The Wars over Customer Data Hubs
Thoughts on Oracle offer to acquire Seibel

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At least for now, the grandiose vision of **Oracle Fusion** is looking much more like **Oracle conFusion**, until when Oracle finalizes how this 'Kitchree' of all 'business applications' -- Peoplesoft , JDEdwards, Seibel, and existing Oracle business -- is going to cookout. And when. To discover the enormous wealth of business 'know-how' knowledge and the band-aids, embedded within all these business solutions and then applying discovered knowledge in transforming a new 'Fused' Oracle vision is quite a unique undertaking that the IT industry has never seen before.

In my opinion, Oracle's acquisition of Seibel has lot do with not only just gaining access to Seibel's customers but the Seibel's Infrastructure -- Universal Customer Master (UCM) management and Universal Application Networking (UAN) -- to compete with SAP Master Data Management (SAP MDM) and last month IBM's acquisition of the leading Master Data Management company, DWL.   Oracle's own Customer Data Hub (CDH) launched a year ago did not achieve its goal and Oracle talked very little about it as I discussed in my earlier article on August 14, 2004, titled '[Why Oracle is not hopping on the IHOPs' Success'](.).

The main point in the article (referenced above) was that 'Master Data Hubs' add very little value to the business unless the business applications exploit the hubs at run time. This requires instrumenting the applications to look out for unified master data from within the application-scope at run time and not just left for the data warehousing, reporting and analytics alone. Today, most data hubs are mostly designed for BI applications and not for OLTP.   The Oracle CDH initiative was just to combat SAP MDM initiative and did not go further.

SAP realized this fact a few years back that they needed a Central Master Data Management (MDM) solution to standardize master data not only among many SAP instance alone but also to extend it to other SAP and non-SAP enterprise applications as well. However, unlike Oracle CDH initiative, SAP launched its Enterprise Services Architecture initiative over SAP NetWeaver, which required SAP to re-architect and/or instrument exiting application using service, making it possible to use MDM services for master data lookups easier by the application from within the process-scope during run-time. Again, it is all work-in-progress.   One important fact about SAP MDM is that it is part of SAP Business-Technology platform and not as a stand-alone product.

A few may argue that Seibel in Oracle will dilute the focus on new customer relationship management strengths. I think quite the opposite. With Oracle's acquisition of Seibel opens an opportunity for Oracle to make a very rich Customer Relationship Management and Master Data Management solutions as an integral part of Enterprise Business operation and not a stand-alone solution. This inside-out and enterprise-integrated approach adds enormous business value as opposed to having a rich stand-alone CRM solution.

It is too early to tell today how Seibel UCM, and UAI will stack up in the Oracle 10g Application Platform but one thing is quite promising that now Oracle has a great opportunity to look under the dump of all of Oracle, PeopleSoft, JDEdwars and Seibel applications not only to 'fuse' redundant solutions together but rather, go back to the drawing board and architect next generation of intelligent distributed agent driven business solutions exploiting the Oracle distributed grid architecture.

For now, during the coming few years, Oracle customers will face quite a huge challenge in navigating through this great Oracle conFusion.

About the Author:

Naeem Hashmi is **Founder** and **Chief Research Officer** of **Information Frameworks**, a world-renowned thought leader, author, speaker, and expert on emerging Information Technologies with 25+ years of experience in Enterprise Architectures, Distributed Service-Oriented Business applications design, ERP application Integration, Information Delivery Architectures, Data Warehousing; Data Mining and visualizing new products. Current research work includes Information Visualization, Social Networks, Information Psyche mining, and Intelligence driven Distributed Enterprise Architectures.

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