SAP HANA Enterprise Cloud

Creating a Value Add IT Organization and Optimization of SAP running costs

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SAP Run Simple

Empower Yourself to Unlock the
Full Value of Your Digital Business

Your Business Goals:

Protect revenue streams AND identify new markets

Respond to unexpected AND unfamiliar competitors

Increase speed of action AND decide in real-time

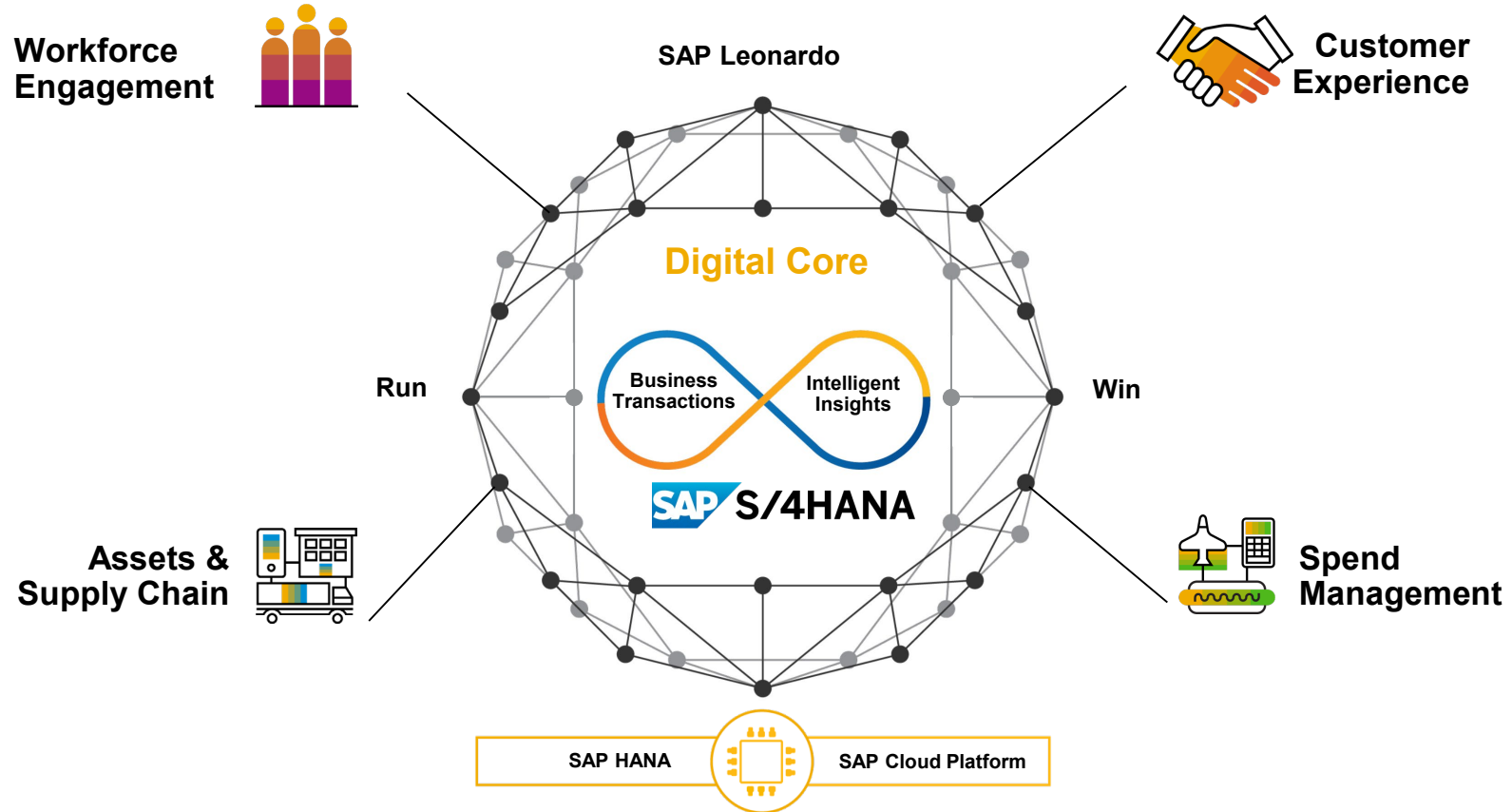## Your IT Goals:

