

How Multicloud Paves New Paths for Scaling Startups



Preparing startups for a multicloud future

Having your head in the clouds isn't a quality you might associate with the creators of successful startups. But founders who dream of building the next unicorn may want to embrace a multicloud strategy to future-proof their business. That way, when they scale up, it's nothing but blue skies ahead.

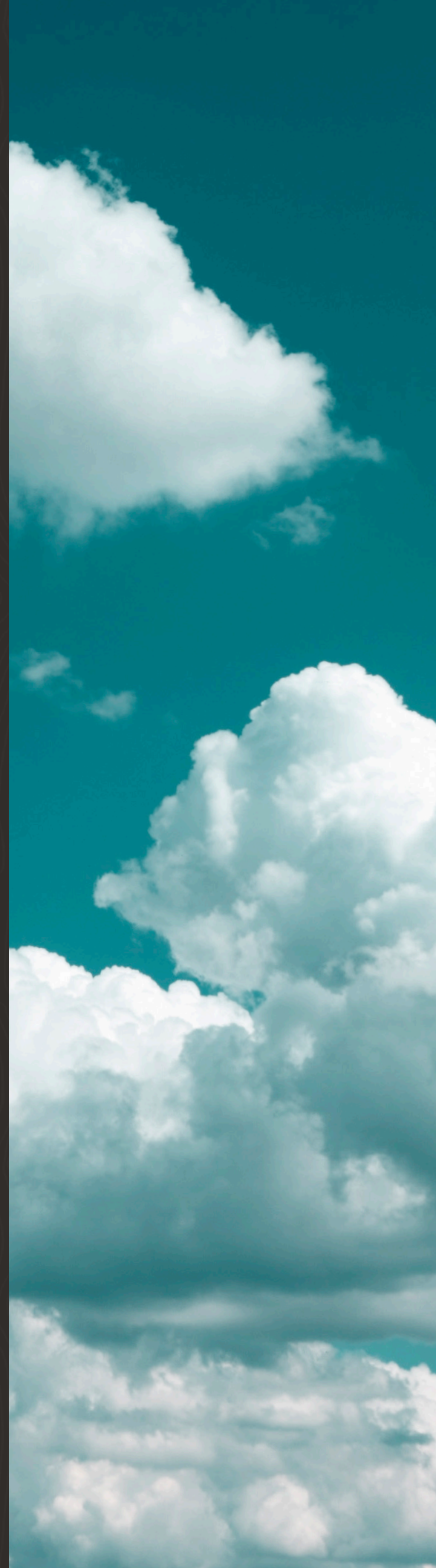
Multicloud is an emerging business strategy that involves using multiple cloud providers to meet different technical or business requirements. The **Oracle – Microsoft partnership** is a strong signal of the growing trend and importance of multicloud environments.

“Organizations want the hybrid-cloud choice to mix on-premise/private-cloud and public-cloud deployments, but they also want multicloud flexibility, meaning the ability to run in more than one public cloud,” says Doug Henschen, vice president and principal analyst at Constellation Research.

“The Oracle – Microsoft partnership brings together two of the most enterprise-focused clouds with a mix of services and two-way, high-bandwidth, secure interconnectivity. That gives customers the freedom to draw on data from either cloud and to run workloads where it makes the most sense using their choice of technologies.”

— **Doug Henschen**

Vice President and Principal Analyst
Constellation Research



Future-proofing your startup from the start



“As a startup without a track record, it’s a big challenge building trust and credibility with new customers, so we try to work with as many big names as we can. For this reason, we use AWS and Oracle Cloud, including Oracle Blockchain, to leverage both companies’ reliable and trusted reputations.”

— **Mane Andreevski**
Cofounder and
Managing Director, Stornest

“Future-proofing your startup is important — especially at the early stage,” says Jason Williamson, VP of Oracle for Startups and Oracle for Research. Startups are rightly focused on getting a product up and running and making sure that early customers have a great experience, but without thinking about cloud hosting, it could hold businesses back when it’s time to scale in a hurry. “More specifically, CTOs will run into the problem when they land that really big customer or lots of customers,” Williamson warns.

Having multiple cloud deployments, both public and private, is becoming the de-facto standard across businesses as they seek to improve security and performance through an expanded portfolio of environments. Startups need to be thinking the same, especially to avoid getting locked into an infrastructure that is no longer fiscally reasonable, or difficult to migrate away from easily, and to give their customers flexibility.

