



Run Ahead with Intelligent Cloud ERP

PUBLIC



Agenda

- Why Cloud?
- Why Cloud ERP from SAP?
- The Case For SAP S/4HANA Cloud
- Industry Momentum

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Cloud ERP Adoption



35% of businesses in GB are going to invest in Cloud ERP in the next 12 months ⁽¹⁾



70% of CIOs will embrace a cloud-first strategy ⁽²⁾



70% of Enterprise IT spending will be for the cloud by 2020 ⁽³⁾

(1) IDC Worldwide and Regional Public IT Cloud Services Forecast, 2016-2020 – Dec. 2016.

(2) IDC FutureScape: Worldwide IT Industry 2017 Predictions – Nov. 2016.

(3) IDC Futurescape: WW Intelligent ERP 2017 Predictions – Nov. 2016.

Cloud Delivers Multiple Business Benefits



Lowest TCO
Minimize software,
service, support and
infrastructure costs



Easy to scale
Scale users easily as your
business grows



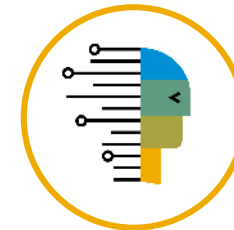
Speed of innovation
Get the latest innovations
delivered via seamless
quarterly releases



**Simplification &
Standardization**
Focus on running your
business, not your ERP

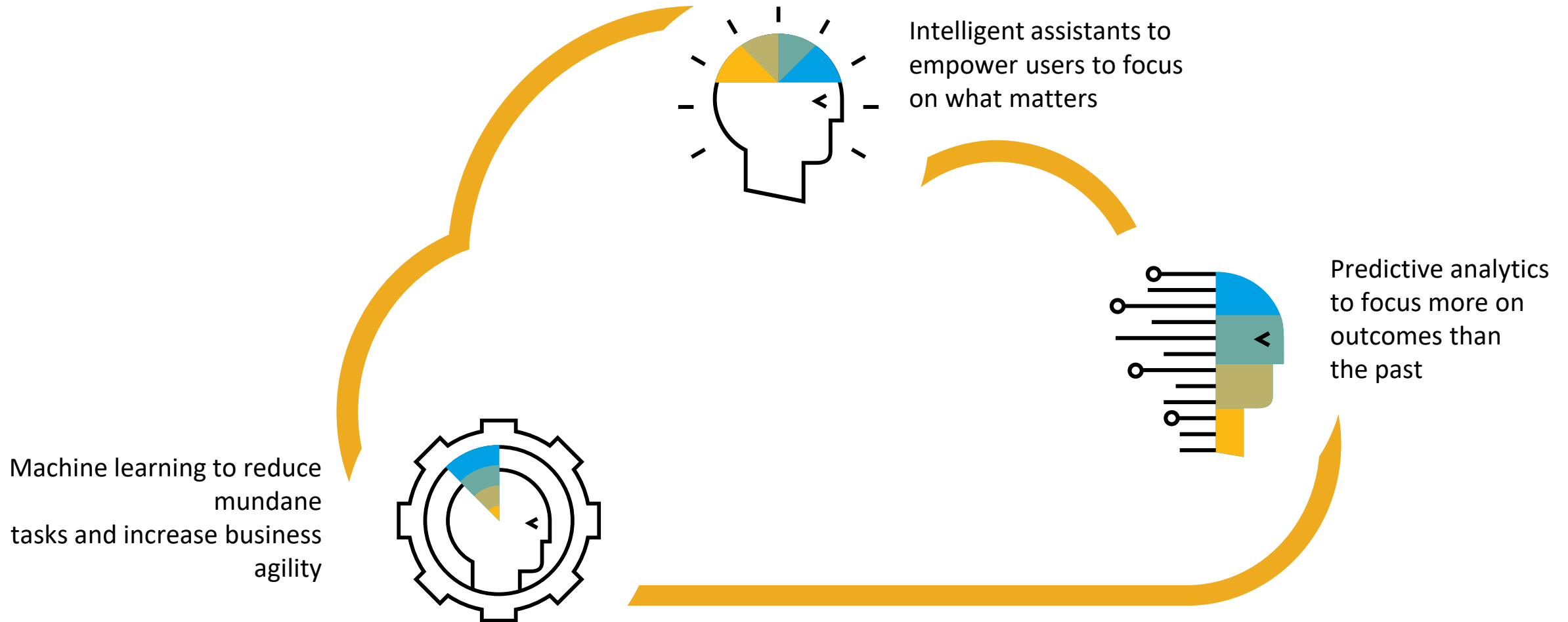


**Easy to replicate
and deploy**
Deploy globally within
hours, rapidly replicate
across divisions and
departments



Automation & AI
AI and ML innovations are
first delivered in the
cloud, and perform best in
the cloud due to data
availability and access

New Technologies Enable A New Generation Of Intelligent Cloud ERP



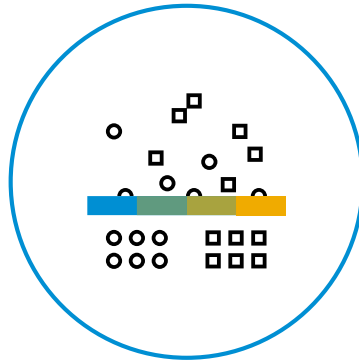
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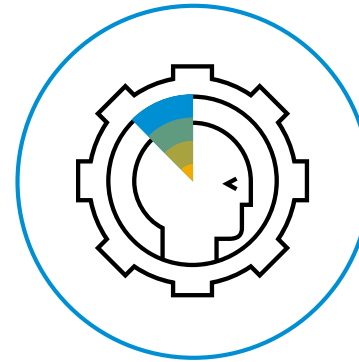
Why Cloud ERP from SAP?



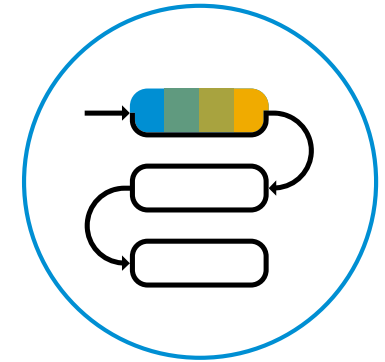
The 1st Intelligent Cloud
ERP



100% in-memory
data management









Rich functionality



Industry know-how covering
end-to-end processes

The 1st Intelligent Cloud ERP

Core Ingredients

		Intelligent ERP	Legacy ERP
1	Digital age UX		
2	Automation		
3	Next-generation processes		



The Intelligent ERP Difference

- Hands-free UX, digital assistance and instant insights deliver value-adding experiences
- Machine learning, AI and predictive analytics for increased automation and efficiency
- Reinvent and redefine processes with applied best practices built on the latest innovations

The 1st Intelligent Cloud ERP

Digital Age User Experience

The world's 1st hands-free ERP

Voice recognition and digital assistance allows users to act and respond in the moment

Business Context Awareness

The system understands the business context, and proactively suggests solutions using predictive and intelligent functionality



Productivity



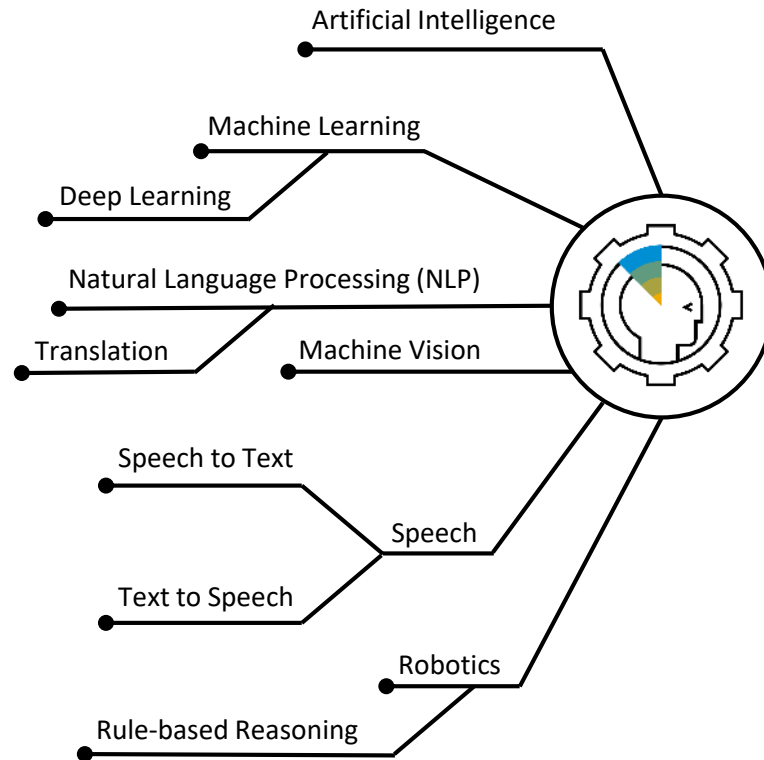
Adoption



Training Time



The 1st Intelligent Cloud ERP Automation



- **Machine Learning and Artificial Intelligence** automates and improves processes
- **Predictive analytics** helps improve decision-making and performance
- The system continuously **learns and adapts** to user actions and inputs