Keep current AND innovate

Evolve resources AND align better with LoBs

Focus on core competencies AND support business goals

SAP Cloud is THE Digital Business Platform

Workforce Engagement

SAP Leonardo

Customer Experience

Digital Core

Run

Business Transactions

Intelligent Insights

Win

SAP S/4HANA

Assets & Supply Chain

Spend Management

SAP HANA

SAP Cloud Platform

You need a solid Foundation for your Digital Business Transformation

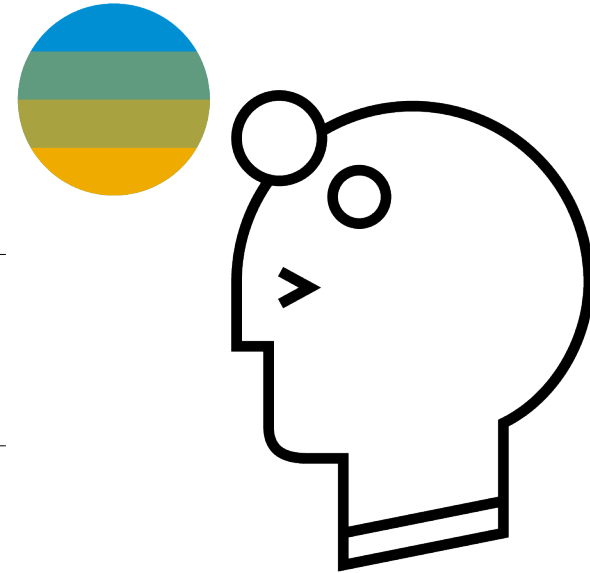Simplified IT landscape

Reduced time to realize business value

Adaptive and scalable operating model

Ability to innovate at your own pace

Reduced risk

The Challenge; Managing IT Cost & Value Contribution simultaneously
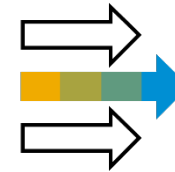
IT Reality

Widespread Operations

- Different locations
- Different countries
- Different languages
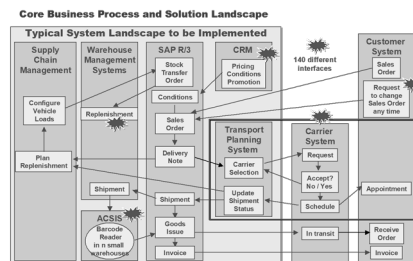- Different time zones
- Central vs. distributed

Heterogeneous Solutions

- Different applications
- Different technologies
- Different vendors
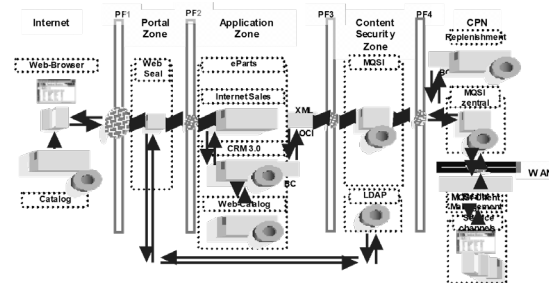- Point-to-point integration
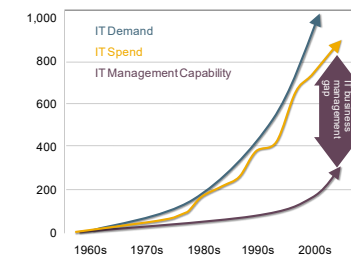- Custom-made solutions

