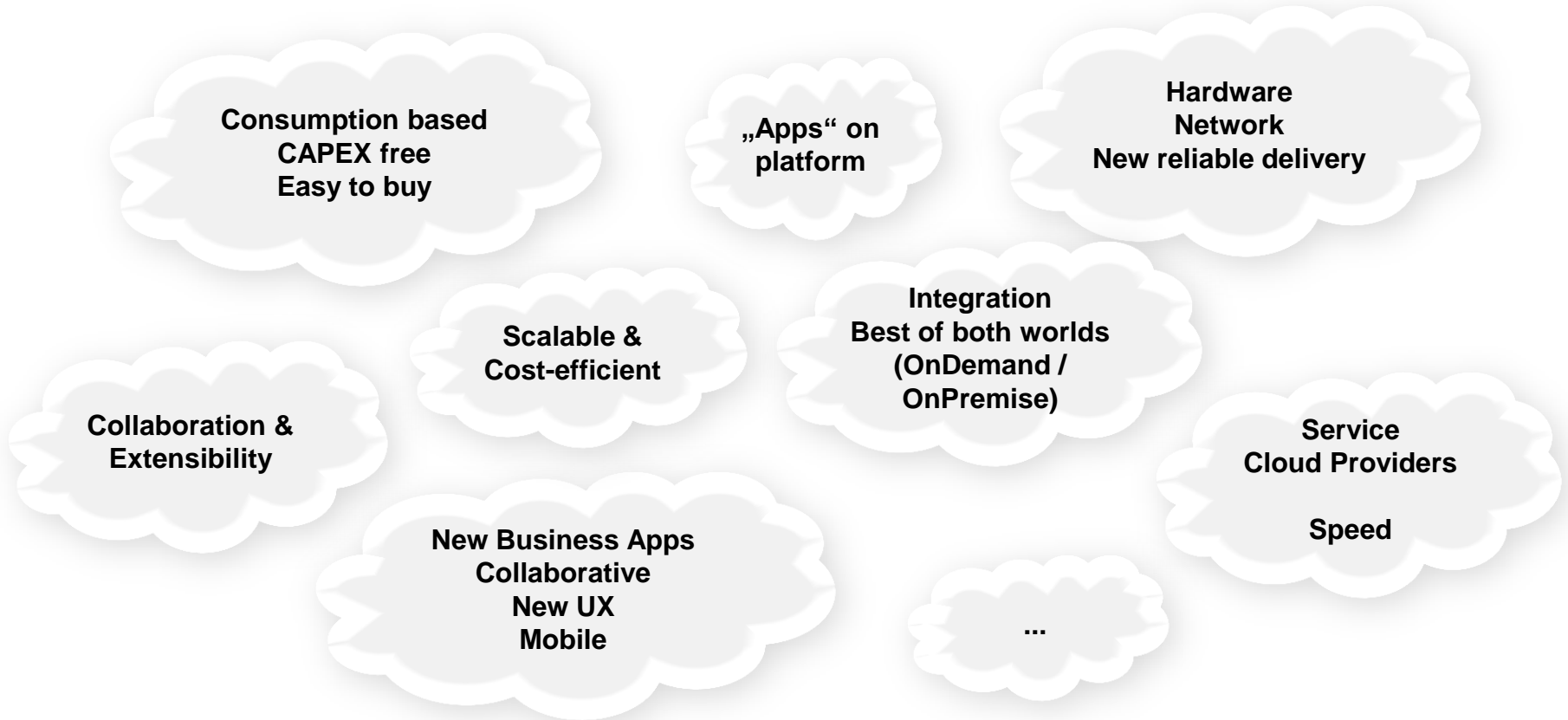# Introduction to SAP's Cloud Strategy

Peter Lorenz, EVP OnDemand Solutions and Corporate Officer
Corporate Officer, SAP AG

Madrid, November 2011

# Cloud Software Economy
New Level of Your Business

**Consumption based
CAPEX free
Easy to buy**

**„Apps" on
platform**

**Hardware
Network
New reliable delivery**

**Integration
Best of both worlds
(OnDemand /
OnPremise)**

**Scalable &
Cost-efficient**

**Collaboration &
Extensibility**

**Service
Cloud Providers**

Speed

**New Business Apps
Collaborative
New UX
Mobile**

...

➔ **Here to stay**

➔ **Impact / Opportunity**

➔ **Cloud Software Economy**

Customer Needs are Driving Market Trends
On Premise, On Demand and Cloud Co-Existence