Vision: Achieve 50% automation within next 3 years

The 1st Intelligent Cloud ERP Next-Generation Processes

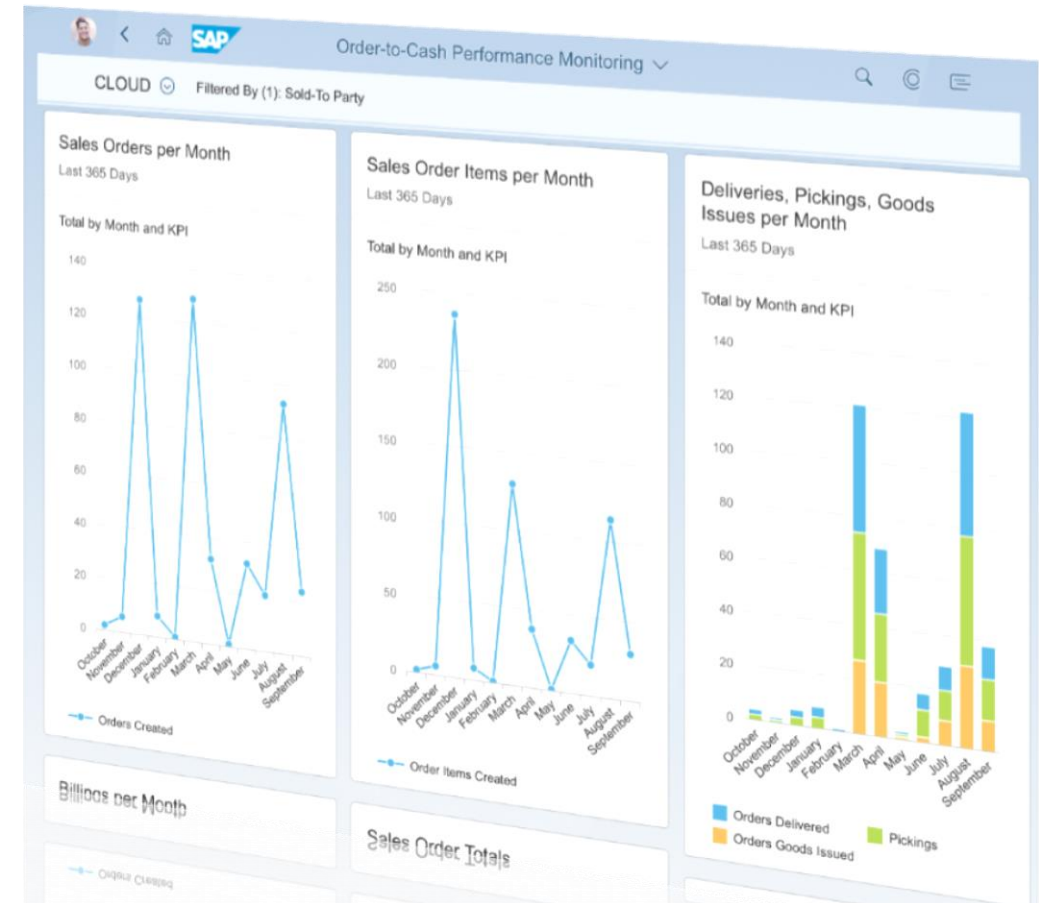
Driving operational excellence by defining new processes powered by the latest innovations

A new level of optimization

- Trained through the ingestion of vast amounts of content and data
- Automatic adaption and learning based on successes and failures

A new set of use cases such as:

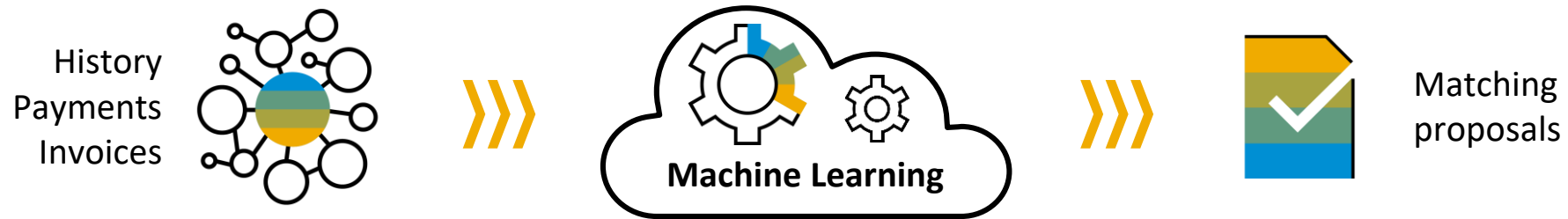
- Automatic invoice matching
- Automatic inventory replenishment tied to demand
- Managing stock in transit
- Predictive maintenance and service



Powered by SAP HANA and SAP Leonardo

The 1st Intelligent Cloud ERP

Next-Generation Process Snapshot: Intelligent invoice matching



SAP Cash Application intelligently learns matching criteria from your history and automatically clears payments



Improves days of sales outstanding



Integrated with SAP S/4HANA for reduced TCO and time to value



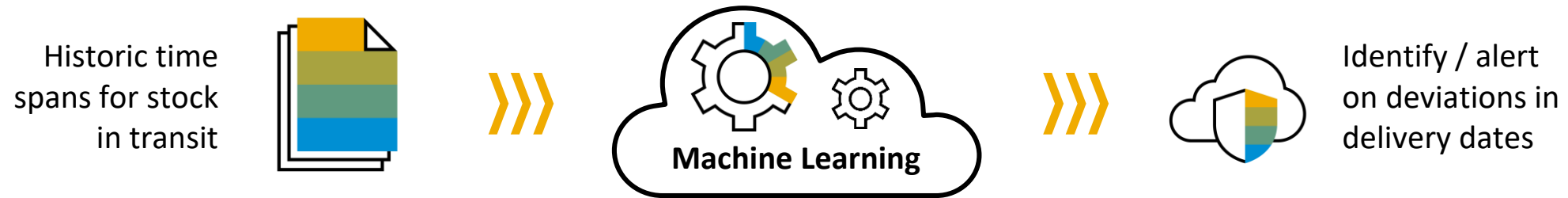
Allows shared services to scale as the business grows



Empowers finance to focus on strategic tasks and service quality

The 1st Intelligent Cloud ERP

Next-Generation Process Snapshot: Managing stock in transit



Predictive Analytics for Stock in Transit predict the delivery time of stock in transit to achieve more reliable planning re. the actual delivery date



Track material in transit / open stock transport orders against a time schedule



Identify items where delivery date significantly differs from predicted



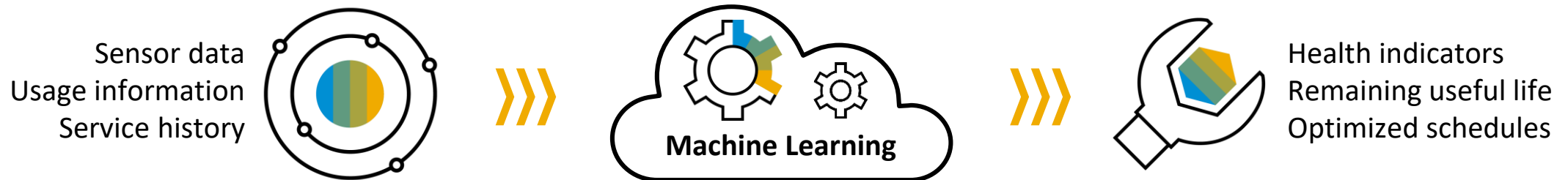
Adjust time schedule based on empirical data