Multiple Suppliers
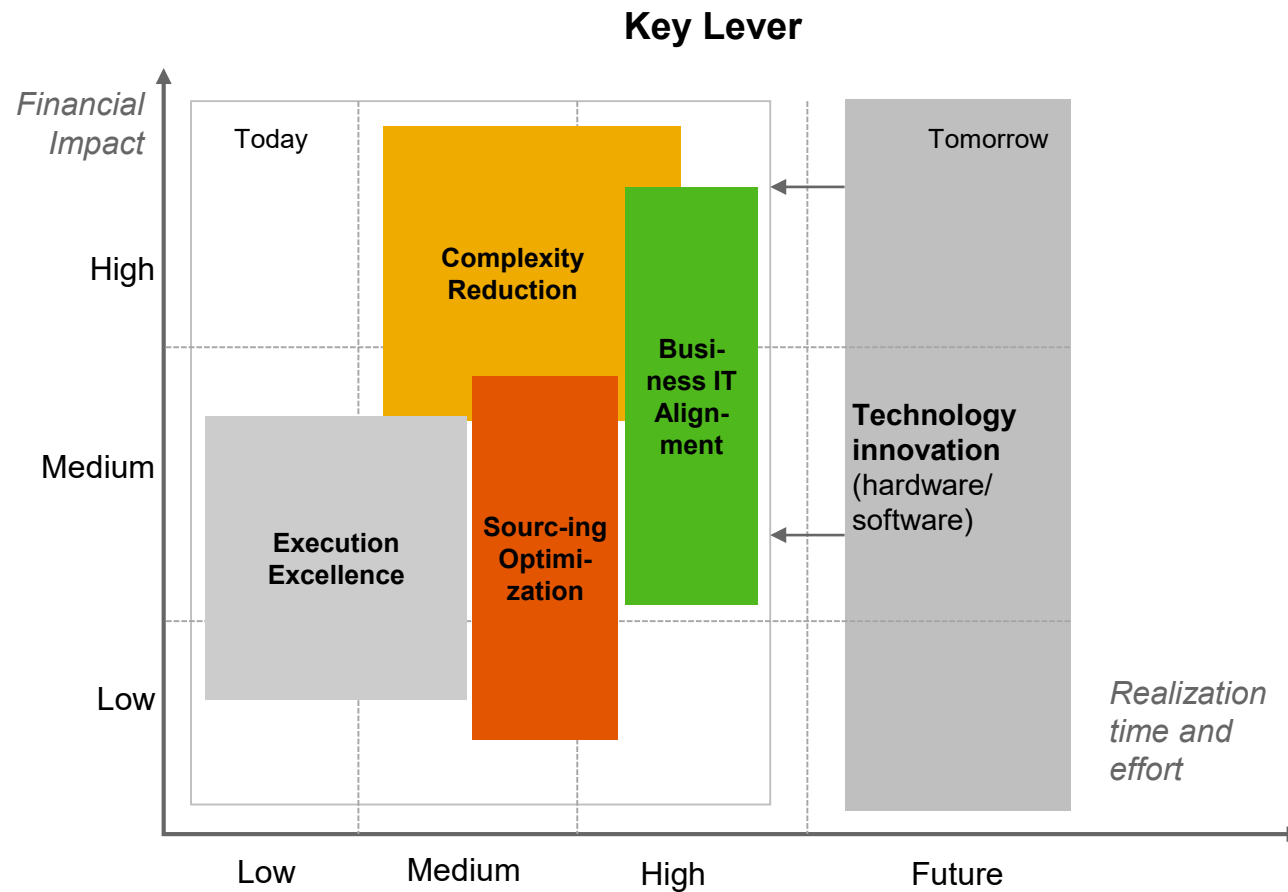
Complex Business Processes

Mixed Technologies

IT Business Management Gap

➡ How To Reduce TCO?

TCO Reduction
What are the Key Levers?

Key Lever

Financial Impact

High

Medium

Low

Today

Complexity Reduction

Busi-ness IT Align-ment

Execution Excellence

Sourc-ing Optimi-zation

Tomorrow

Technology innovation (hardware/ software)

Realization time and effort

Low   Medium   High   Future

A **Complexity Reduction**
- # Technologies
- # Applications
- # Systems and interfaces
- # Data

B **Execution Excellence**
- Improve the things you are already doing
- Lean IT: reduce waste

C **Sourcing Optimization**
- Optimize IT supply chain (hardware/ software vendor, service provider)

D **Business-IT Alignment**
- Run IT as a business
- Establish IT as business partner and value generator

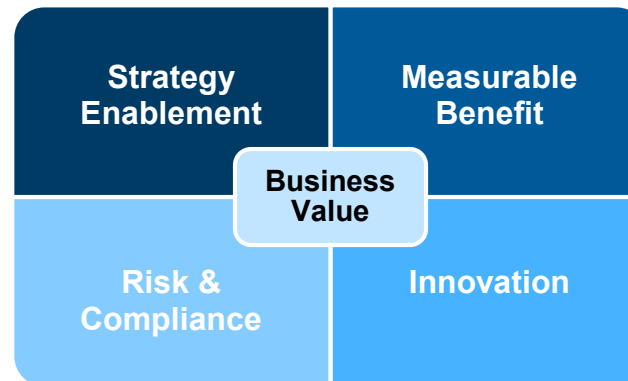# The Value of SAP HEC – In Contrast to Overall IT TCO and/or SAP TCO View