Partner Cloud

Public Cloud

Private Cloud

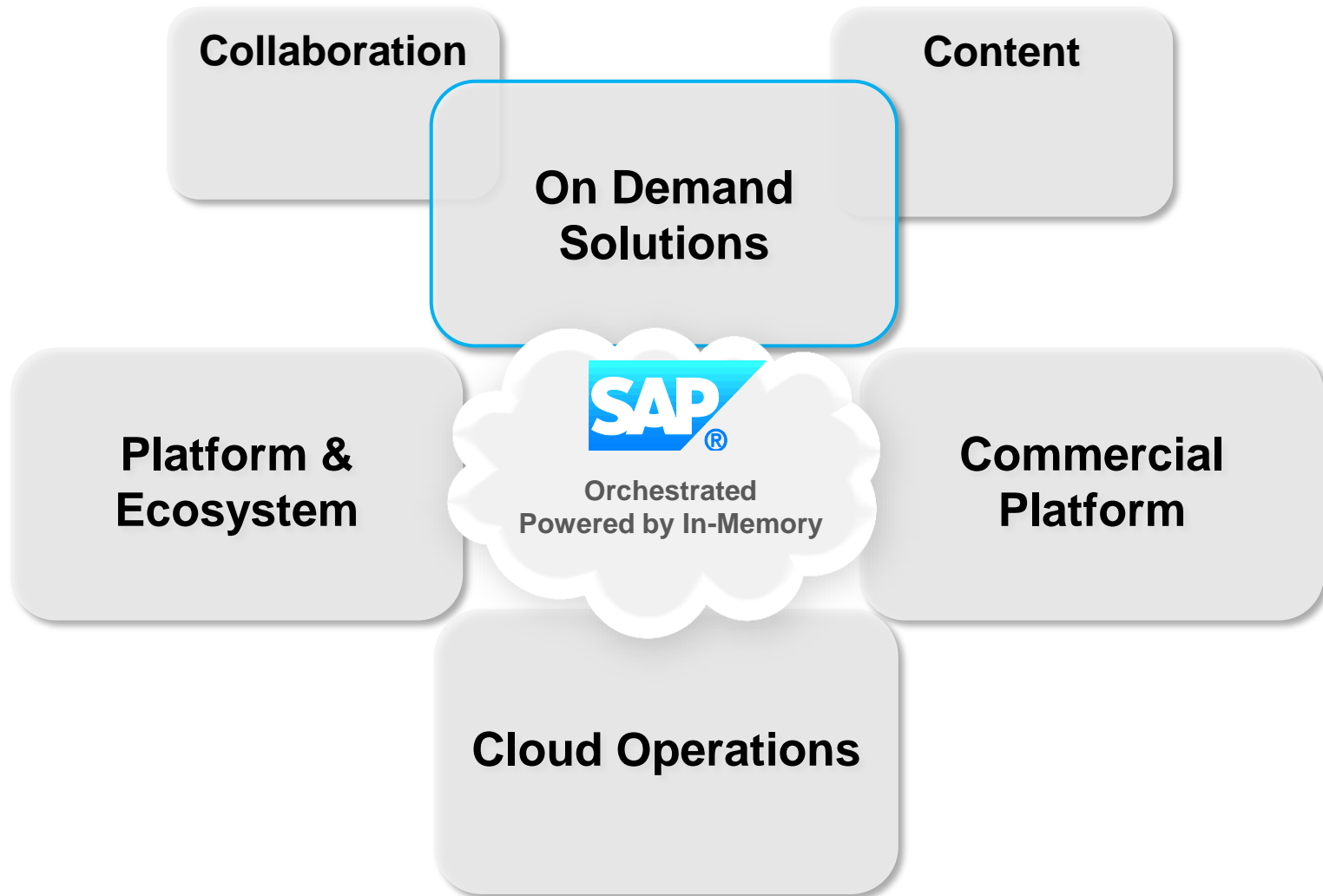Local / OnPremise
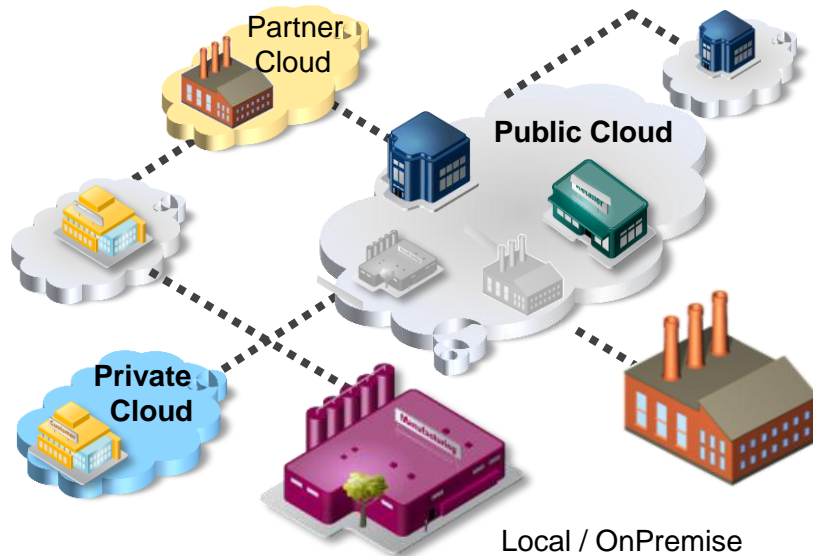
- **Hybrid business solutions and networks** are becoming the norm

- Companies will choose services
  - for **different purposes**
  - from both **public and private clouds**
  - **integrated** with on-premise solutions

- **Openness and ecosystem strength** will be key success factors for providers

- **Orchestration** of hybrid solution landscapes will become key

- **Collaboration** is central aspect of cloud applications

- Significant **TCO reduction** through migration of existing ERP installations to the cloud

CLOUD STRATEGY
FOUR KEY AREAS OF INNOVATION AND INVESTMENT

Collaboration

Content

On Demand Solutions

Platform & Ecosystem

SAP®
Orchestrated
Powered by In-Memory

Commercial Platform

Cloud Operations

SAP On Demand Solutions – "Natively" Built for Cloud
Key Design Principles

User Experience
- Consistency & Attractiveness
- Fully adaptable ("look", UI extensions etc)
- Open: UI Model independent from rendering

