SAP HANA Business Case
The Smart Move
August 2016

Sample Business Case for (Your Company)
Book a meeting to complete!
The process to develop a personalised business case

Frist Step – A quick value assessment

• Tailored view of potential impacts
• Estimated benefits
• Potential improvements based on benchmarks
• Proven Use cases relevant to your industry
• Benchmarking surveys to tailor your assessment

Download a sample for review

Register to get your personalised business case

Business case sent to you / presentation of results
Transition to the SAP Platform powered by SAP HANA
IT is Live - Always On and Always Connected

SAP HANA Business Case Overview

• SAP Platform Overview
• SAP HANA Migration
• Business Case Elements
• Customer Examples
• SAP HANA Use Cases (General)
• Business Scenario Recommendations
• Benefits Potential
• Other Ways to engage with SAP Technologies and Solutions
SAP Platform Overview
# SAP HANA Platform

The data management and application platform for all applications

---

**SAP HANA PLATFORM**

<table>
<thead>
<tr>
<th>APPLICATION SERVICES</th>
<th>PROCESSING SERVICES</th>
<th>INTEGRATION &amp; QUALITY SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web Server</td>
<td>Spatial</td>
<td>Data Virtualization</td>
</tr>
<tr>
<td>JavaScript</td>
<td>Graph</td>
<td>ELT &amp; Replication</td>
</tr>
<tr>
<td>Fiori UX</td>
<td>Text Analytics</td>
<td>Data Quality</td>
</tr>
<tr>
<td>Graphic Modeler</td>
<td>Streaming Analytics</td>
<td>Hadoop &amp; Spark Integration</td>
</tr>
<tr>
<td>Application Lifecycle Management</td>
<td>Series Data</td>
<td>Remote Data Sync</td>
</tr>
</tbody>
</table>

**DATABASE SERVICES**

- Columnar OLTP+OLAP
- Multi-Core & Parallelization
- Advanced Compression
- Multi-tenancy
- Multi-Tier Storage
- Data Modeling
- Openness
- Admin & Security
- High Availability & Disaster Recovery

---

**ONE Open Platform**

**OLTP + OLAP**

**ONE Copy of the Data**

*Graph is in controlled availability*
SAP HANA Platform is easy to adopt
Standard-based and open

### SAP HANA Platform

<table>
<thead>
<tr>
<th>Application Services</th>
<th>Processing Services</th>
<th>Integration &amp; Quality Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Database Services</strong></td>
<td><strong>Application Services</strong></td>
<td><strong>Processing Services</strong></td>
</tr>
<tr>
<td>Standard RDBMS</td>
<td>Choice of application servers and webservers</td>
<td>Execute advanced data processing using SQL</td>
</tr>
<tr>
<td>ACID, SQL 92 Compliant</td>
<td>Eclipse-based and web development tool</td>
<td>Spatial processing follows OGC standards, ISO SQL/MM, GeoJSON</td>
</tr>
<tr>
<td>Accessible thru JDBC, ODBC, JSON, OData</td>
<td>Include web application server with Java Script, Java, Node.js, C++ runtime support</td>
<td>Built-in predictive libraries and supports R</td>
</tr>
<tr>
<td>Standard security model</td>
<td>Support git, github, maven tools</td>
<td></td>
</tr>
<tr>
<td>Choice of third-party administration tools</td>
<td>Include HTML5 UI libraries</td>
<td></td>
</tr>
</tbody>
</table>
SAP HANA Platform Ranked as a Leader in The Forrester Research Wave™: In-Memory Database Platforms, Q3 2015

- “SAP’s razor-sharp focus on in-memory technology is paying off.”
- SAP HANA Platform earned the highest score of any vendor in strategy and current offering
- SAP is the only company to earn a 5/5 score for vision
- SAP is the only company to receive a 5/5 score for data management features and transaction capabilities
- SAP also earned a 5/5 for execution, market presence, customers, partners, revenue, performance and scale and analytics support

*The Forrester Wave™ is copyrighted by Forrester Research, Inc. Forrester and Forrester Wave™ are trademarks of Forrester Research, Inc. The Forrester Wave™ is a graphical representation of Forrester’s view on a market and is plotted using a detailed spreadsheet with exposed scores, weightings, and comments. Forrester does not endorse any vendor, product, or service depicted in the Forrester Wave. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change.*

Source: The Forrester Wave™: In-Memory Database Platforms, Q3 ’15 by Noel Yuhanna, Forrester, August 2015
SAP HANA Cloud Platform
The Platform-as-a-Service to Extend, Integrate, and Build Business Apps

Extend
Cloud & On-Prem Apps
Quickly add new functionality to your existing cloud and on-prem apps to optimize your existing investments

Integrate
Your Apps and Data
Connect your cloud and on-prem apps to eliminate data silos and make digital access simple, secure, and scalable

Build
Brand New Cloud Apps
Rapidly build and run new cloud apps to solve new problems, engage new customers, and drive new revenue
# SAP HANA Cloud Platform

