

URL: <https://stvp.stanford.edu/clips/competition-forces-you-to-up-your-game>

Competition not only breeds a rich ecosystem, says Cloudera Co-Founder Mike Olson, it also requires your company to constantly “up its game” to thrive. Olson also describes why competing against major market players brings out professionalism and discipline in early-stage companies.



Transcript

So one thing I will say flat out and this is honestly true and from the heart.. We believed from the beginning creating the company that we would be building a company worth billions of dollars, selling into a market worth tens of billions of dollars a year.. And there are zero examples of a single company in a space that gets to that scale.. The only way that you can make that happen is that if there is a rich ecosystem of companies building and delivering value in that space.. Relational databases would never have become big if it had just been IBM System R, right.. You need lots and lots of companies innovating and driving into the market.. So while the competitive pressure create new challenges for us and force us to up our game.. If we didn't have those challenges, you would have wasted your series A investment.. The entrance of players like EMC and Pivotal, of IBM into the market, much less the venture-backed little guys, that means there is an opportunity.. We have more than 700 companies in our partner program building apps on top of delivering integration services for shipping the hardware that our platform runs on, that ecosystem is focused on winning new business and driving adoption by customers, that creates huge opportunity for us..

That allows us to sell into a way bigger market than we could ever have made happened on our own.. We just got a lot more hands banging on the drum than we ever could have created on our own.. The emergence of real competition has forced us to up our game and you've been in the board room and very supportive as we've done it, but what five year old company is simultaneously in a knife fight with IBM, SAP and Teradata? I mean first world problems, guys, but problems, I mean, we are forced now to operate at a scale and with a professionalism that is unusual in the market.. It's driven by the scale of the opportunity.. We wouldn't have those competitors if they didn't see the dollars happening, but growing up that fast has forced us to be very, very disciplined and to be careful about bringing in new leadership and new capabilities steadily over the life of the business...