Simplicity
- Roles concept
- Intuitive navigation
- Business driven configuration
- Design Thinking approach w/ customers

Mobile
- "Build in"
- Online Access out of the box
- Modeled → Container/Player Approach

Network centric & Collaborative
- Mash Up of services & feeds
- Social network integration
- Collaboration embedded in business processes
- OD/OP Integration & B2B; Openess

Insight
- Embedded analytics – inMemory
- New applications – simulative, predictive …
- Procedural & algorithmic logic
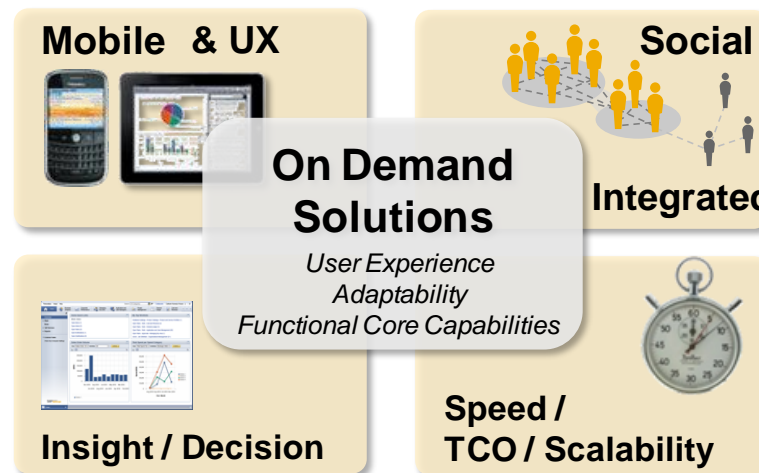
Personalization, Adaptability & Extensibility
- SDK & Public semantic Model
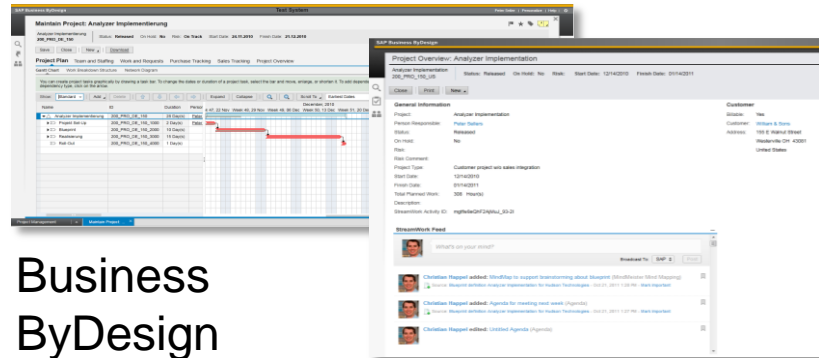- Add On´s / Store

Massively scalable
- Multi Tenancy

Mobile & UX

Social

Integrated

On Demand Solutions
User Experience
Adaptability
Functional Core Capabilities

Insight / Decision

Speed / TCO / Scalability

Cloud Solutions
User Experience is Key → Design Thinking & Customer Co-Innovation
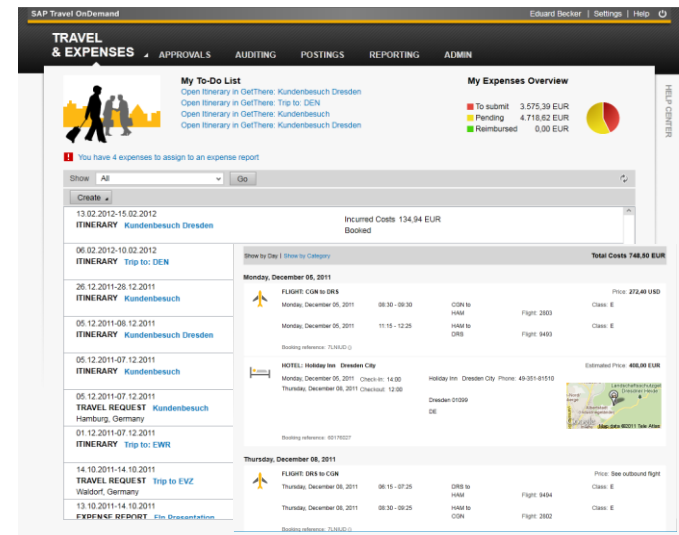
Business
ByDesign

Travel & Expense OD

Sales OnDemand

Career OnDemand

Comprehensive Solution Portfolio
Seamlessly Integrated for a Hybrid World

"Suite On Demand"
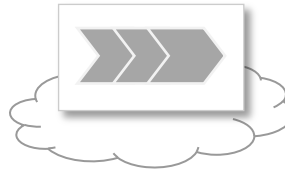**Integrated Suite to run**
your business

"LoB On Demand"
Solutions to differentiate your
line of business

Solutions to increase your
personal productivity

SAP Business ByDesign	**SAP Sales OnDemand**	**SAP Travel OnDemand**	**SAP BusinessObjects BI OnDemand**
SAP Business ByDesign for Subsidiaries	**SAP Career OnDemand**	**SAP Service OnDemand**	**SAP Streamwork**
Partner Add-ons	**SAP Carbon Impact**	**SAP Sourcing OnDemand**	