## Technical and Business Services

### On-Premises / Managed Cloud

- SAP S/4HANA
- SAP Business Suite
- SAP Business Warehouse

### Runtimes

- Java
- XSJS
- HTML5
- Node.js
- Other

### Business Services

- YaaS Commerce
- YaaS Marketing
- YaaS Service

### Platform Services

- Integration
- IoT
- Security
- Analytics

- UX
- Mobile
- Collaboration

### Data & Storage Services

- SAP ASE
- Redis
- Big Data Services:
  - SAP HANA
  - SAP HANA Vora / Hadoop

- PostgreSQL
- MongoDB

### SAP HANA Cloud Platform (PaaS)

![Cloud Foundry](image)

### Dev & Ops

- SAP S/4HANA
- SAP SuccessFactors
- SAP Cloud for Customer
- SAP Ariba
- Concur
- SAP Fieldglass
- SAP Business ByDesign

### IaaS

- OpenStack

### SaaS

- SAP S/4HANA
- SAP SuccessFactors
- SAP Cloud for Customer
- SAP Ariba
- Concur
- SAP Fieldglass
- SAP Business ByDesign

### Customer Data Centers

1) planned innovations / future direction
SAP HANA Migration Business Case Elements
Components of the Business Case for Migrating to HANA

Migrating to the SAP HANA stack will allow your organisation to prepare the business for a digital transformation.

IT capabilities change through a simplified approach providing increased agility, scalability and performance – **all at a lower cost** – thereby enabling the business with the technology to support ongoing and future initiatives as well as meeting the challenges driven by demands for improved user experience.
## Components of the Business Case for SAP HANA

### Qualitative Benefits from New IT Capabilities

<table>
<thead>
<tr>
<th>Benefit Areas</th>
<th>Value Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Reduction</td>
<td><strong>Lower risk, strategic alignment and customer satisfaction</strong></td>
</tr>
<tr>
<td>Audit Costs</td>
<td>• SAP’s innovation platform, SAP HANA, is being used to deliver on SAP’s strategy</td>
</tr>
<tr>
<td>Strategic Alignment</td>
<td>• to provide our customers with solutions that are more simplified, productive, and</td>
</tr>
<tr>
<td></td>
<td>• agile – all with a lower total cost of ownership</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>• SAP’s research and development efforts and deliverables are increasingly focused</td>
</tr>
<tr>
<td></td>
<td>• on leveraging the unique capabilities in SAP HANA</td>
</tr>
</tbody>
</table>

### IT Enabled Business Benefits

<table>
<thead>
<tr>
<th>Benefit Areas</th>
<th>Value Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Capabilities</td>
<td><strong>Huge gains in productivity and time-to-market</strong></td>
</tr>
<tr>
<td>Reduced Shadow IT</td>
<td>• IT led capabilities reduce need for ‘Shadow IT’ and challenges it causes</td>
</tr>
<tr>
<td>User Productivity</td>
<td>• Improved performance with complex queries and reports being delivered up to 10,000x faster</td>
</tr>
<tr>
<td>Time to Market</td>
<td>• Virtual Data Models combined with predictive and analytic engines enable business</td>
</tr>
<tr>
<td></td>
<td>• simulations in real time ‘gap analysis’ etc.</td>
</tr>
</tbody>
</table>

### IT Development Productivity and Agility

<table>
<thead>
<tr>
<th>Benefit Areas</th>
<th>Value Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Development</td>
<td><strong>Gains in productivity and time-to-market</strong></td>
</tr>
<tr>
<td>Speed of Change</td>
<td>• Development and change management are inherently simpler, since a large</td>
</tr>
<tr>
<td>Testing/QA</td>
<td>• proportion of the complexity of applications, 60-95% can be removed</td>
</tr>
<tr>
<td></td>
<td>• This reduces the time and cost of development and change, allowing customers to</td>
</tr>
<tr>
<td></td>
<td>• implement 2-3x or more new requirements, and thus increase benefits</td>
</tr>
</tbody>
</table>

### IT TCO Benefits

<table>
<thead>
<tr>
<th>Benefit Areas</th>
<th>Value Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition Costs</td>
<td><strong>IT Simplification and TCO Reduction</strong></td>
</tr>
<tr>
<td>Support Costs</td>
<td>• Consolidation of OLTP and OLAP (and other analytical engines) into the same</td>
</tr>
<tr>
<td></td>
<td>• system providing a smaller technical footprint, reducing system complexity</td>
</tr>
<tr>
<td>Storage Costs</td>
<td>• Single copy of data, column store and compression, combined with the elimination</td>
</tr>
<tr>
<td></td>
<td>• of many tables and indices significantly reduces total data footprint (by up to X10)</td>
</tr>
<tr>
<td>Operational Staff Costs</td>
<td>• Lower data centre costs (Power/Cooling Real Estate and Network)</td>
</tr>
<tr>
<td>Data Centre (Hosting) Costs</td>
<td>• Reduced software cost (systems management, ETL and analytics)</td>
</tr>
<tr>
<td></td>
<td>• Commodity hardware from a choice of vendors</td>
</tr>
<tr>
<td></td>
<td>• No indices, materialization, and performance tuning therefore DB administration is</td>
</tr>
<tr>
<td></td>
<td>• both less and easier</td>
</tr>
<tr>
<td></td>
<td>• Reduced and less complex environment making it simpler to run, operate and maintain</td>
</tr>
</tbody>
</table>
37% savings potential with SAP HANA across hardware, software, and labour costs*