Strategy Enablement

1. Rapid deployment of company strategy
2. Rapid deployment of strategic infrastructure (e.g. managed service companies)
3. Scalability to manage rapid growth, including M&A
4. Move investment from Capex to Opex

Risk & Compliance

1. Avoid security of infrastructure and data via SAP owned and partner owned datacenters
2. Achieve average production system availability of 99.97%

Four Buckets of Value

Strategy Enablement	Measurable Benefit
Risk & Compliance	Innovation

Business Value

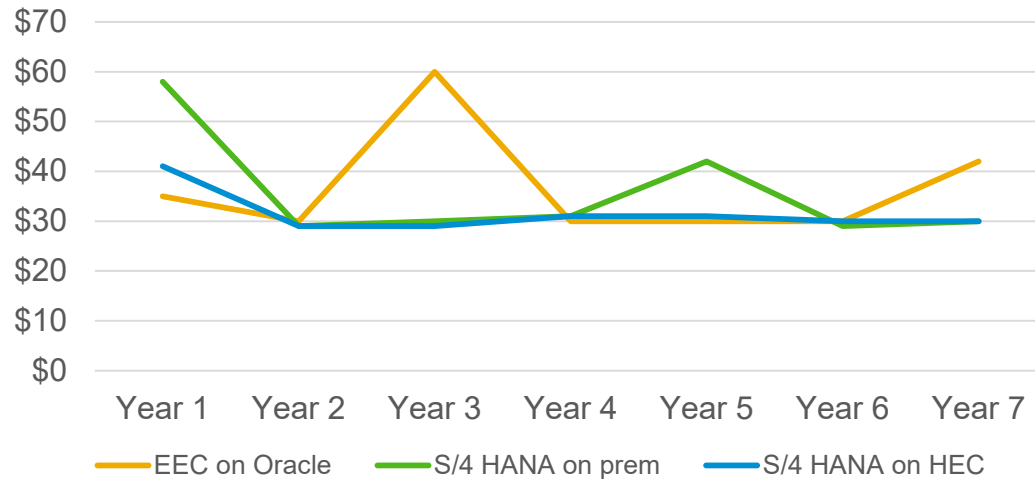## Measurable Benefits: Cost Reduction/Avoidance

1. Reduced infrastructure IT Costs
2. Simplified landscape
3. Reduce system / application management costs
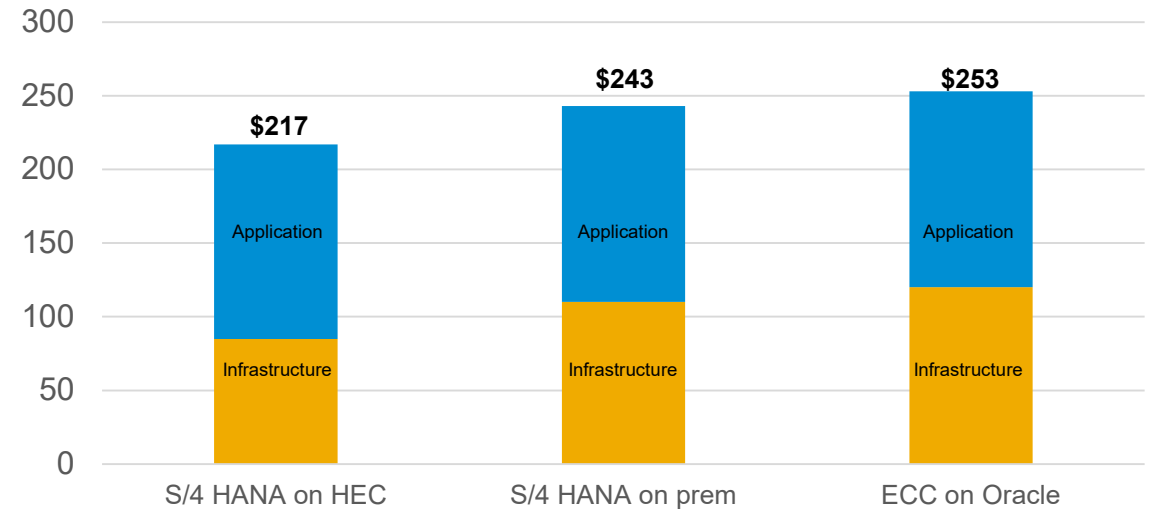4. Reduce upgrade/migration costs