Overall more reliable planning / schedule of goods in transit

The 1st Intelligent Cloud ERP

Next-Generation Process Snapshot: Predictive Maintenance & Service



SAP Predictive Maintenance & Service learns from
a 360° view of the asset and predicts future asset health



Reduced
maintenance
costs



Increased asset
effectiveness &
profitability



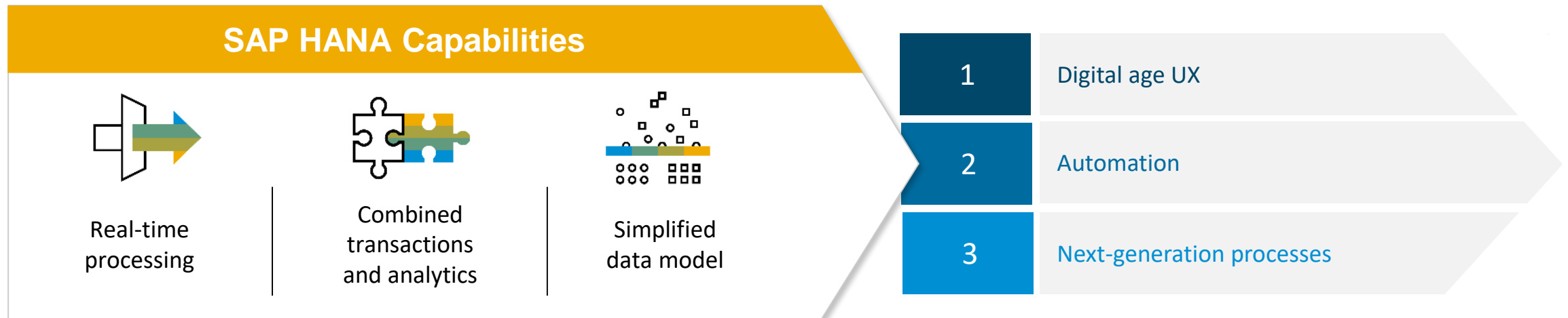
Enabling
new (service)
business models



Integrated with SAP