*Based on a composite model, using SAP HANA with BW, ERP, and a custom-developed application as produced by Forrester Research, Inc. See: Projected Cost Analysis of SAP HANA, April 2014 Forrester Research
IT Development Productivity and Agility

Qualitative Benefits from New IT Capabilities

- Risk Reduction
- Audit Costs
- Strategic Alignment
- Customer Satisfaction
- New Capabilities
- Reduced Shadow IT
- User Productivity
- Time to Market

IT Enabled Business Benefits

- New Development
- Speed of Change
- Testing/QA

IT Development Productivity and Agility

- Acquisition Costs
- Support Costs
- Storage Costs
- Operational Staff Costs
- Data Centre (Hosting) Costs

IT TCO Benefits

- 60% reduction in project effort
- 80% reduction in backup and restoration requirements achieved without any downtime
- 10 minute solution development time (vs. 1 week for previous solution)
- 3-week implementation of HANA environment
- 6 weeks to implement a Rapid deployment Solution
- 30% development savings
## IT Enabled Business Benefits

### Qualitative Benefits from New IT Capabilities

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>HANA Impact: ★★★★★★</td>
</tr>
<tr>
<td>Risk Reduction</td>
<td>HANA Impact: ★★★★★★</td>
</tr>
<tr>
<td>Audit Costs</td>
<td>HANA Impact: ★★★☆☆☆☆</td>
</tr>
<tr>
<td>Strategic Alignment</td>
<td>HANA Impact: ★★★☆☆☆☆</td>
</tr>
</tbody>
</table>

### IT Enabled Business Benefits

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Capabilities</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Reduced Shadow IT</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>User Productivity</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Time to Market</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
</tbody>
</table>

### IT Development Productivity and Agility

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Development</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Speed of Change</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Testing/QA</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
</tbody>
</table>

### IT TCO Benefits

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition Costs</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Support Costs</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Storage Costs</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Operational Staff Costs</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
<tr>
<td>Data Centre (Hosting) Costs</td>
<td>HANA Impact: ★★★★★☆☆☆☆</td>
</tr>
</tbody>
</table>

### (Your Company) Processes/ Improvement Areas

- xxxx
- yyyy
- zzzz

### HANA Impact

- 90x Faster report development
- 71.4% faster batch processing
- Up to 99.4% faster generation of key reports
- 89.8% reduction in data volume
- 90% faster reporting
- 30x accelerated End-of-Quarter operational reporting
- 60x faster data loads of planning data
- 5x loading time improvement in SAP BW
- Accelerated MRP runs from 21 hours to less than one hour
- 85% Faster Materials Resource Planning
- 7x Faster material resource planning run
- 6 hours down to 22 minutes To run a full material requirements planning (MRP) cycle

© 2015 SAP SE or an SAP affiliate company. All rights reserved.
Qualitative Benefits from New IT Capabilities

<table>
<thead>
<tr>
<th>Qualitative Benefits from New IT Capabilities</th>
<th>IT Enabled Business Benefits</th>
<th>IT Development Productivity and Agility</th>
<th>IT TCO Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Reduction</td>
<td>Acquisition Costs</td>
<td>New Development</td>
<td>SAP HANA Launched 2012</td>
</tr>
<tr>
<td>Audit Costs</td>
<td>Support Costs</td>
<td>User Productivity</td>
<td>2012-2015 Benefits of adopting SAP HANA</td>
</tr>
<tr>
<td>Strategic Alignment</td>
<td>Storage Costs</td>
<td>Time to Market</td>
<td>Functionality Gap</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>Operational Staff Costs</td>
<td>Speed of Change</td>
<td>2015-2020 Initially expected additional functionality offered by SAP HANA</td>
</tr>
<tr>
<td></td>
<td>Data Centre (Hosting) Costs</td>
<td>Testing/QA</td>
<td>Currently expected additional functionality offered by SAP HANA</td>
</tr>
</tbody>
</table>

"Technology Piece of Mind"

- Risk Reduction: reduced complexity combined with the ability to update and change more quickly
- Audit Costs: Verifying the quality and accuracy of results is significantly simplified when combinations and permutations of data movement and transformation are reduced
- Customer Satisfaction: Being able to react to changing customer needs more quickly should improve net promoter score, improve customer retention etc.
- Strategic alignment: All SAP’s R&D effort and deliverables are increasingly focused on SAP HANA. Over time there will be a divergence in functionality and associated capability between applications running on SAP HANA and those running on an alternative platform
Customer Examples
Public Sector
Fire & Rescue, New South Wales

Using SAP Business Suite powered by SAP HANA to Help Keep the State Safe

Fire & Rescue New South Wales, Australia’s largest firefighting agency, is using SAP Business Suite powered by the SAP HANA platform for all aspects of running the organization with high efficiency – finance, payroll, HR, procurement, training, logistics, and more. So are its sister agencies, New South Wales State Emergency Service and New South Wales Rural Fire Service. Replacing an Oracle database with the SAP HANA platform introduced vast improvements – like reports in real time that used to take a day – but it is the possibilities for tomorrow that have these agencies really excited.