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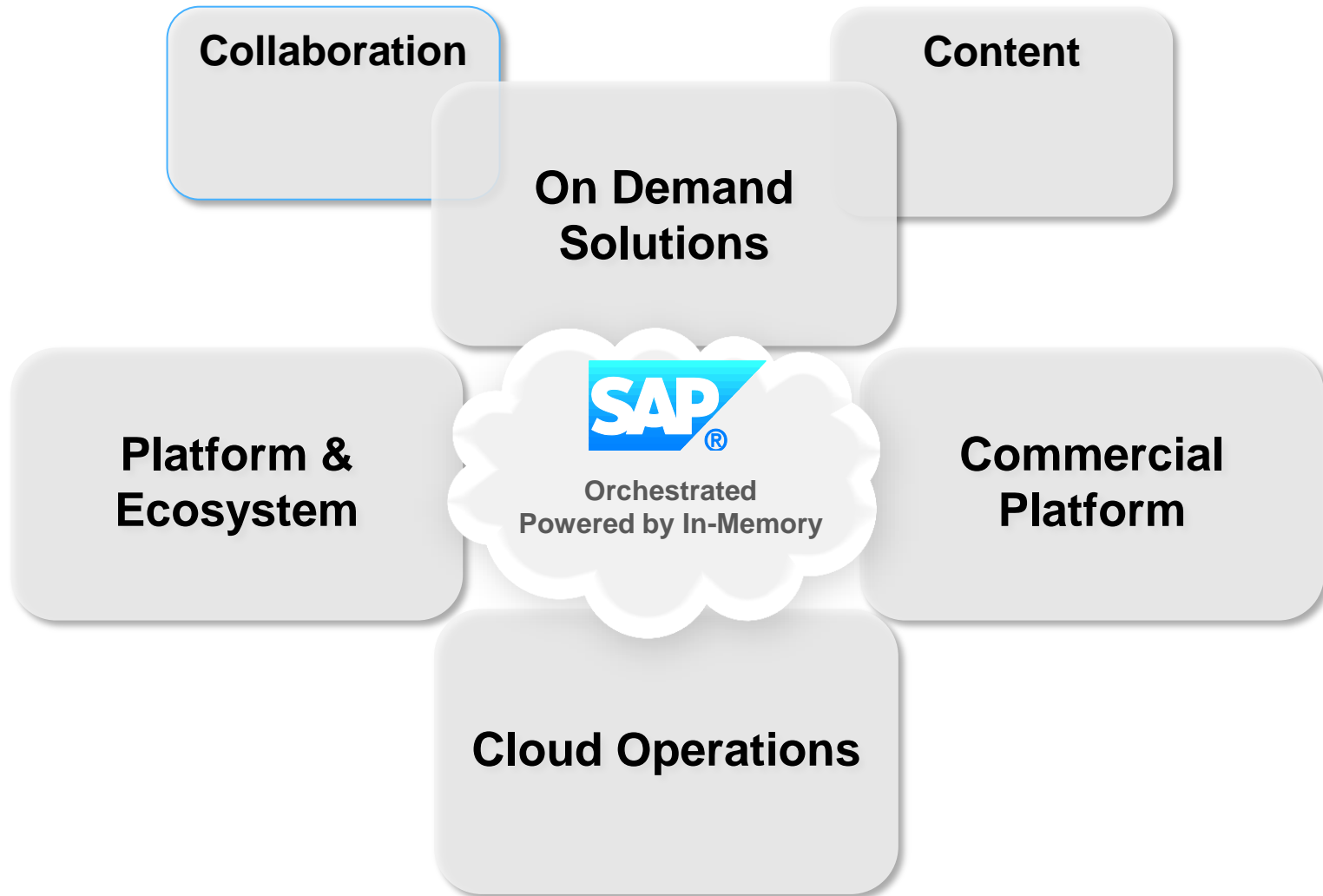
SAP Streamwork
Be productive in minutes - Connecting the cloud securely

Benefits

- Increased productivity
- Faster, more informed decisions
- Commitment and follow-through
- Transparency and repeatability

Key Features

- People exploration
- Work organization and management
- Communication and monitoring
- Enterprise and Web 2.0 application integration
- Business process integration
- Document conversion and sharing
- Tools for structuring work
- Mobile clients

1 English, German, Spanish, French, Chinese, Russian, Japanese, Portuguese

Introducing Crossgate

Collaborate with any partner, anywhere, by joining the network once

CROSSGATE

- **Open**, global business network with 60,000 partners

- **Eliminates need for point-to-point** connections

- **Deep B2B integration** within SAP Business Suite

- Easily **plug-in** new customers, suppliers, partners

- **Comply** with government and customer mandates for electronic commerce

"

Volkswagen achieved close to 100% adaption of paper-based invoices and credit memos with 10,000 dealerships and suppliers.