Jenny Griffiths, Snap Vision founder and CEO agrees. “Being able to offer a multicloud strategy is important to us for two reasons. We’ve seen great gains since moving to OCI, but we’re conscious that when we’re licensing our technology to customers, they often have their own hosting requirements,” she says. “Consequently, we’ve embraced a multicloud strategy to offer customers flexibility; we’ve used managed Kubernetes to allow us to port more simply across cloud providers, and we’re currently embarking on a multicloud project with Oracle’s OCI and Microsoft’s Azure.

“The reality is that businesses want and need to operate in different cloud environments for many reasons,” **writes technology journalist Michael Hickins** in eWeek.

So, what can startups do to reduce the risk while scaling and staying agile? Take the time to model, plan, and take action, and join a growing number of companies enjoying a multicloud strategy.

To do so, you have to pick the right cloud providers that give businesses flexibility, ubiquity, and freedom—all while delivering superior performance and security. Here are seven reasons why a multicloud strategy is right for startups.

Seven reasons to consider a multicloud approach

1 Flexibility without lock-in

A multicloud approach means startups are free to try out providers without commitment or unexpected sticker-shock. After all, if an offering doesn't live up to the hype, they can always swap providers with minimal disruption, with their tried and tested cloud provider picking up the slack.

A recent report cited openness as a developer's top reason for choosing a cloud, noting developers want choice when creating, not headaches with IT operations, and vendor lock-in.

"While other clouds are building out roadmaps to lock-in customers, one of Oracle's biggest opportunities is leveraging its strength in Software-Defined-Networking (SDN) to power the emerging, global cloud environment," says HO Maycotte, CEO and founder of Molecula.

"Erasing the lines between clouds will become a number one priority in the next five years and Oracle could emerge the neutral leader in this space and continue to dominate in both database and applications," Maycotte added.

Open source and open standards—with languages, databases, and compute shapes—are a **critical consideration for startups** as they select cloud providers, especially as more and more companies consider a **multicloud approach**.



“We found that the openness of the platform is very important. We wanted to change our solution architecture from VM-based to containers-based architecture, as the latter provides more control and efficient operations. And Oracle Cloud Infrastructure (OCI) provides managed Kubernetes services which gave us the freedom to design our solution the way we see fit.

— Dr. Abdulrahman Alsultan
Cofounder and CEO, Awini

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Agility and capacity



“Infinite scalability and flexible, cost-saving elasticity are core reasons why so many companies are embracing cloud computing. The global pandemic and resulting market gyrations of 2020 have reinforced the need to quickly scale both up and down, and the trend toward cloud computing has only accelerated.”

— **Doug Henschen**
Vice President and
Principal Analyst
Constellation Research

From expanding a team to serving new customers, scaling can be an exhilarating experience for startups. Yet without a careful strategy and the right tools, companies can flounder in their attempts to grow.

Williamson advises companies to ask themselves what happens if they suddenly need to scale up. What does autoscaling do to your monthly bill? Can your budget handle a sudden spike in compute, storage, or other services?

Choosing the right cloud provider gives companies the performance they need when they need it to meet the fluctuating demands of their business. The right cloud provider enables startups to scale rapidly by adding on the services and capacity they need, with strong support resources.

It pays to be agile when times get tough, too. If the pandemic has taught the business world anything, it's that it is impossible to plan for everything. In such an unpredictable world, the startups most likely to thrive are those that can roll with the punches—and a flexible cloud provider supports startups in an unpredictable landscape.

If a bear market or difficult times hit, businesses need to scale down resources without incurring costs. Multicloud adopters will be able to just use what they need from the most competitively priced providers or those that have the tools they rely upon and may be spared having to let valued employees go in response to turbulence.

Then, multicloud startups can scale back up quickly and easily as soon as business picks up, without incurring high costs. So, whether a startup has a glut of new customers around the corner or makes a clever pivot in response to market conditions, it helps to have options that let you adapt instantly.

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The ability to cherry-pick the best

Different cloud providers have different strengths. Following a multicloud development helps startups get the best of both - or more - worlds.

Computer vision startup IDenTV, uses a mixture of AWS, Azure, and OCI. Shihadah says, “We can utilize different virtual machine instances specific to our high-performance computing needs.” He explains the company uses the “world-class” GPU infrastructure on Oracle Cloud, “while being able to utilize AWS Elastic compute for inference engine deployment, allowing for speed and cost savings to our clients.”

Aptivio, an intelligent revenue cloud service, also uses three cloud providers: AWS, Azure, and OCI. “Each cloud has specific strengths depending on workload,” Aptivio cofounder and CEO Guy Mounier explains. “OCI has strong security, and very high availability rate, Azure is strong of data enrichments and automation and AWS is good at storing web front-end components.” Using a multicloud strategy lets his startup cherry-pick the best cloud for the need at any given moment. He says that Oracle’s partnership with Microsoft has made it simpler to pick the right cloud for the right job, and made life easier “from a performance and connectivity standpoint.”