Explore Related Links
•Fire & Rescue, New South Wales Customer Success Story
The City of Boston is famous for many things – from its vibrant neighborhoods to the storied Boston Red Sox baseball team. The city is also a recognized leader in its innovative use of technology. Now with the help of the SAP Strategy Management application, Boston is improving public services and providing its citizens instant insight into the city's performance.

Explore Related Links
• City of Boston Business Transformation Story
• City of Boston Customer Journey
Our solution helps you resolve complex citizen issues and cases with an integrated platform. Consequently you can automate and streamline service delivery processes for social protection and benefits and social security deductions. In fact, our conservative estimates show that organizations like you could reduce customer service costs by $1.3M – $1.5M annually.
Public Sector customers realize value from steps on the road map for SAP S/4HANA

<table>
<thead>
<tr>
<th>Customer overview:</th>
<th>Customer overview:</th>
<th>Customer overview:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea Meteorological Administration (KMA) introduced SAP HANA to help businesses, such as fisheries, and citizens live and work with greater confidence.</td>
<td>Keeping the community safe with the help of Suite on Hana</td>
<td>Improving Life Across the State with Hana and Lumira</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>7 - 8x</strong></th>
<th><strong>12 weeks</strong></th>
<th><strong>&gt; 5 billion</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Faster data queries performed by SAP HANA as compared to the traditional database</td>
<td>To implement Suite on Hana</td>
<td>Rows of data being integrated from state agencies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>5.5 hours to 4.19 sec</strong></th>
<th><strong>71%</strong></th>
<th><strong>50%</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction in retrieval times for the first year of weather data</td>
<td>Compression of production database size after switching from Oracle to SAP</td>
<td>More data being analyzed by IT staff</td>
</tr>
</tbody>
</table>

- Smaller data footprint
- Higher throughput
- Faster analytics and processing
- Fewer process steps
SAP is proven in the public sector industry

- Sustainable government funding
  - Surrey County Council
  - Howard County Hospital
  - Gloucestershire County Council

- Meeting citizens needs
  - Provincie Noord-Brabant
  - Feeding America
  - Department of Conservation of Papua New Guinea

- Public security
  - CDU
  - Department for Transport
  - Fire & Rescue NSW
  - Foxy County Fire & Rescue Service

- Procurement
  - Hermes Post
  - Bend
  - Direct Relief International

- Finance
  - Vienna
  - Howard County
  - Department of Transport of Brazil

- HR
  - Barnsley
  - SE
  - NASA
  - Plan
Professional Services
When it comes to internal materials handling and logistics, businesses around the world rely on high-quality products and solutions from Interroll. Being fast is of the essence, not only for Interroll customers but also for the company itself. To improve system performance and reporting and to lay the foundation for real-time processes across the entire value chain, Interroll turned to SAP. A winner in 2014 at the SAP Quality Awards in Switzerland for its global implementation of the SAP ERP application, Interroll didn't stop there. To further optimize its SAP software landscape, it migrated SAP ERP from an Oracle database to the SAP HANA platform in just six months using the SAP HANA Enterprise Cloud service. The company now has a faster, more reliable system at a lower cost and the foundation to provide even better service to internal and external customers through reporting dashboards, real-time analytics, and customer-facing solutions from SAP. The result: from the shop floor to customer relationships, Interroll is running better than ever.

Explore Related Links
• Business Transformation Study: Interroll Group
• ReferencesLive recording: Interroll Group
• Interroll: SAP HANA Enterprise Cloud Customer Whiteboard Video
Wholesale
Asia's manufacturers and construction companies depend on Trusco Nakayama for tools and equipment to power their businesses. To keep its customers operating at peak efficiency, Trusco must make sure it has stock of exactly what customers need, when they need it.

The SAP HANA platform allowed Trusco to analyze three years of historical sales transactions. This analysis helped Trusco optimize inventory across its 50 distribution centers, leading to a 20% increase in inventory turnover with only a 7% increase in costs. With better-optimized inventory, Trusco has increased its inventory hit rate to 86.8%, which means more immediately satisfied customers. Trusco is also using SAP HANA to drive a better online customer experience by giving customers real-time price and stock information online, leading again to happier customers and 10% more online orders.