Manfred Heise, Volkswagen AG

"

"

Issue of spare parts invoice for all 1,200 European dealerships electronically enabled in less than 3 months.
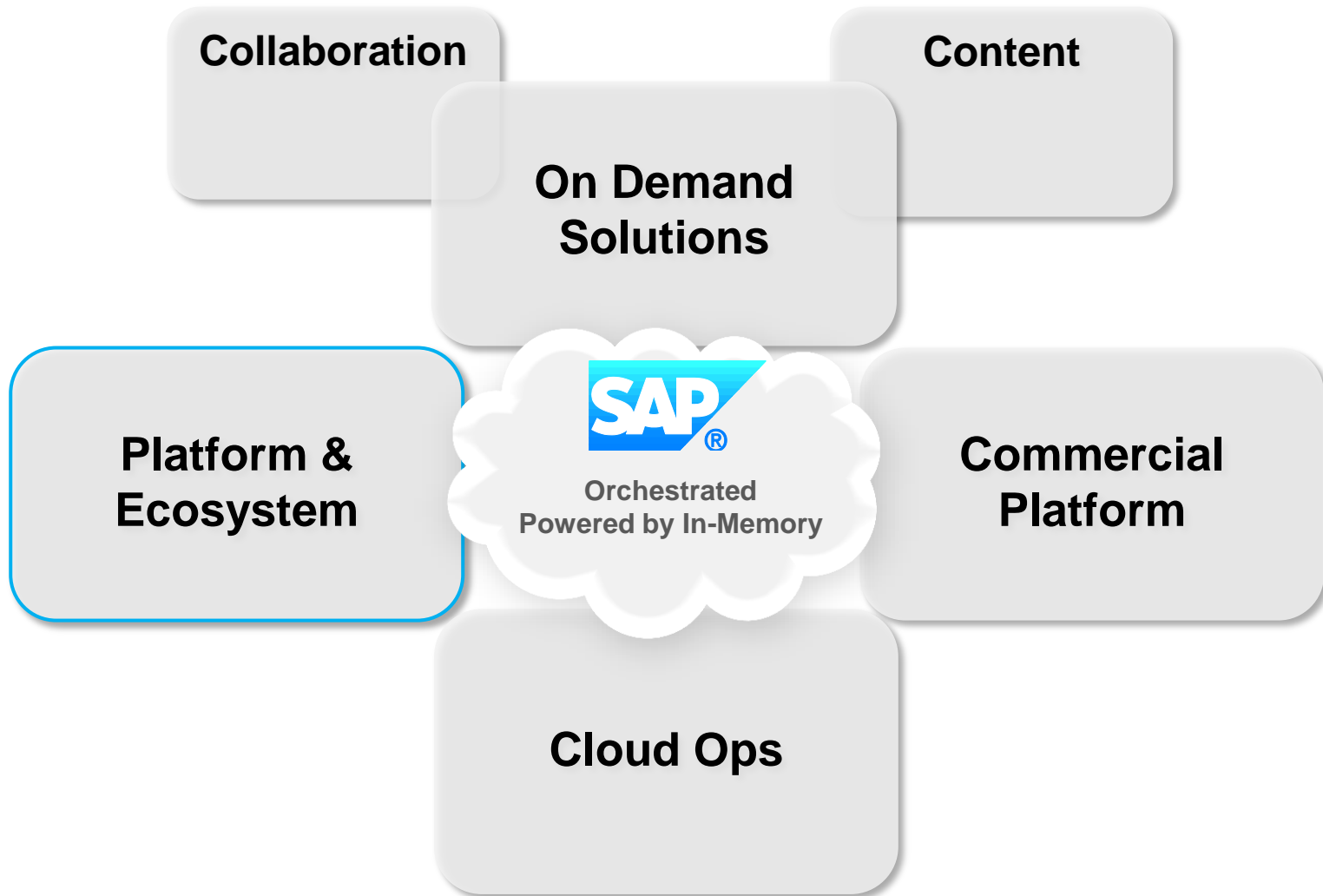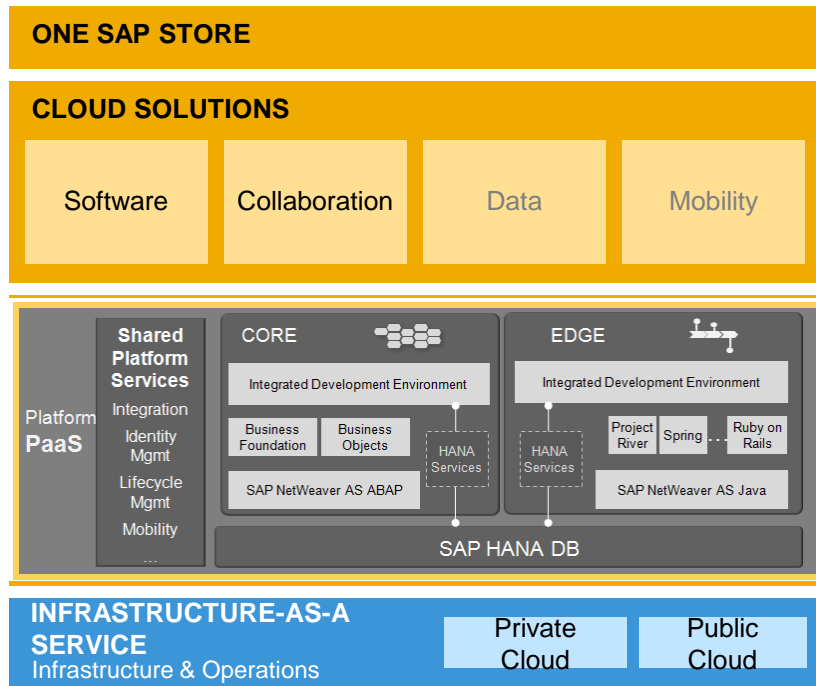
Thomas Riech, Suzuki Europe

"