Innovation

1. Scalable infrastructure for innovation
2. Faster time to innovation project start
3. Flexibility to invest in future, additional solutions

Seven Year TCO Comparison

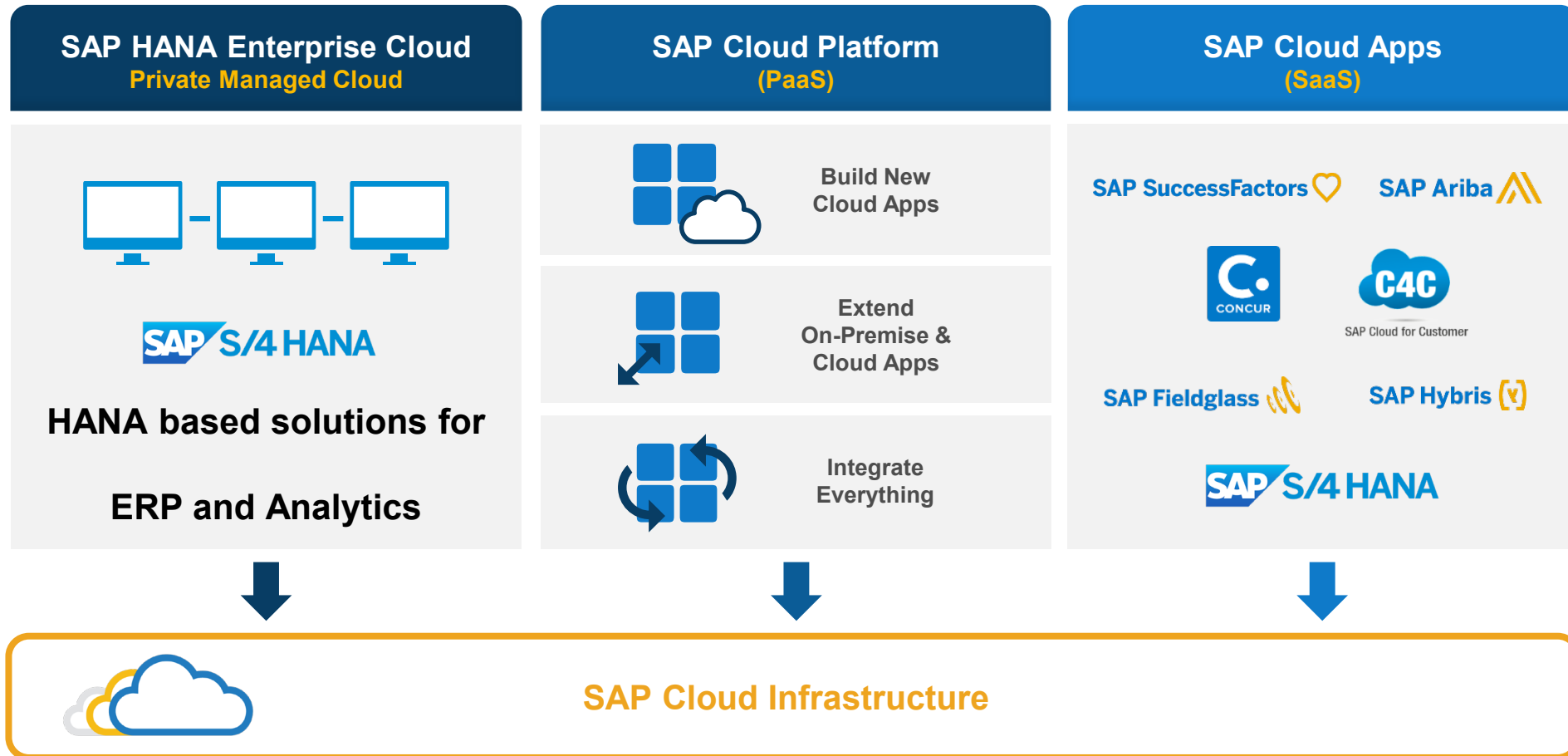### Annual Spending on Infrastructure and Application Support ($M)