Explore Related Links
• Business Transformation Study: Increasing Inventory Hit Rate to Over 86% with SAP HANA
• Business Transformation Study: Enabling Business Differentiation with SAP Enterprise Support
Our solution lets you set targets on various dimensions, aggregate account and opportunity planning information, and work with rolling sales forecasts. Consequently you collaborate on customer needs and deliver on those needs at a stated price and time, enabling a perfect order experience every time. In fact, our conservative estimates show that organizations like you could reduce Sales Cost by 5.3M – 6.7M annually.
## Wholesale distribution customers realize value from steps on the road map for SAP S/4HANA

<table>
<thead>
<tr>
<th>Customer overview:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Charmer Sunbelt Group</strong></td>
<td>Implemented SAP HANA to leverage real-time data from four separate operations systems</td>
</tr>
<tr>
<td>40 seconds</td>
<td>Faster warehouse operations reporting, from 3 days manually to 40 seconds</td>
</tr>
<tr>
<td>100 users</td>
<td>In CSG warehouses have access to SAP HANA data analysis</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customer overview:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AmSty</strong></td>
<td>Adopted best practices for chemicals on SAP HANA running with the SAP HANA Enterprise Cloud service</td>
</tr>
<tr>
<td>3 vs. 7 days</td>
<td>Faster month-end close</td>
</tr>
<tr>
<td>1–8 days</td>
<td>Faster financial consolidation process</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customer overview:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bayer MaterialScience</strong></td>
<td>Deployed SAP Business Suite powered by SAP HANA (SAP ERP, SAP Customer Relationship Management, and SAP Supply Chain Management applications)</td>
</tr>
<tr>
<td>49%</td>
<td>Improvement in complaint processing performance</td>
</tr>
<tr>
<td>20%–30%</td>
<td>Average performance boost on key applications</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Smaller data footprint</td>
<td>Higher throughput</td>
</tr>
</tbody>
</table>
SAP is proven in wholesale distribution

Opportunity to cash
Procure to pay
Supply chain planning and execution
Profitability optimization

HR
Finance
Retail
HSE24 continually seeks to improve customers’ experiences, whether they interact with the retailer via the Web, mobile device, or the call center. With the SAP Audience Discovery and Targeting analytic application, part of the SAP Customer Engagement Intelligence solution, HSE24 leverages the SAP HANA platform to turn analytical insight into actionable information that can drive sales and reduce customer returns.

Explore Related Links
- Bloomberg Case Study: Using Real-Time Insights to Get Closer to Customers
- Customer Journey: Pioneering in Modern Home Shopping Experiences and User-Oriented Digital Commerce
- 2016 SAP HANA Innovation Award Entry: HSE24 quickly turns analytical insight into targeted marketing campaigns
Estimated Value of SAP Solutions for Retail

Value from each business area

Key Observations

Our solution enables automated warehouse operations with RFID and sensors with IoT framework for integration to manage just-in-time availability, unit handling, serial numbers, electronic data interchange, and proof of delivery. Consequently by providing mobile inventory management and warehouse applications

In fact, our conservative estimates show that organizations like you could reduce Warehouse Management costs by $1.2M – $1.4M.
Retail customers realize value from steps on the SAP S/4HANA road map

Customer overview:
Swiss department Store Leader - Clothing, accessories, and beauty products

- **72.7%**
- Reduction in Database size
  (from 550GB to 150GB)
- **80x**
  Faster data access for planning and reporting

Customer overview:
Austrian Groceries and sporting goods retailer

- **Up to 85%**
- Faster daily load times
- **>75%**
  Reduction in Database size

Customer overview:
Electronics, appliances, computer retailer from Russia

- **500**
  Predictive models per month
- **Up to 82%**
  accuracy in sales forecasts, 10% increase vs prior forecasting techniques

<table>
<thead>
<tr>
<th>Smaller data footprint</th>
<th>Higher throughput</th>
<th>Faster analytics and processing</th>
<th>Fewer process steps</th>
</tr>
</thead>
</table>
SAP is proven in the Retail industry

<table>
<thead>
<tr>
<th>Customer-centric marketing and merchandising</th>
<th>Sourcing, buying, and private label</th>
<th>Supply chain</th>
<th>Omnicommerce customer experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brookshire’s, Walgreens, Dansk Supermarked, axfood, Liverpool</td>
<td>Dollar Tree, Ross Stores, Inc., STAPLES, Sears, CVS</td>
<td>adidas, Indigo Books &amp; Music, Foodstuffs</td>
<td>Spar, Discount Tire, ALDO, Omnicommerce</td>
</tr>
</tbody>
</table>

**Finance**
- Abercrombie & Fitch, Boulanger, Narrative, Nebraska Book Company, Sports Basement

**HR**
- H-E-B, Ahold, J.CREW, Al-Futtaim, Ripley
Healthcare
How is genome analysis revolutionizing health care? Understanding the genetic behavior of viruses and cancer helps researchers develop better tests and treatments to keep people healthy. Mitsui Knowledge Industry (MKI) is using SAP HANA in-memory computing to analyze DNA samples rapidly and precisely.