More than 52% of businesses interviewed for an **Omdia SWOT report** shared that the inability to move workloads between clouds slowed their adoption of cloud computing. But the alliance between Oracle and Microsoft is designed to speed up cloud adoption by offering businesses direct interconnection between these two clouds, integrating identity management, and honoring a collaborative support agreement.

Customers can run Azure analytics and AI with Oracle Autonomous Database on the same workload, for example. This not only makes it easier for companies to have a backup cloud to aid in disaster recovery but also to split up workloads so data architects and application developers can choose their preferred environments and tools. Also, cross-cloud solutions are deployed with unified identity, fast interconnect, and collaborative support, without the need to re-architect solutions or damage performance or reliability.

Enterprises have many on-premise, mission-critical applications that depend on both Oracle and Microsoft technologies. Only Oracle and Microsoft are providing a “connected cloud” technical alliance for their mutual cloud services, to enable swift migration of on-premises applications.

The partnership gives startups a one-stop-shop for the cloud services they need to run their entire business. It also removes the burden of managing multiple service orders, networking configurations, and data transfers from different clouds across workloads. As a result, startups save time and money.

“It’s about future-proofing your startup by having the cloud providers that will allow you to scale without technology friction. It’s about flexibility, ubiquity, and freedom. I believe multicloud environments will become the standard.”

— **Jason Williamson**

Vice President

Oracle for Startups and Oracle for Research



“We’re currently embarking on a multicloud project with Oracle’s OCI and Microsoft’s Azure. It really helps that Oracle and Microsoft are partnering more closely since last year, as it has taken out some standard multicloud friction. We’ve picked our cloud partners for R&D based on system capabilities, picking OCI for rapid prototyping, and Microsoft for managed Kubernetes on GPUs.”

— **Jenny Griffiths**

Founder and CEO, Snap Vision



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Risk mitigation and geography

The adage ‘don’t put all your eggs in one basket’ is sage advice when it comes to running a business, from diversifying revenue streams to ramping security measures. Working with multiple cloud providers or building a hybrid cloud environment helps mitigate the risk of service disruptions in local data centers and cloud providers. A multicloud approach is perfect for businesses offering ‘always on’ services. Proximity is also key for cloud partnerships to ensure low latency and high availability and performance.

One benefit of the Oracle-Microsoft interconnect is that the two companies’ cloud data centers are physically close to each other. Another is that the connection is direct between the clouds and has been carefully engineered to provide consistent, low-latency links comparable to what would be found inside a traditional enterprise data center.

How fast is that low-latency connection? **According to tests from Accenture**, run more than 32,000 times, the cross-cloud latency averaged less than 1.5 milliseconds—fast enough, reliable enough, and predictable enough to give customers confidence in this multicloud connection.

“Low-latency data access is crucial to the reliability and performance of both transactional and analytical applications. Oracle and Microsoft not only recognized that vendor-maintained connections would ease technology and administrative burdens for joint customers, they also understood that these interconnects would only be valuable if they could ensure reliable, low-latency data access.”

— Doug Henschen

Vice President and Principal Analyst
Constellation Research

Global companies can play with geo presence but not all cloud providers offer all their services in all regions where they have cloud data centers, meaning it's up to startups to check they are signing up with a provider that offers what they need.

For some businesses, having a local data center is crucial. In the Middle East, for example, around 54% of companies use Oracle Cloud Infrastructure, tapping into a local cloud region that competitors like AWS and Google do not offer.

In Saudi Arabia, the proximity of Oracle's new cloud data center in Jeddah attracted peer-to-peer lending platform Mawlny to OCI.

“Oracle gave us experts we trust and was the first cloud data center in Saudi Arabia.”

— **Ahmed Abbas Mohammad**
CEO, Mawlny

The Saudi cloud region is one of five new locations available in the Oracle Cloud Console for the Gulf region. Built on the Generation 2 Cloud, this set-up is designed to meet the demands of enterprise customers that require geographically distributed regions for business continuity and regional compliance requirements.



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Security, trust, and resilience

Multicloud is a good idea for businesses of every size who name security as a top priority. Startups can earn and keep their customers' trust with exemplary data practices and technology from trusted vendors that enable security at every turn.

Oracle's open, enterprise-grade cloud architecture not only provides businesses with near-zero downtime and no cost to onboard and offboard users, but it also offers the most comprehensive sets of security standards and customer support services compared to competing cloud vendors, offering end-to-end SLAs covering performance, availability, and manageability of services.