S/4HANA for seamless
end-to-end processes

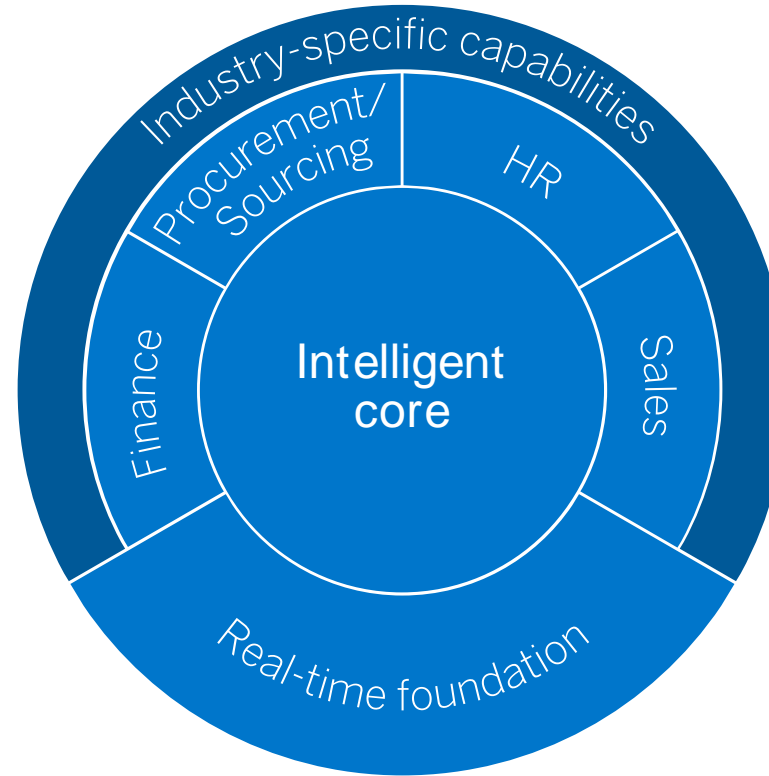
100% In-memory Data Management

SAP HANA Is The **Key** To Intelligent ERP



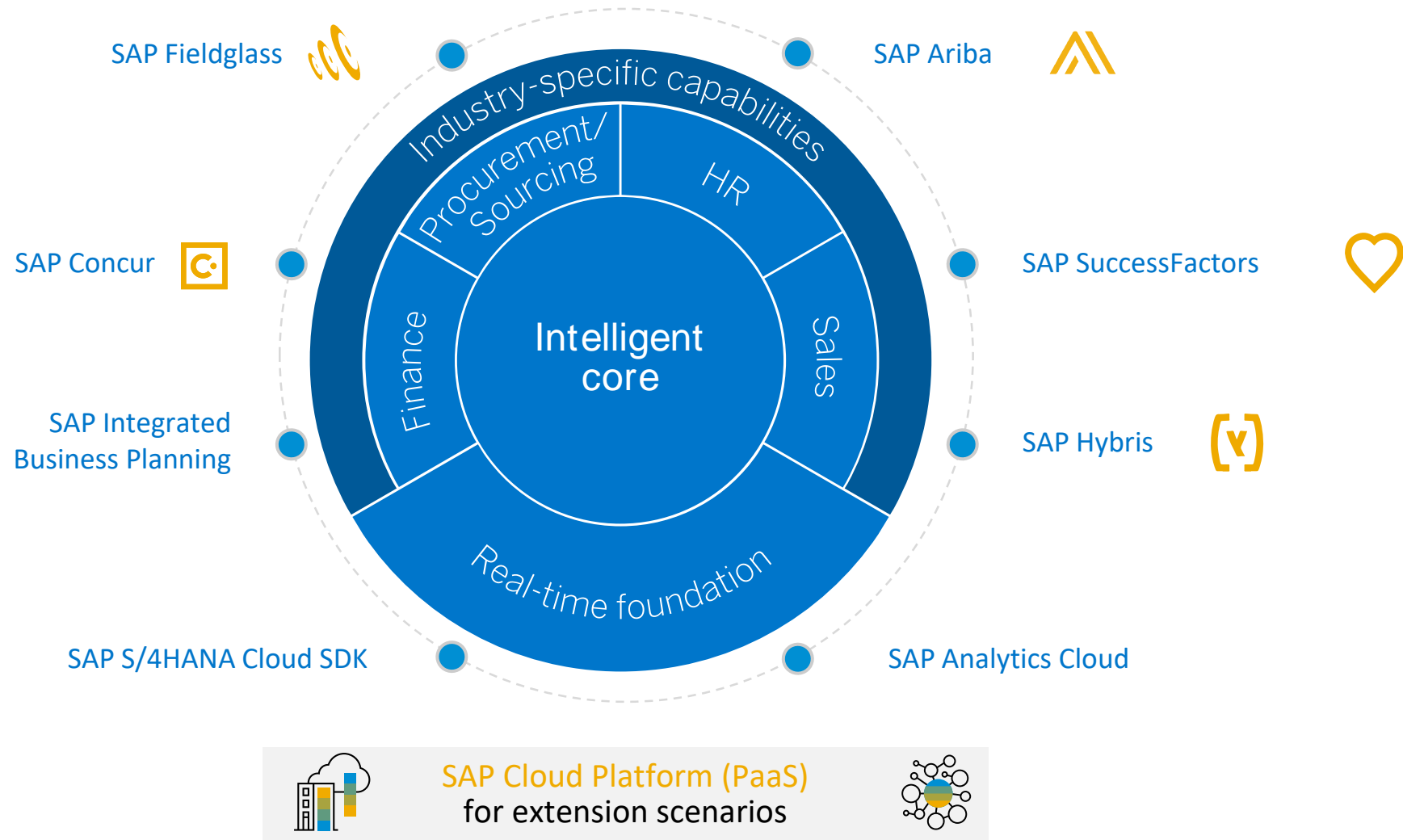
Rich Functionality

SAP S/4HANA Cloud Capabilities



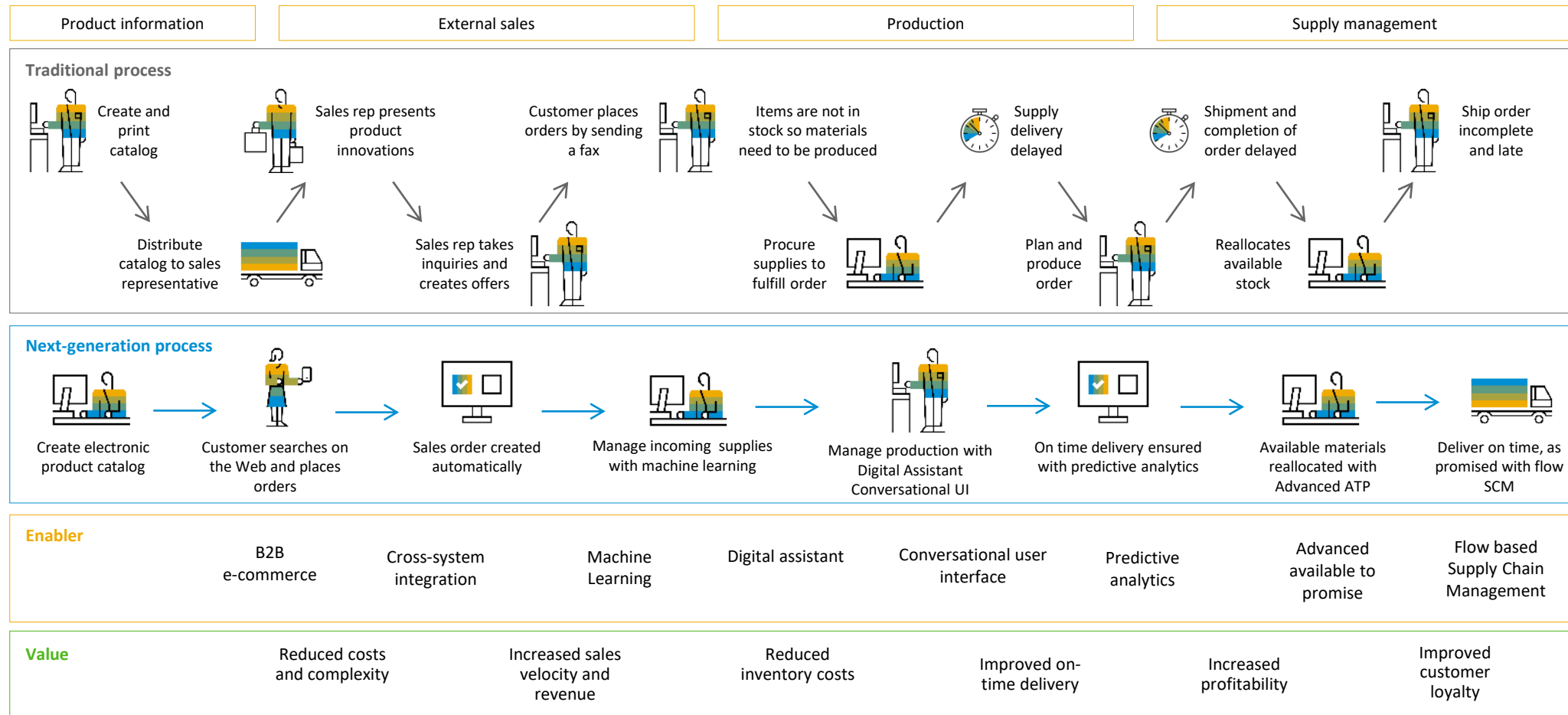
Rich Functionality

SAP S/4HANA Cloud is core to the Intelligent Enterprise Suite



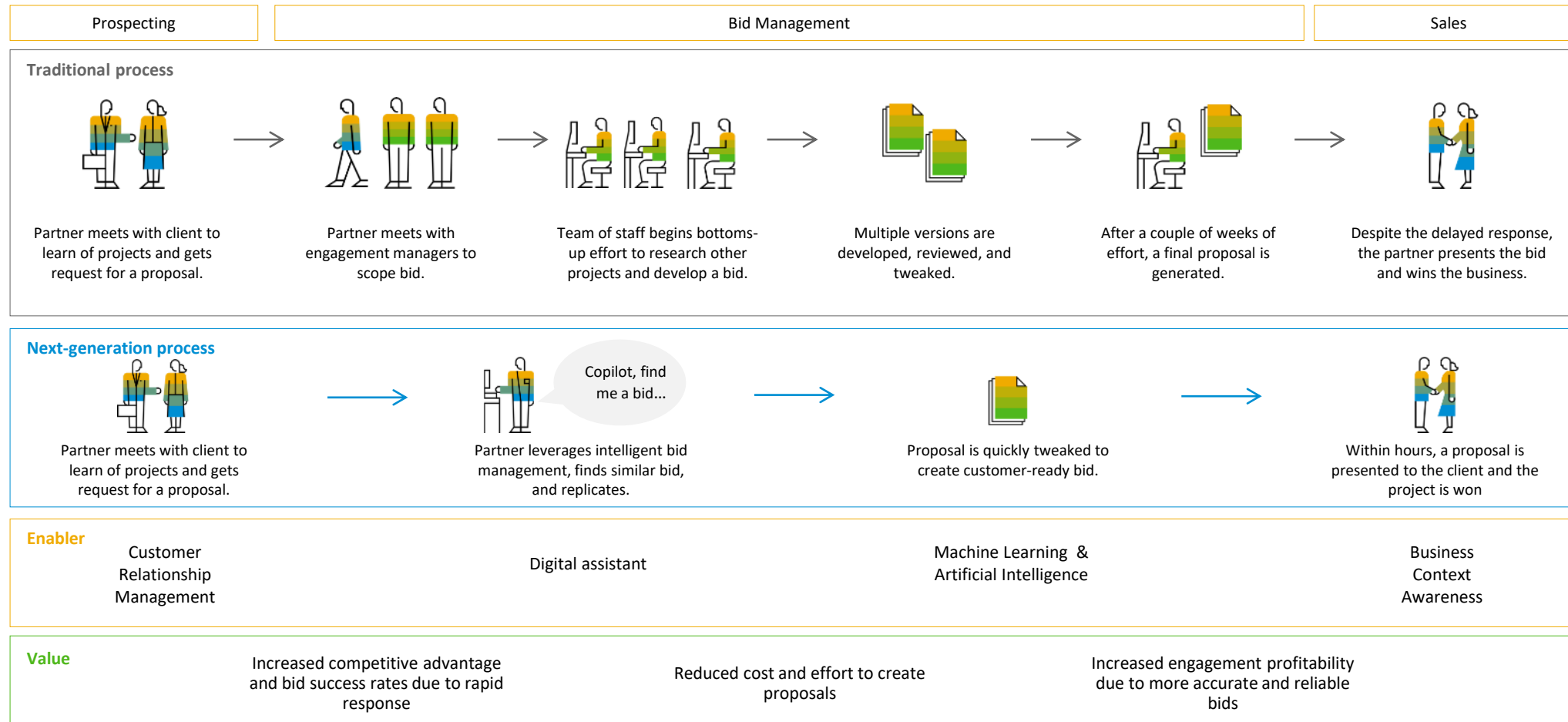
Industry Know-how Covering End-to-end Processes