Legend: EEC on Oracle, S/4 HANA on prem, S/4 HANA on HEC

Seven Year Total Spend on Infrastructure and Application Support ($M)

- S/4 HANA on HEC: **$217** (Application, Infrastructure)
- S/4 HANA on prem: **$243** (Application, Infrastructure)
- ECC on Oracle: **$253** (Application, Infrastructure)

S/4 HANA on HEC will provide you with a predictable cost on an annual basis, simplifying the budgeting and planning processes, and eliminating spikes in spending

- In the absence of detailed data on customer costs, this is based on industry metrics and comparative costs.
- Complete business case pending review of customer's internal TCO model

Simplified IT Landscape

SAP HANA Enterprise Cloud
Private Managed Cloud

SAP S/4 HANA

HANA based solutions for

ERP and Analytics

SAP Cloud Platform
(PaaS)

Build New
Cloud Apps

Extend
On-Premise &
Cloud Apps

Integrate
Everything

SAP Cloud Apps
(SaaS)

SAP SuccessFactors

SAP Ariba

CONCUR

C4C
SAP Cloud for Customer

SAP Fieldglass

SAP Hybris

SAP S/4 HANA

SAP Cloud Infrastructure

Your requirements – Your Choice – Our flexible offerings for S/4HANA

SAP HANA Enterprise Cloud

SAP S/4HANA Cloud Private Edition
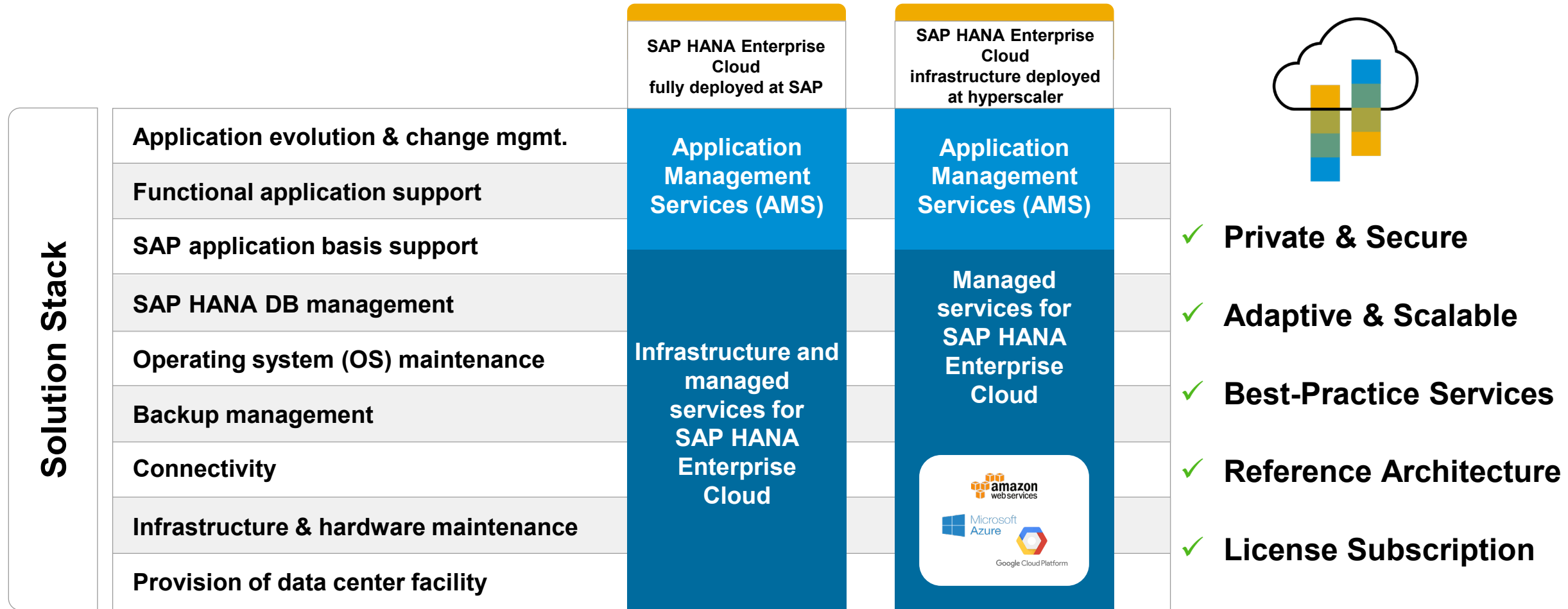
SAP S/4HANA Cloud