A multicloud strategy enables startups to select the most secure cloud products and ringfence important information such as customer details and R&D projects. For some companies this might include **private, public, or hybrid cloud** strategies too, spreading risk and tightening security where needed.

Oracle has added isolated network virtualization to its Gen 2 Cloud, which separates physical network interfaces and cards from one other, isolating an attacker who has gained unauthorized access to the network. Through this process, Oracle helps companies protect against bad actors from attacking their networks when an instance, bare-metal, virtual-machine, or container, has been compromised. Oracle's partners and open platform are also highly vetted and highly secure, lending emerging startups extra credibility of working with trusted brands.

Startups often find that Oracle provides the extra boost of credibility they couldn't quite earn on their own as a new brand in their space, and the enhanced trust strengthens their current relationships and opens doors to new opportunities.

“The Oracle brand stands for trust. That credibility is helping us grow from a technology and customer standpoint. We can now say GridMarkets is backed by the highly secure and highly robust Oracle Cloud and that's helping to open even more doors for us across the globe.”

— **Mark Ross**
Cofounder, GridMarkets



“Oracle Cloud infrastructure is extremely solid, so we can be certain our customer's data is always safe and private—that's all taken care of.”

— **Francesco Stasi**
Cofounder, BotSupply

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More opportunities to innovate



“Oracle’s cloud infrastructure and blockchain technologies provide easy deployments that offer openness and interoperability, which gives us flexibility and agility to innovate without heavy engineering resources or being locked-in.”

— **Darshana Jain**
CEO and Partner
Snapper Future Tech

Innovation is often the key to growth. Startups that add value to existing products to serve new customer needs increase their position in the marketplace over businesses that rest on their laurels or wait for customers to come to them.

Many tech startups are innovating in the AI, Internet of Things, and visualization spaces, requiring an advanced grip on the vast amount of data they generate. A multicloud approach enables them to scale more easily when the need arises.

Startups can add AI and IoT elements to their business by tapping into offerings available via cloud providers (like the Oracle Cloud Marketplace) or they can even co-innovate with Oracle to complement Oracle SaaS solutions.

“The Oracle startup program provides networking opportunities both with Oracle’s field sales organization and with the company’s vast customer base. I’ve talked to multiple startup program members that have greatly accelerated their growth by complementing and extending Oracle offerings, selling side-by-side with Oracle sales reps, and taking advantage of customer networking opportunities.”

— **Doug Henschen**
Vice President and Principal Analyst, Constellation Research

Using a multicloud approach, startups can sandbox R&D projects for safe experimentation, enabling their current offerings to run like clockwork without any risk of disruption. This can encourage a culture of innovation where employees ‘fail fast’ and come up with new product ideas. A future-proof cloud strategy provides a solid base for this process of continual learning, which is at the heart of successful technology companies.

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Cost savings

Embracing a multicloud strategy in the early days can pay off for startups as they negotiate and cherry-pick their solutions and take advantage of offers from cloud providers.

Businesses that join Oracle for Startups receive \$500 of free credits to spend on OCI. After those credits, Oracle extends a two-year discount of 70% on all Oracle Cloud infrastructure services, including the highly popular Oracle Autonomous Database. Startups have reported up to 40% annual savings compared to AWS, and these savvy entrepreneurs are using the savings to reinvest in their startup business.

Griffiths migrated her cloud startup to Oracle and saved enough on hosting costs to re-allocate into scale. “We moved all our hosting to Oracle Cloud using managed Kubernetes and saved 40% of our hosting costs,” she says. “We reinvested that cost savings into GPU shapes and have been able to deliver technology we never could have dreamed of. Oracle Cloud is instrumental in helping us scale and innovate.”

Startups should also ask about storage costs and data ingress and egress costs—which often sneak up and provider sticker-shock.

“As you scale, it’s crucial you don’t incur costs to move data. Oracle allows 10 terabytes free and then goes to a fraction of the costs of AWS, which is huge for a growing startup. You can’t underestimate the storage cost advantage with Oracle.”

— Amro Shihadah
Founder and CEO, IDenTV

Conclusion

“The Oracle startup program follows a pay-it-forward model, so startups get access to Oracle expertise on SaaS applications, cloud technologies, and vertical industries,” says Henschen of Constellation Research. “There’s also the opportunity to build on top of Oracle’s popular platform-as-a-service and software-as-a-service applications, which present ready-made opportunities to serve tens of thousands of Oracle Cloud customers.”

Many startups have found that migrating to Oracle Cloud Infrastructure is a simple process, but if there are difficulties there is a dedicated technical team to help with **onboarding and migration support**.

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