Example: Digitizing The Sales Process In Component Manufacturing

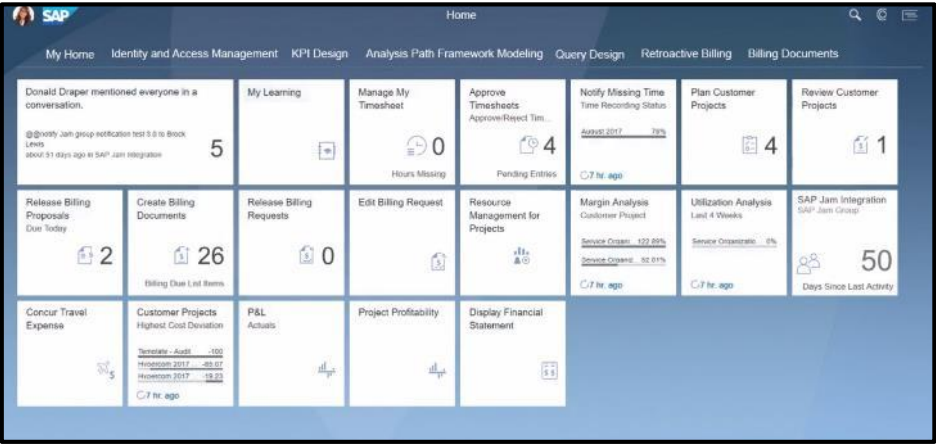


Industry Know-how Covering End-to-end Processes

Example: Intelligent Bid Management In Professional Services

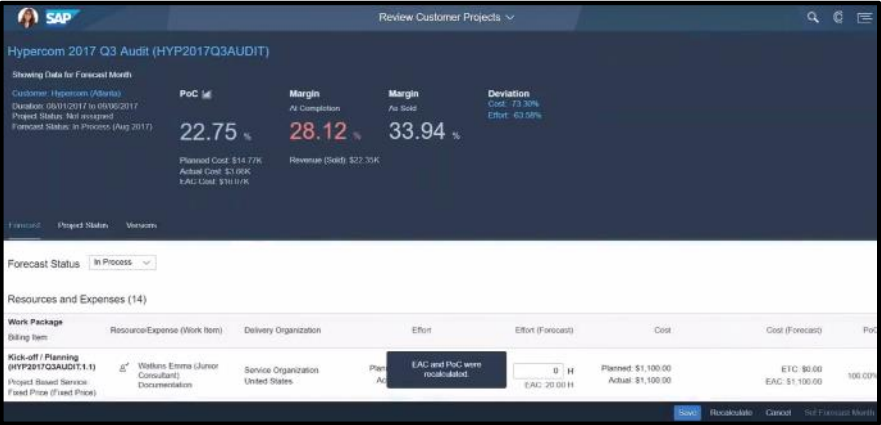
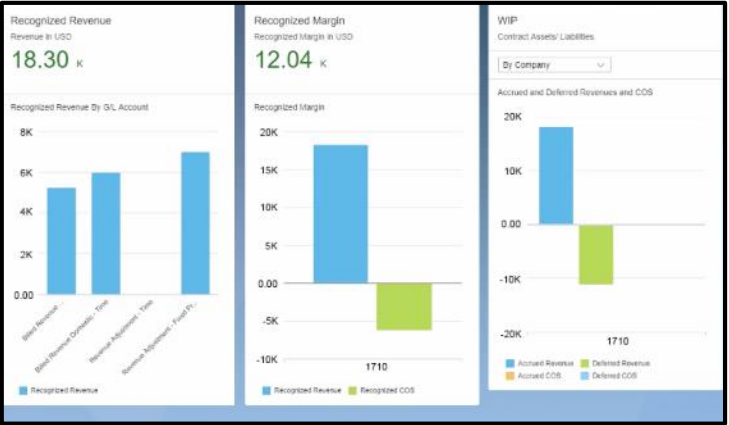


Demonstration: Execute Projects Profitably



- Key Benefits:**
- Productivity Gains
 - Margin Visibility
 - Real-Time Transparency

[Link](#)



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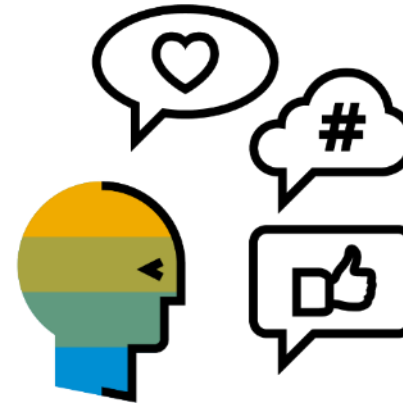
Delivering the world's most global Cloud ERP

39 countries by year-end



Australia, Austria, Belgium, **Brazil**¹, Canada, China, Denmark, **Finland**¹, France, Germany, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Japan, Luxembourg, Malaysia, **Mexico**¹, Netherlands, New Zealand, Norway, Philippines, **Poland**¹, **Romania**¹, **Saudi Arabia**¹, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, **Thailand**¹, **Turkey**¹, United Arab Emirates, United Kingdom, United States

23 languages by year-end



Arabic, Chinese (simplified and traditional), Danish, Dutch, English, **Finnish**², French, German, Hungarian, Italian, Japanese, Korean, Malay, Norwegian, **Polish**², Portuguese, **Romanian**², Russian, Spanish, Swedish, **Thai**², **Turkish**²

¹ Part of 2018 Roadmap

SAP S/4HANA Cloud, excluding localizations of S/4HANA Cloud, private edition.
This is the current state of planning and may be changed by SAP at any time without notice.

SAP S/4HANA Cloud Evolving At Cloud Speed

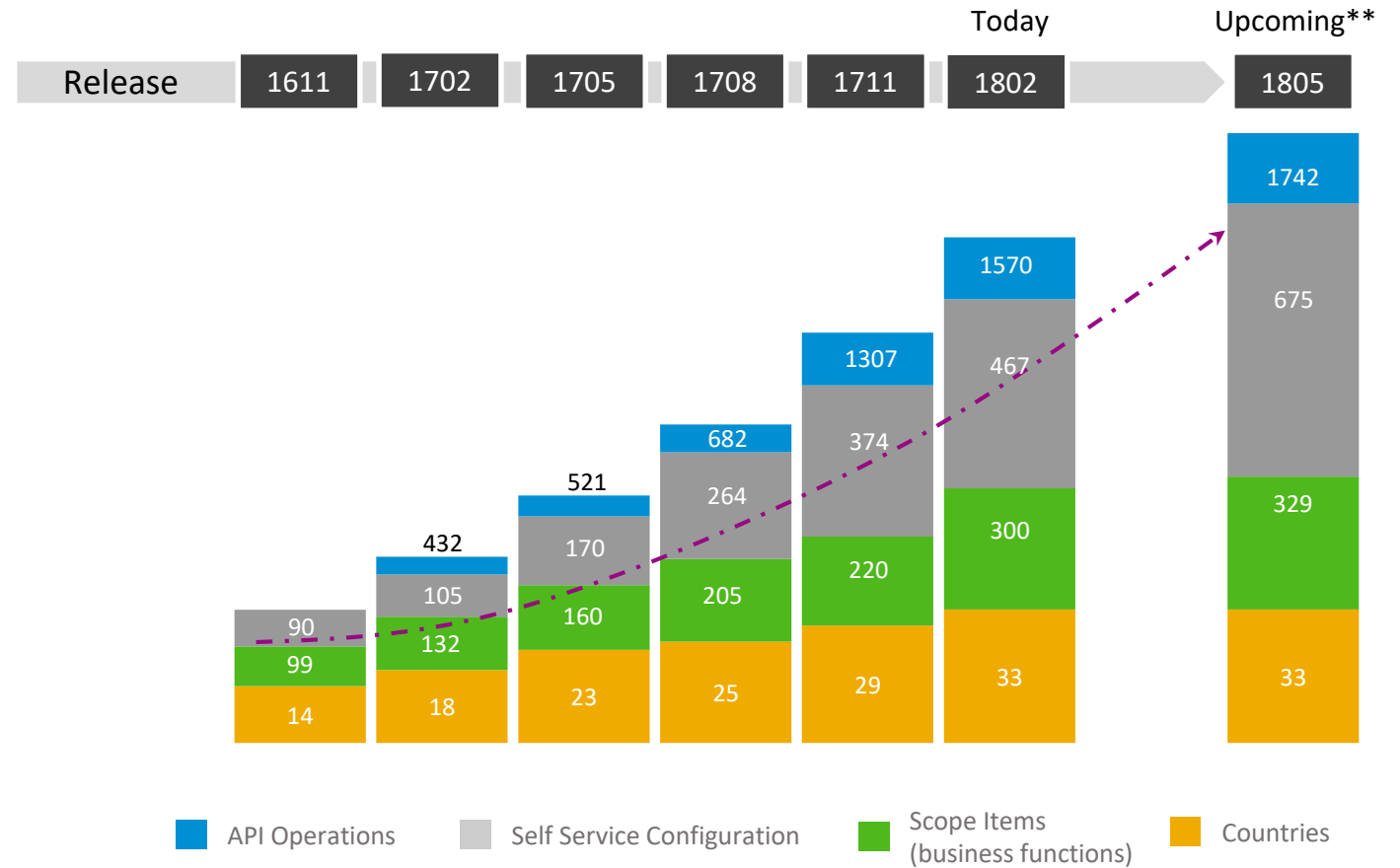
Intelligent ERP
with AI and machine learning