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Cloud Ops

SAP Cloud Platforms
Core and Edge Platforms will serve SAP Cloud Solutions
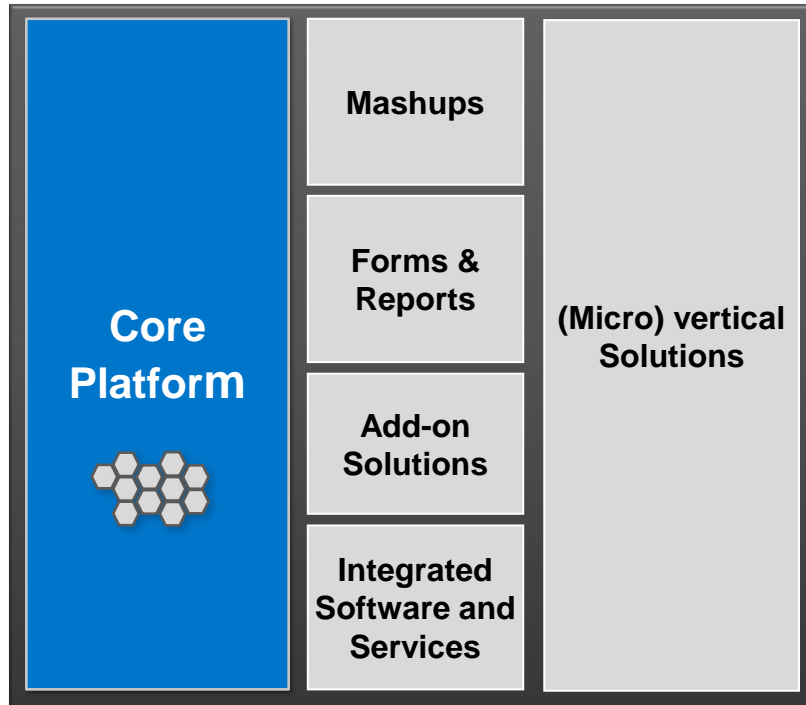

Two platforms for SAP Cloud offering

- Core PaaS – NGAP / BYD based
- Edge PaaS – Java based

Key objectives

- Enable ecosystem to accelerate innovation with PaaS
- Accelerate speed, efficiency, integration
- ONE SAP cloud infrastructure
- Leverage of In-Memory
- Uniform programming / UX model
- Deliver multi-tenancy, rapid provisioning, elastic scalability
- Provide integration & orchestration (to on premise, master data, security)
- Facilitate performance management, usage tracking & billing

Co-Innovation with Customers & Partners
EXAMPLE: BYDESIGN SOLUTION PROGRAM

Core Platform	Mashups	(Micro) vertical Solutions
	Forms & Reports	
	Add-on Solutions	
	Integrated Software and Services	

Solution Reach →

- Build a vibrant partner ecosystem
- Increase solution reach with additional functionality
- Different extensibility use cases
- Development / test environments
- SAP ByDesign Studio (SDK)
- Further services

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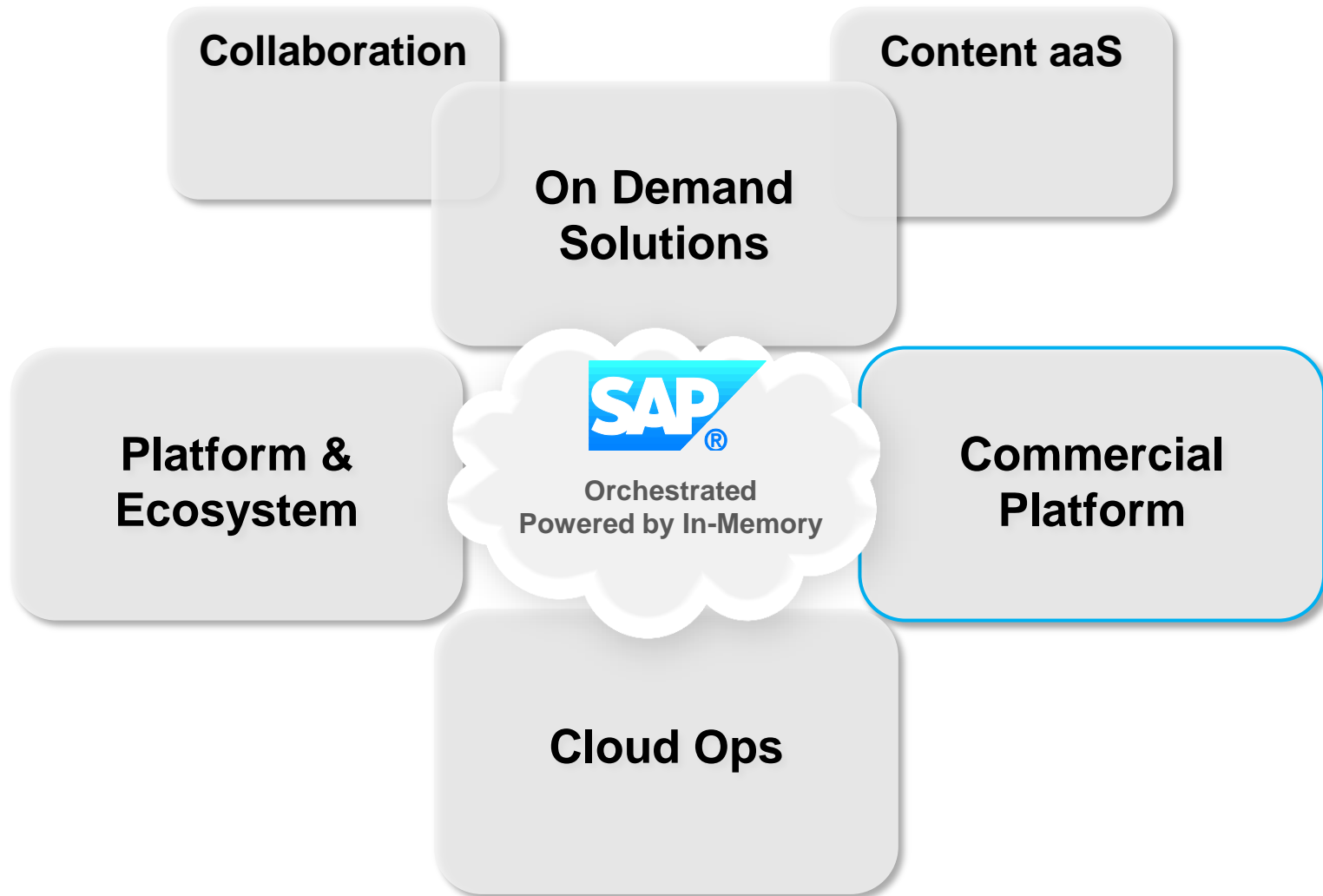
Cloud Ops