Perpetual License (BYOL)	Subscription
"Brownfield"	Greenfield
Cloud Choice Profit (CCP)	Resell or CCP

SAP HANA Enterprise Cloud Multi-Cloud Capability Strategy

Solution Stack	SAP HANA Enterprise Cloud fully deployed at SAP	SAP HANA Enterprise Cloud infrastructure deployed at hyperscaler
Application evolution & change mgmt.	Application Management Services (AMS)	Application Management Services (AMS)
Functional application support		
SAP application basis support	Infrastructure and managed services for SAP HANA Enterprise Cloud	Managed services for SAP HANA Enterprise Cloud
SAP HANA DB management		
Operating system (OS) maintenance		
Backup management		
Connectivity		amazon web services / Microsoft Azure / Google Cloud Platform
Infrastructure & hardware maintenance		
Provision of data center facility		

✓ **Private & Secure**

✓ **Adaptive & Scalable**

✓ **Best-Practice Services**

✓ **Reference Architecture**

✓ **License Subscription**

Reference Architecture: 100% best practice.

Developed in conjunction with SAP product development, Engineering and operations. Nobody has more experience.

Designed and built to SAP product roadmap standards. Futureproof as standard.

No compromises architecture principles. Engineered to ensure maximum uptime from hardware to application.

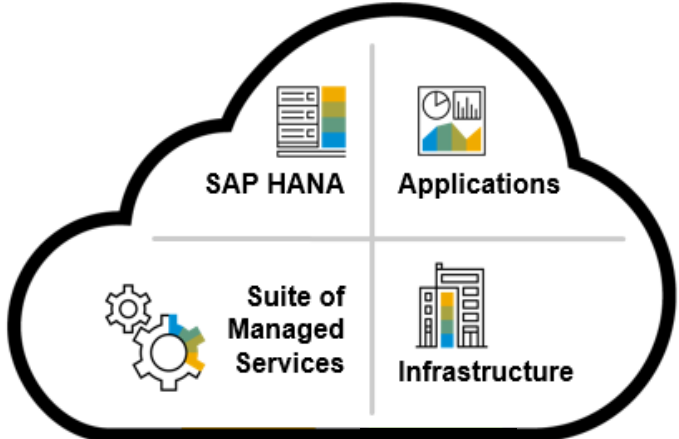Globally consistent architecture standards enforced and validated into every HEC deal in every delivery model.