Four quarterly releases with new innovations
rapidly exposing SAP S/4HANA functionality,
APIs, and globalization

Finance-centric Administrative ERP
ready to deliver value to all customers

Industry-specific functionality

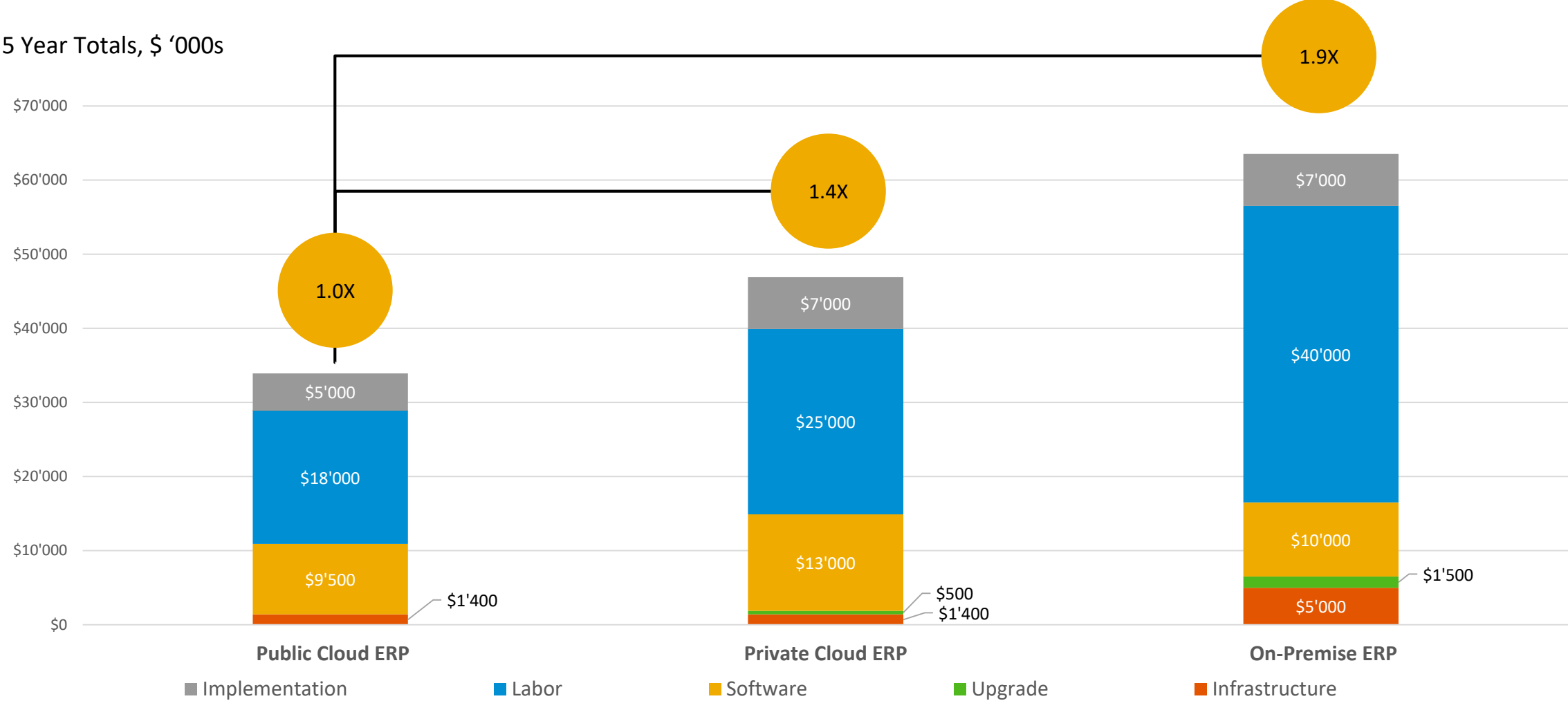
- Professional Services
- Component Manufacturing
- More industries to be added in 2018



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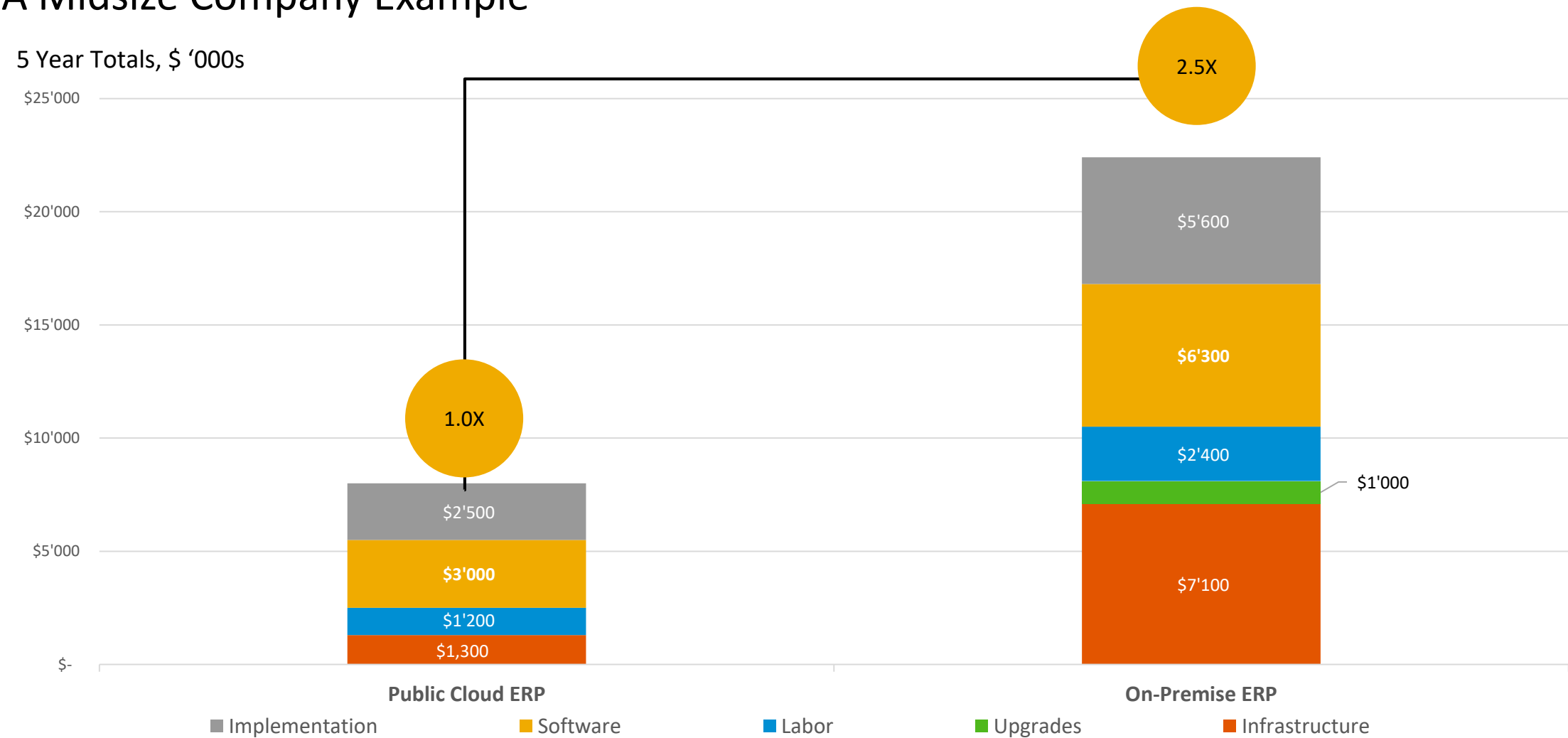
Comparative TCO