SAP Store – Ecosystem Hub for the SAP Business Cloud

One SAP Store for SAP Business Apps

1. <u>Discover</u> the right solution extension (start from SAP.com or from in-application)
2. <u>See & try</u> the solution extension with a Testdrive / Trial and check compatibility
3. <u>Buy</u> the solution online and <u>get</u> it instantly

Available as Mobile App in iTunes as well

SAP.com	**SAP Store**	**SAP Store**
Unified storefront	Solution Catalog	Test Drive / Compat. Check

Customer

Partner

Billing & Collection	Instant Deployment / Activation / Configuration	Ordering / eContracting
Service Control Center	**Service Control Center**	**SAP Store**

SAP Store

A Platform for Partners to Build and Sell Cloud Add-ons
Covering development through sales and customer support

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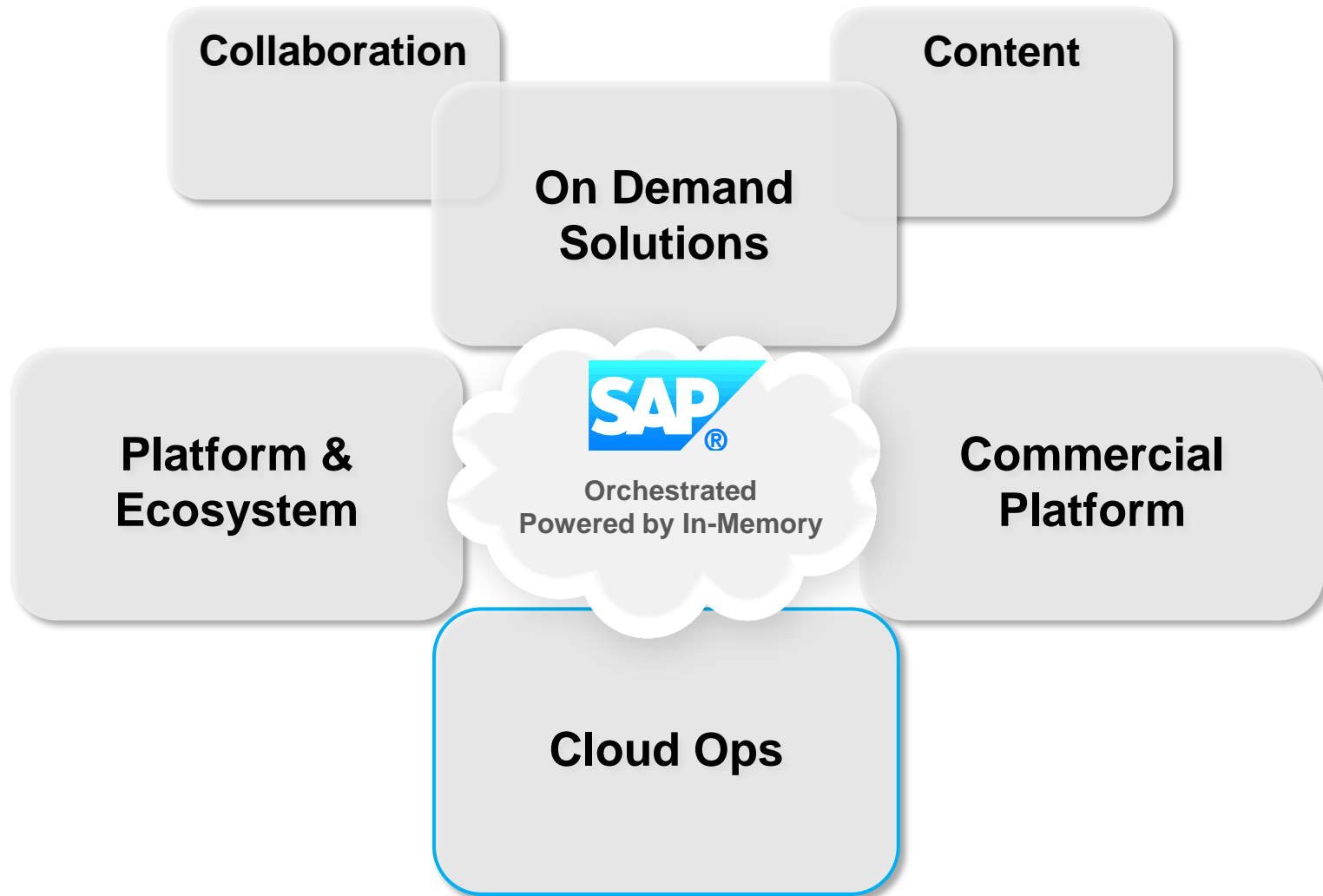