Explore Related Links
• MKI Customer Journey
• SCN Blog: Life Sciences Use Cases for SAP HANA
• MKI HANA Innovation Award Entry 2015
HANA Use Cases (General)
Accelerating Business Processes with SAP® ERP powered by SAP HANA®

Company
Komatsu Cummins Chile

Headquarters
Santiago, Chile

Industry
Industrial machinery and Components

Products and Services
Equipment and services for the mining, construction, and forest industry segments

Employees
5,800

Web Site
www.komatsu.cl
www.cummins.cl

Objectives
- Optimize response times for SAP® applications
- Ensure that the IT infrastructure can support expected growth in the upcoming years
- Establish a disaster recovery project to support 80% of operations

Resolution
- Migrated the SAP® ERP application to the SAP HANA® platform for its rapid in-memory database processing, data compression ability, and numerous business applications
- Worked with both local experts and a deployment team at SAP headquarters in Germany
- Collaborated with business and IT users to help ensure specific needs would be met

Benefits
- Faster business process response times, including faster stock surveys
- Increase in contingency environment capacity
- Smaller database
- Lower total cost of ownership

"We chose SAP HANA because of the process speed and the ease with which it can be integrated into current solutions running at Komatsu. It helps us save time, save money, and run our business better."

Rodrigo Montes, Project Manager, Komatsu Cummins Chile

62%
Database compression (from 2.2 TB to 872 GB)

99%
Faster stock survey (210 to 3 seconds)

80%
Increase in the contingency environment capacity
Avon Cycles: Achieving Business Agility with SAP® Business Suite powered by SAP HANA®

Company
Avon Cycles Limited

Headquarters
Ludhiana, Punjab, India

Industry
Consumer products

Products and Services
Bicycles, bicycle parts, electric bikes, and fitness equipment and accessories

Employees
1,500

Revenue
Rs 4.21 billion (US$89.4 million)

Web Site
www.avoncycles.com

Partner
vCentric Technologies Pvt. Ltd.
www.vcentric.com

The company’s top objectives
- Leverage the business value of large and growing data volumes
- Manage data for 360 cycle components and 200 models with an average of three sizes per model and three colors per size
- Accelerate operations in key business areas such as sales, supply chain, and procurement
- Provide differentiating customer value by maintaining high service levels

The resolution
- Worked with vCentric Technologies to migrate SAP® Business Suite applications to the SAP HANA® platform
- Replaced an Oracle database with SAP HANA

The key benefits
- Better control of the supply chain with faster material requirements planning (MRP) runtimes, resulting in reduced inventory levels
- Ability to provide stakeholders with real-time actionable data
- Greater focus on performance excellence
- Improvement in productivity and faster decision making
- More-efficient service for customers, vendors, and other stakeholders

“...The migration of our SAP Business Suite applications to SAP HANA is an important milestone in our IT strategy that will align with our business growth plans and play a key role in overall success. The collaboration between the Avon Cycles team, our partner vCentric, and SAP was outstanding.”

Onkar Singh Pahwa, Managing Director, Avon Cycles Limited
Koehler Paper Group: Streamlining Reporting with the SAP HANA® Database

The company’s top objectives
- Leverage the most cutting-edge IT
- Increase operational speed and efficiency
- Continue to expand market share

The resolution
- Updated the existing SAP NetWeaver® Business Warehouse Accelerator software to run on the SAP HANA® database
- Engaged long-time partner Dell for the deployment
- Got all the hardware and software up and running and all the data migrated in just three days
- Tested the new system for four weeks with 100 users
- Kept to the service-level agreement with no system downtime

The key benefits
- Ability to run ad hoc reports on 7 million sets of data in real time
- More in-depth ad hoc reporting capacity on sales, raw materials, receipts, and more
- More time for value-added tasks and less reliance on the IT department

"Staying on the cutting edge of IT is key to expanding our market share, so the move to SAP HANA was the obvious decision. Soon we will be running our entire ERP system on the in-memory database."

Karl Schindler, Director of IT, Koehler Paper Group
Severstal: Empowering Teams Worldwide with Real-Time BI Enabled by SAP HANA® and SAP® MaxAttention™

Company
Severstal JSC

Location
Cherepovets, Russia

Industry
Mill products – steel production and mining

Products and Services
Steel production and mining

Employees
61,000

Web Site
www.severstal.com

Partners
SAP® Active Global Support organization, SAP MaxAttention™ services

Top objectives
- Make real-time analysis of huge volumes of data available company-wide
- Support business process optimization with faster, simpler reporting
- Reduce IT management complexity, effort, and cost

Resolution
- Partnered with the SAP Active Global Support organization to transition to the SAP HANA® platform
- Tested performance gains using actual data volumes prior to deployment
- Partnered with SAP MaxAttention services to optimize data availability and management and enable on-schedule deployment

Key benefits
- Real-time reporting and analysis of large data volumes
- Self-service and mobile business intelligence (BI) to support fast, efficient business processes
- Simplified, efficient BI infrastructure management

Up to 100x
Faster reporting

35%
Average reduction in data upload time

250%
Improvement in data compression

“The transition to SAP HANA creates new opportunities for transformation across the company, and expertise provided by SAP MaxAttention has helped make that transition successful.”