A Large Enterprise Example



Comparative TCO

A Midsize Company Example



SAP S/4HANA Cloud

Delivering Instant Business Value

Speed & innovation

Digital transformation with an innovative business platform – at cloud speed

Focus on business outcome

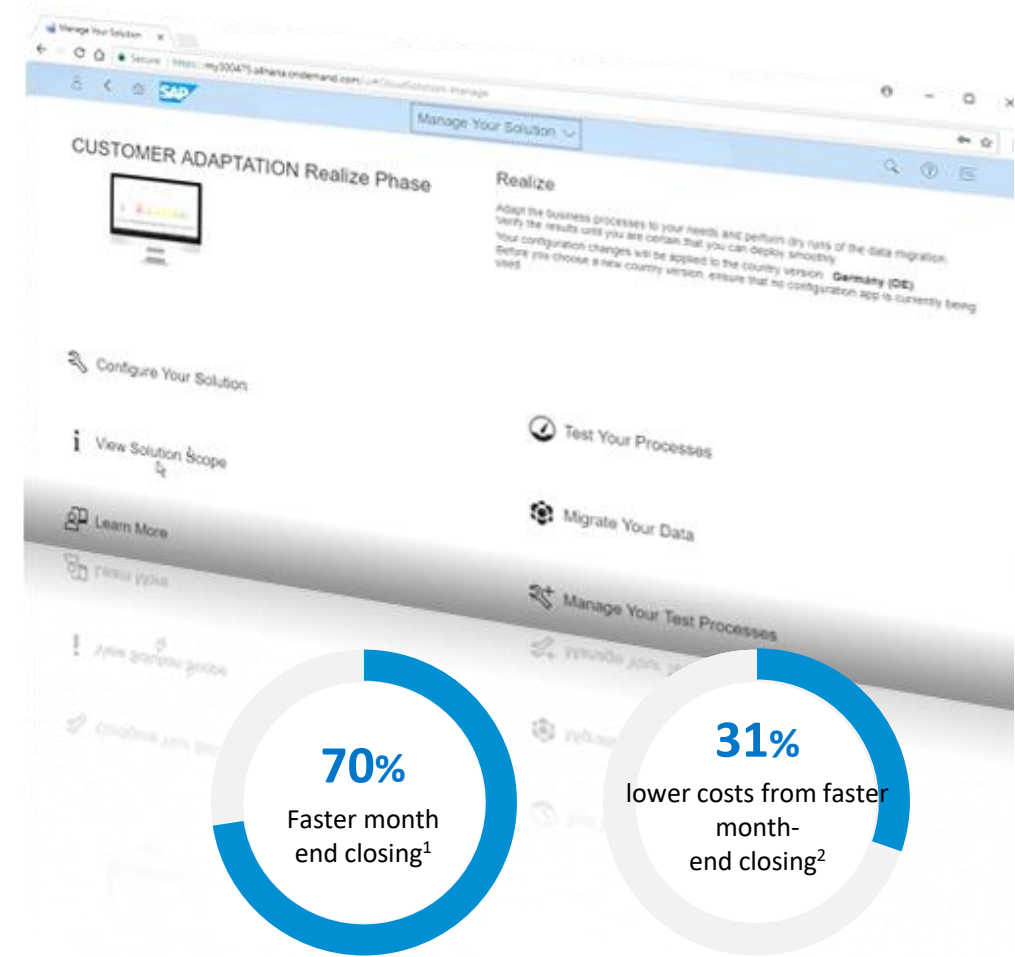
Supports global businesses with wide range of capabilities, industry best practices, regulations, tax rules and languages

Customer satisfaction and growth

Automation frees up resources for better customer engagement

¹ Experis Ciber Case Study

² SAP Performance Benchmarking Database



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SAP S/4HANA Cloud Customers

(excerpt from hundreds of customers)



SAP S/4HANA Cloud Customer Videos



delaware



More information

Discover SAP S/4HANA Cloud



SAP S/4HANA Cloud - trial

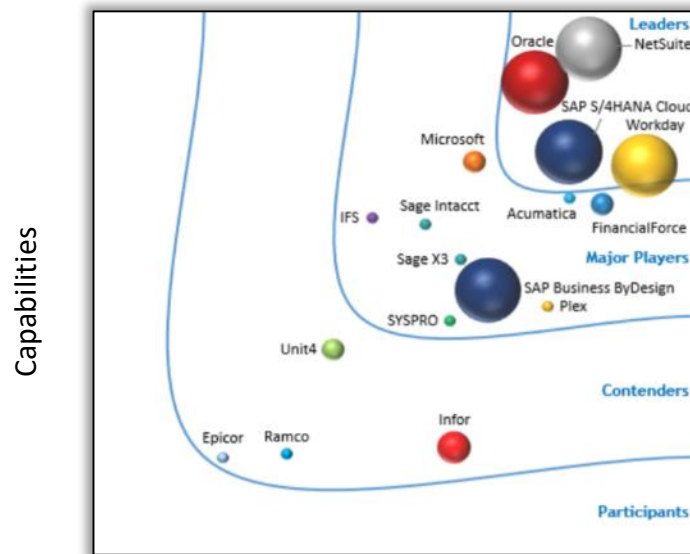


SAP Transformation Navigator



IDC names SAP S/4HANA Cloud a Leader In SaaS ERP

IDC MarketScape Worldwide SaaS and Cloud-Enabled Midmarket ERP Applications Vendor Assessment (2017)

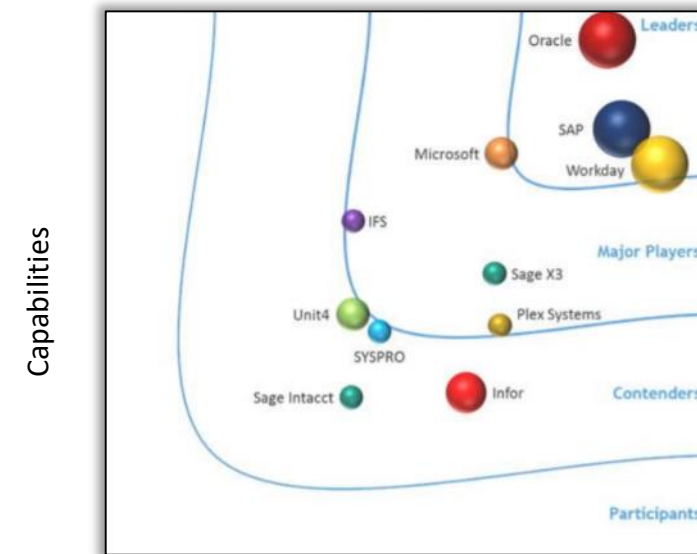


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Strategies

IDC MarketScape: Worldwide SaaS and Cloud-Enabled Midmarket ERP Applications 2017 Vendor Assessment - Doc #US42216017, September 2017

IDC MarketScape Worldwide SaaS and Cloud-Enabled Large Enterprise ERP Applications Vendor Assessment (2017)



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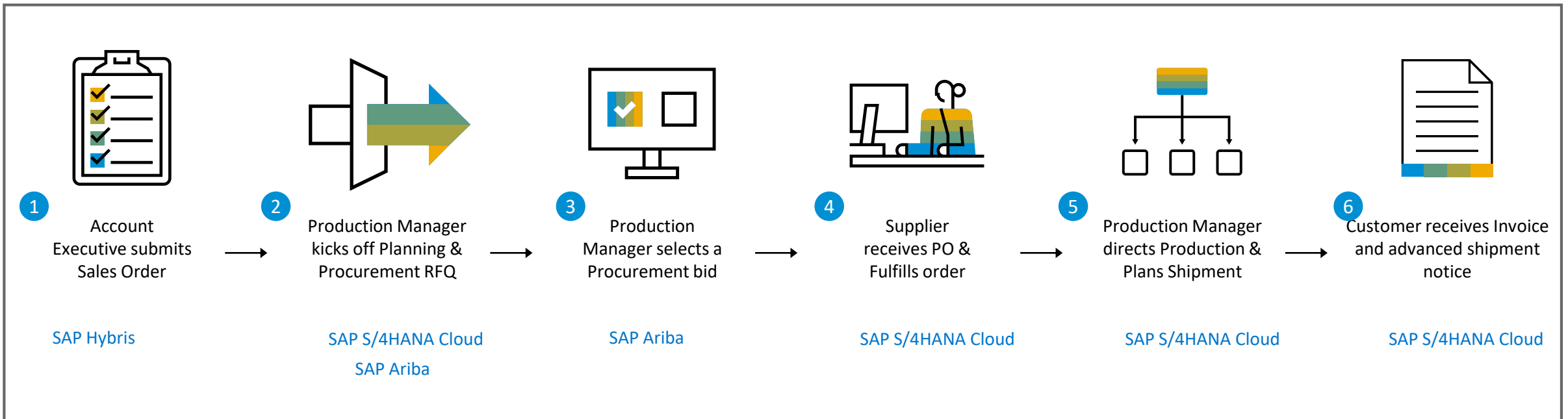
Strategies

IDC MarketScape: Worldwide SaaS and Cloud-Enabled Large Enterprise ERP Applications 2017 Vendor Assessment - Doc #US42219217, October 2017

IDC MarketScape vendor analysis model is designed to provide an overview of the competitive fitness of ICT suppliers in a given market. The research methodology utilizes a rigorous scoring methodology based on both qualitative and quantitative criteria that results in a single graphical illustration of each vendor's position within a given market. The Capabilities score measures vendor product, go-to-market and business execution in the short-term. The Strategy score measures alignment of vendor strategies with customer requirements in a 3-5-year timeframe. Vendor market share is represented by the size of the icons.

