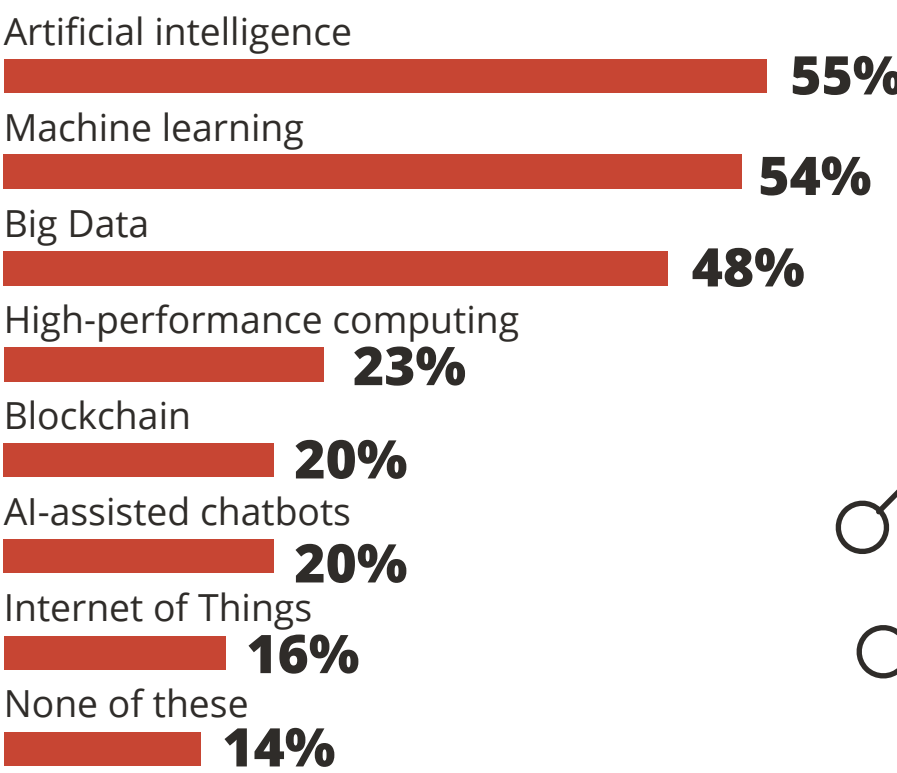
Startup maturity



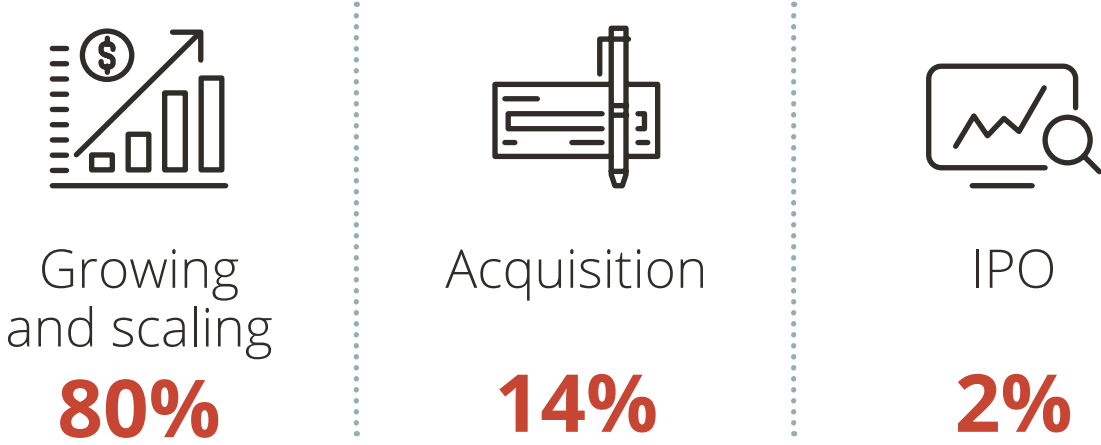
Primary funding source



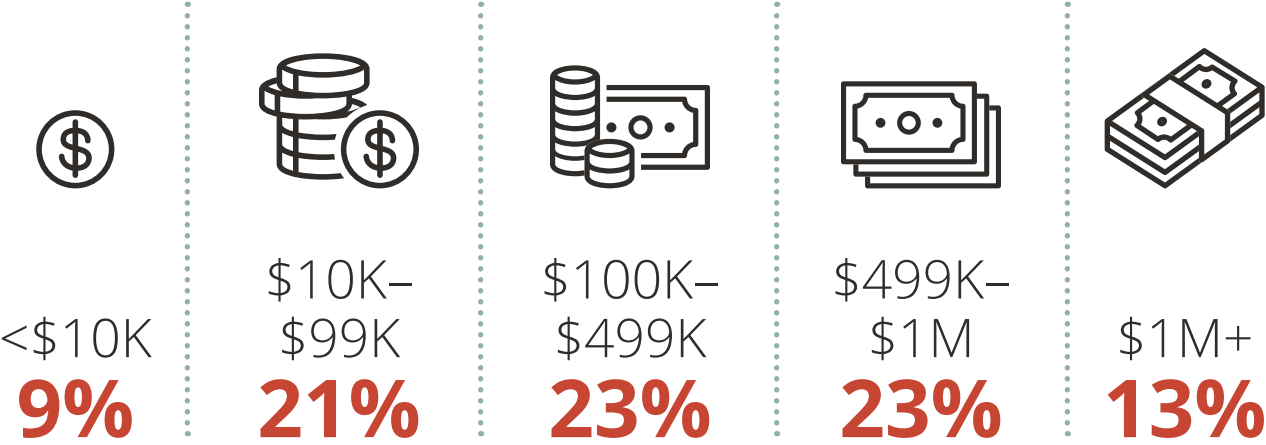
Technologies offered or used



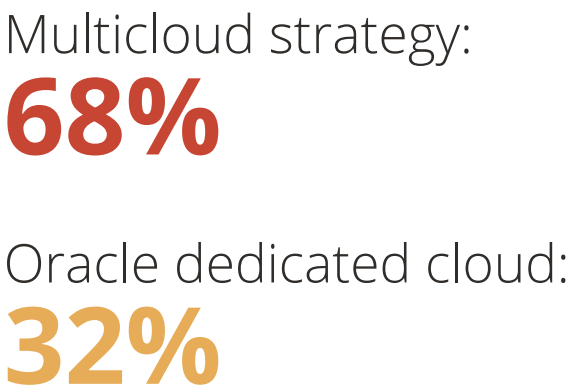
Growth ambitions 1 year from now



2020 revenue



Cloud strategy



Discover More About Oracle for Startups

Oracle for Startups has created a new type of startup acceleration by blending startup ingenuity with enterprise resources to deliver transformative solutions to customers.

Startups accelerate their growth with free cloud and support from experienced product teams. The program is virtual, and we don't take equity.

- Free cloud credits
- 70% discount on cloud
- Migration and technical support with live monthly webinars

Engagement and co-selling with Oracle's global customer base provide a path to revenue.

- Access to experienced mentoring and a virtual curriculum
- Exposure via global marketing, events, and PR teams*
- Opportunities to engage with Oracle's more than 430,000 customers*

To learn more about the program or to join, check us out at **[Oracle.com/startup](https://www.oracle.com/startup)**

ORACLE
for Startups

*for qualifying startups



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