Yuriy Shekhovtsov, CIO, Severstal JSC
Estimated Value of SAP Solutions for Professional Services

Value from each business area

<table>
<thead>
<tr>
<th>Values in ($'000)</th>
<th>Finance</th>
<th>Impact Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 625</td>
<td></td>
<td>SG&amp;A Reduce Accounts Payable &amp; Expense Costs</td>
</tr>
<tr>
<td>$ 739</td>
<td></td>
<td>SG&amp;A Reduce Accounts Receivable Management Cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SG&amp;A Reduce Audit Cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SG&amp;A Reduce Budgeting &amp; Forecasting Costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SG&amp;A Reduce Business &amp; Operations Analysis/Reporting Costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SG&amp;A Reduce Compliance &amp; Risk Management Costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SG&amp;A Reduce Cost Accounting &amp; Analysis Costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SG&amp;A Reduce Days to Close Annual Books</td>
</tr>
<tr>
<td>$ 160</td>
<td></td>
<td>Pre-tax Margin Reduce G/L &amp; Financial Closing Costs</td>
</tr>
<tr>
<td>$ 190</td>
<td></td>
<td>Pre-tax Margin Reduce Losses Due to Fraud</td>
</tr>
</tbody>
</table>

Potential Cumulative Value

- \$ 783
- \$ 933
- \$

Key Observations

Our solution provides a universal journal where functions like ‘financials’ and ‘controlling’ are merged. This allows users to drill down to the line-item level to gain greater financial insight and control. Consequently, you gain a faster, compliant financial close with less cost and effort. In fact, our conservative estimates show that organizations like you could reduce G/L and Financial Closing Costs by 160k – 190k annually.
Accelerating Complex Material Requirements Planning

Relevant HANA Offering
Core

Use Case Complexity
Existing off the Shelf Solution

Use Case Validation
Proven Business Value

Customers

• HiMedia – 80% faster MRP; Faster, more effective and proactive decision making and greater productivity with real-time, actionable data

• Faurecia – proof of concept validated ability to perform complex MRP runs much faster

• Avon Cycles – 50% faster MRP runs for better control of the supply chain, resulting in reduced inventory levels

• Pacific Drilling – 50% reduction in MRP processing times; moving from a reactive to proactive management style, with a focus on performance management

Problem

• Complex bill of material, containing hundreds and thousands of individual components that need to be planned for production, leads to very long MRP runs.
• Huge data volumes make cross-plant planning extremely time-consuming and evaluating additional planning scopes difficult.

Solution

• Run MRP on HANA more frequently to reflect daily changes to supply and demand.
• Net requirements calculation, lot sizing, sourcing, scheduling, and bill-of-material (BoM) explosion now run directly in SAP HANA and benefit from optimized data access.

Benefits

• More-current supply-and-demand information for better decision-making, timely delivery, and more satisfied customers.
• Faster reaction to demand changes reducing the risk of stock-outs, safety stocks, and required working capital.
• More efficient supply-and-demand matching runs, providing more lead time to identify and fix issues earlier and faster.
• Support for new planning scopes – selective and multilevel planning

Business Goal
Automated Agile Manufacturing

Business Process
Production Operations Management

Business Value Drivers

• Improve Flexibility & Agility
• Improve Visibility & Transparency

Value Potential

Low = 1 High = 5

Feasibility

Low = 1 High = 5
Enabling Real-time Inventory Visibility Through Accelerated Operational Reporting

Relevant HANA Offering
Core

Use Case Complexity
Existing off the Shelf Solution

Use Case Validation
Proven Business Value

Customers
- **Usha International** – gained greater visibility across the enterprise with improved reporting and analytics; optimized sales, supply chain, and procurement operations
- **Nashua Communications** – dramatically sped up inventory analysis reporting and closing time
- **Reprico** – achieved 1,440% faster operational reporting, cutting operational reporting time to less than a minute and reducing the need for ad-hoc reporting by standardizing and automating role-based analytics

**Problem**
- Weak optimization algorithms and supply network models, which limit business benefit.
- Long scenario processing times, which reduce the planners' productivity and ability to find business upsides or root causes of problems.
- Poorly integrated systems, with data movement between them often slow and error prone.

**Solution**
- Eliminate latency and lack of detail in operational reporting at SKU level, thereby accelerating responsiveness for decision-making and trend prediction.

**Benefits**
- Insight to recommend the specific actions needed to balance service with inventory levels and costs.
- Improved supply chain performance by tightening inventories.
- Optimized inventory planning at every stocking location and item level.
- Improved productivity of marketing forecasting and supply chain planning, based on enhanced visibility at SKU level.
- Balanced inventory investment, customer service, and profitability.