Appendix

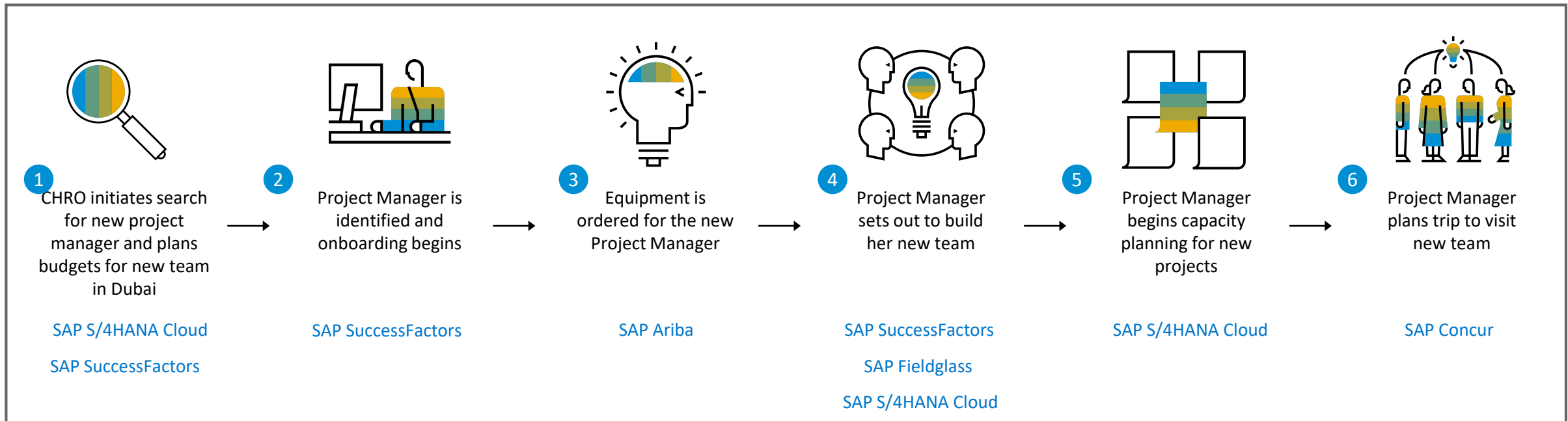
Next-generation Process: Enabling Order-to-cash



Automatically:

- Match sales order to inventory
- Sort procurement bid preferences
- Predict shipment & issue notification

Next-generation Process: Enabling Rapid Market Expansions

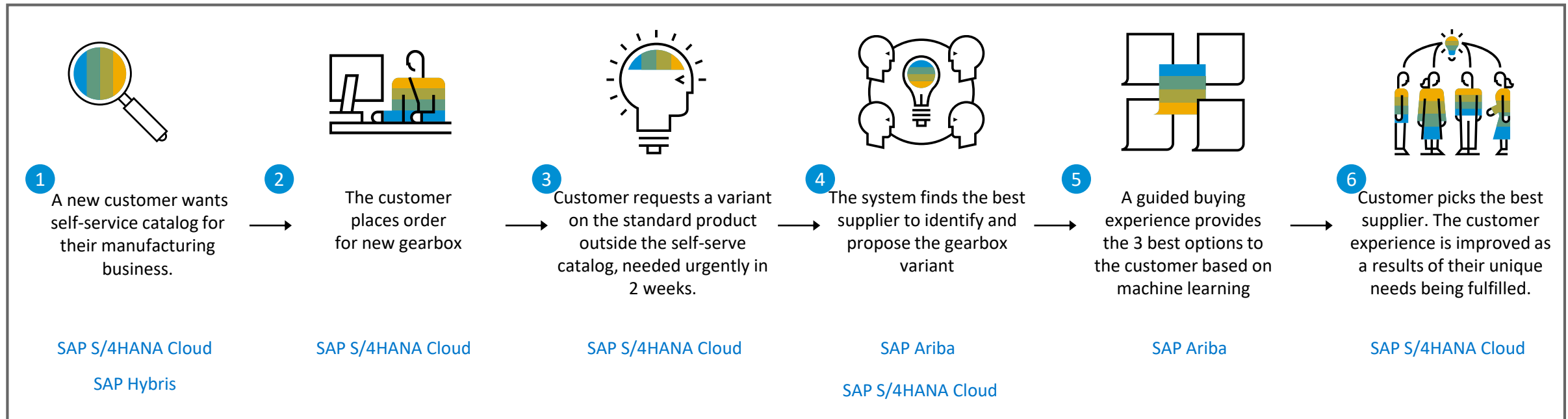


Automatically:

- Match candidate skills and requirements
- Suggest optimal equipment for job profile
- Generate capacity planning scenarios
- Assist with travel planning

Example:

Improving customer experience in component manufacturing

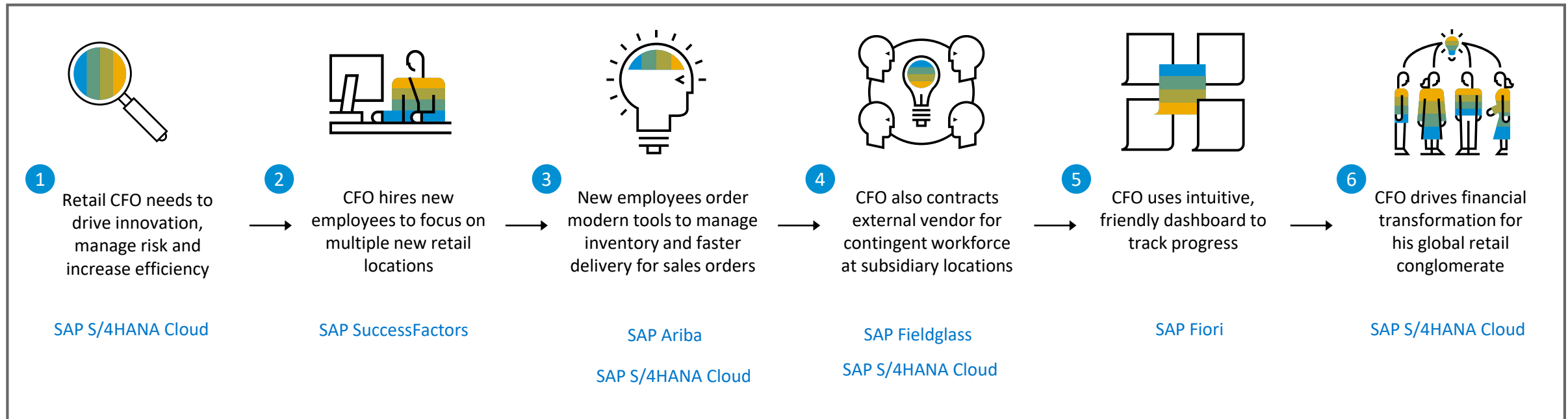


Automatically:

- Match buyer needs with best suppliers
- Utilize machine learning for providing recommendations
- Provide improved, self-serve user experience
- Responds quickly to changes in demand and variability

Example:

Empowering the strategic CFO



Automatically:

- Increase transparency at subsidiary locations
- Match buyers with best suppliers globally
- Hire best contingent workforce for assignments
- Drive efficiency at scale for a large company

SAP S/4HANA Cloud Customers (excerpt)



SAP S/4HANA Cloud Customers