New technology release engineered for you: Safely adopt & run new SAP software innovation that has been tested & production ready.
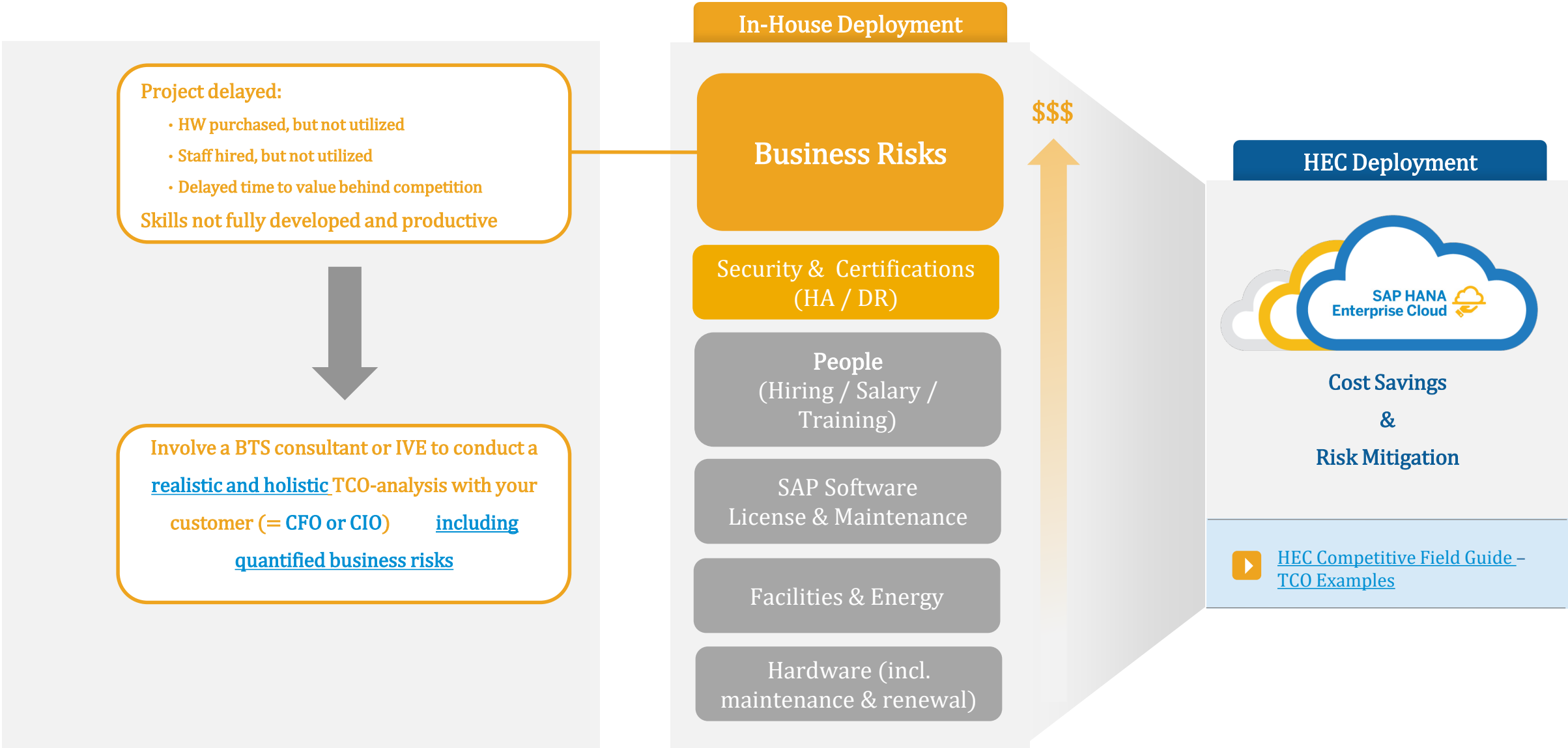
Agile platform – Reference Architecture adopts application best practice across the Multi-Cloud Infrastructure ecosystem

SAP HANA Enterprise Cloud

SAP HANA

Applications

Suite of Managed Services

Infrastructure

Total Cost Of Ownership analysis MUST include Business Risk Validation

Project delayed:
- HW purchased, but not utilized
- Staff hired, but not utilized
- Delayed time to value behind competition

Skills not fully developed and productive

Involve a BTS consultant or IVE to conduct a realistic and holistic TCO-analysis with your customer (= CFO or CIO) including quantified business risks

In-House Deployment

Business Risks

Security & Certifications (HA / DR)

People (Hiring / Salary / Training)

SAP Software License & Maintenance

Facilities & Energy

Hardware (incl. maintenance & renewal)

$$$

HEC Deployment

SAP HANA Enterprise Cloud

Cost Savings
&
Risk Mitigation

HEC Competitive Field Guide – TCO Examples

Customer's costs for similar internal service

Expense	EUR
Hardware	xx
Loan for hardware	xx
Staff (DBA, SAP basis, HW and Infrastructure, Service Desk)	xx
Overhead	xx
Salary growth 7%	xx
Facilities and datacenter costs (part for SAP landscape)	xx
Energy	xx
Maintenance for Oracle database	xx
HW support with 4h parts replacement	xx
Staff training	xx
Other licenses (network, antivirus, backup, monitoring etc.)	xx
Hardware refresh (hardware lifecycle is 3 to 5 years)	xx

5Y TCO – **XX EUR**

*values mentioned above are indicative and may be changed after discussion and confirmation by the financial specialists of the customer

SAP HANA Enterprise Cloud – White Papers.

Analyst White Papers for customer distribution.

IDC White paper on Jam   Gartner White paper on Jam

SAP HANA Enterprise Cloud By the Numbers

SAP HANA Enterprise Cloud by the Numbers

900+
Global Customers
(using same Reference Architecture)

3500+
SAP HANA Databases Managed Globally

66TB+
Largest SAP HANA Instance

~99.99%
Average Production Availability

1300
S/4HANA Systems
(350 customers)

50%
Largest Client TCO Savings vs. On Premises

Customers References Spanning All Regions

Thank you!

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