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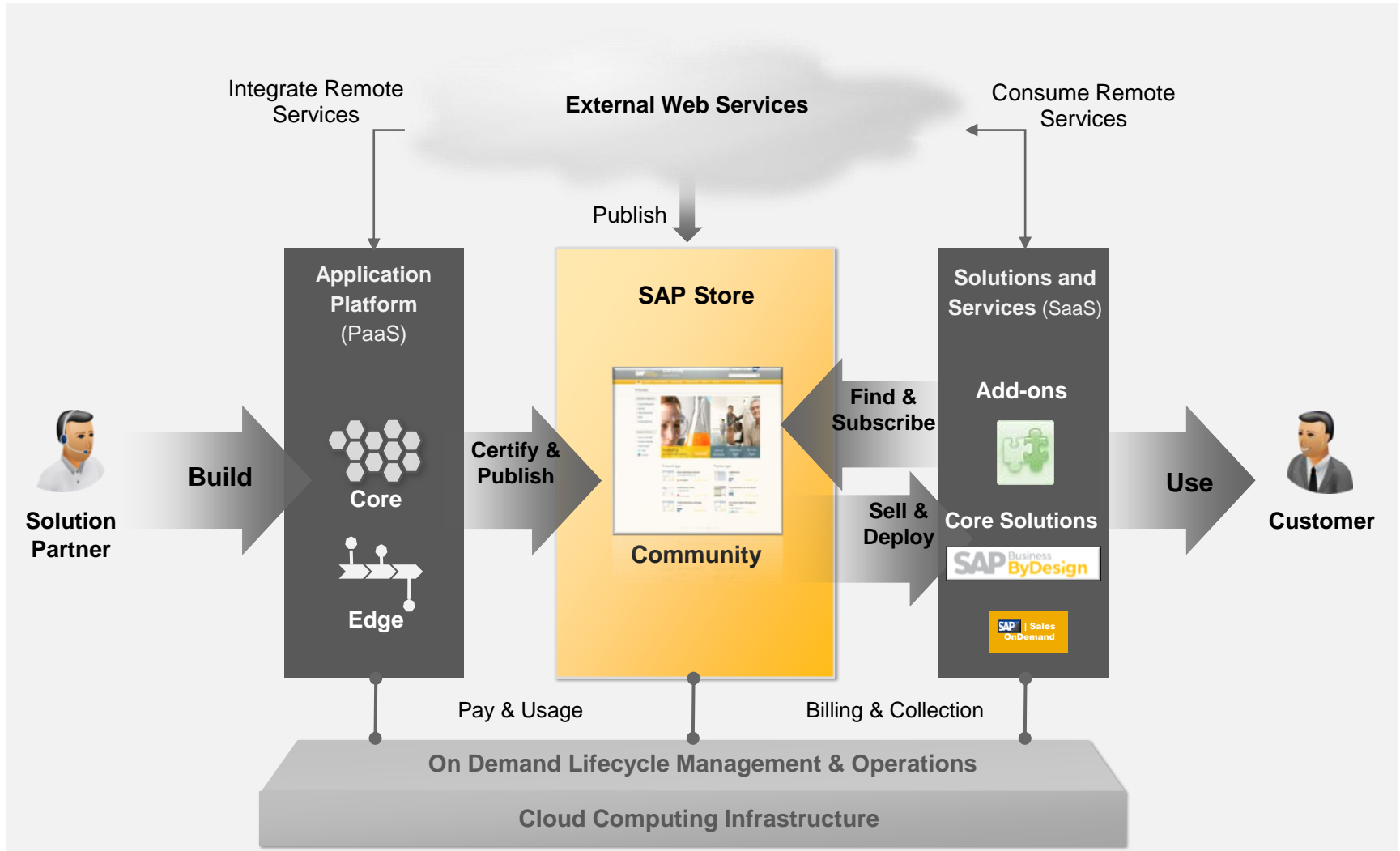
Cloud Ops

Cloud Operations & Infrastructure
Continuous Investment into SAP Cloud

ISO 27001 certification

SAS 70 Type II certification

TÜVRheinland®
Genau. Richtig.

Energy efficiency certificate
"Premium Standard Data Center"

Highest Compliance Standards
ISO 27001, SAS 70 Type II, ISAE 3402 certificate

SAP Data Centers
SAP data center location in Germany
US data center to open in Q2 2011
APA in preparation

Scalability and In-Memory Ready
Scalable operations through full Multi-tenancy enablement
Latest blade technology with 144 GB – 2 TB Main memory
In-memory database will further improve performance and reduce cost

Integration with Service Backbone
Continuous, proactive monitoring
SAP support network

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