**Value Potential**
Low = 1  High = 5

**Feasibility**
Low = 1  High = 5

**Business Goal**
Real-Time Network Insights

**Business Process**
Extended Supply Chain Insights

**Business Value Drivers**
- Improve Flexibility & Agility
- Improve Visibility & Transparency
Operational Reporting and Analytics Enabled by SAP HANA

Relevant HANA Offering
Add-on

Use Case Complexity
Existing off the Shelf
Solution

Use Case Validation
Proven Business Value

Customers
- CEAT – deployed mobile analytics and automated reports based on SAP ERP on HANA that allow regional offices to monitor performance against key performance indicators
- Multinational Chemical and Technology Company – gained the ability with HANA to monitor the health of the company on a daily basis with no lag time in operational data and to forecast profitability prior to fiscal period close
- Information Technology service Company – consolidated data and eliminated severe latency issues, generating up to 100x faster reports

Problem
- Getting process insights takes too long, forcing decisions to be delayed or made on the basis of incomplete data.
- Lack of predictive capabilities means all analysis is backward-looking.
- Poor visualizations increases the time it takes to understand the “message” that is hidden in the data.

Solution
- The SAP HANA platform accelerates operational reporting and enables the availability of high performance analytics within the business.
- Significantly improved data visualizations aid business decision-making.
- Predictive modelling improves the allocation of goods to better align with manufacturing, helping to reduce out-of-stock situations.

Benefits
- Real-time decision-making based on root cause analysis.
- Ability to run predictive analytics and transform planning activities.
- Significantly wider business usage of analytics.
- Reporting across all devices and user interfaces that taps into the same data source.
- Fast and consistent results for operational and management reporting.

Value Potential

Feasibility

© 2015 SAP SE or an SAP affiliate company. All rights reserved.
# Real-time Finance

## Relevant HANA Offering

### Core

## Use Case Complexity

### Existing of the Shelf Solution

## Use Case Validation

### Proven Business Value

## Customers

- **SAP** – accelerated global finance transformation by modernizing ERP financials with SAP HANA and by bringing a superior user experience to business users
- **La Trobe University** – selected SAP to create a single source of truth with real time self-service flexible reporting and to drive improvements in business processes and reporting

## Problem

- Finance and management accounting deals with large data volumes that lead to long report runtime, while managers expect and need answers in real time.
- Decision-relevant key figures are available only after period-end processing and replicating data into a separate reporting data warehouse for performance reasons.
- Identical reports running against the two data worlds will deliver different results as a result of data transformation, cutoff dates, and incompatible methods.

## Solution

- Gain insight from a single source of truth – one central finance platform based on HANA for the entire group, with full line item detail that provides:
  - Real-time analysis directly from operational data
  - On-the-fly analysis without system limitations from pre-built aggregates.
  - Built-in harmonization between financial and managerial accounting.

## Benefits

- Build an aligned, agile, and predictive finance organization
- Work from a transparent single source of truth, at least for reporting purposes, to make sure everyone is working with the same information and no time is lost with reconciling information manually.
- Run real-time finance processes that support instant reactions to changing external conditions.
- Gain unmatched insight and foresight in order to preempt potential future changes of the conditions before such changes become a reality.

## Business Process

### Finance

## Business Value Drivers

- Improve Flexibility & Agility
- Improve Visibility & Transparency
- Reduce Finance Cost

## Value Potential

- Low = 1
- High = 5

## Feasibility

- Low = 1
- High = 5
Benefits Potential for <<your company>>
Estimated Value of SAP Solutions for <<your company>>

Values in (€ '000)

These benefit estimates are SAP’s first estimate only, based on 3rd Party data sources and SAP’s benchmarks.

<table>
<thead>
<tr>
<th>Supply Chain</th>
<th>Estimated Recurring Benefits</th>
<th>Estimated One–Time Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17,500</td>
<td>12,900</td>
</tr>
<tr>
<td>Reduce Inventory Carrying Cost</td>
<td>1,400</td>
<td>1,700</td>
</tr>
<tr>
<td>Reduce Days In Inventory</td>
<td>12,900</td>
<td>16,200</td>
</tr>
<tr>
<td>Reduce Overall Supply Chain Planning Cost</td>
<td>3,200</td>
<td>4,000</td>
</tr>
<tr>
<td>Finance</td>
<td>797</td>
<td>1,001</td>
</tr>
<tr>
<td>Reduce Days to Close Annual Books</td>
<td>17</td>
<td>21</td>
</tr>
<tr>
<td>Reduce G/L &amp; Financial Closing Costs</td>
<td>780</td>
<td>980</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IT/TCO Benefits*</th>
<th>2,230</th>
<th>2,690</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Average Annual Hardware Replacement Cost</td>
<td>330</td>
<td>490</td>
<td>SG&amp;A</td>
</tr>
<tr>
<td>Reduce Software Operating Cost</td>
<td>1,900</td>
<td>2,200</td>
<td>SG&amp;A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IT Productivity*</th>
<th>1,260</th>
<th>1,570</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Labor Cost related to IT Run/Operations</td>
<td>530</td>
<td>660</td>
<td>SG&amp;A</td>
</tr>
<tr>
<td>Reduce Labor Cost related to IT Build &amp; Deploy</td>
<td>730</td>
<td>910</td>
<td>SG&amp;A</td>
</tr>
</tbody>
</table>

* Assumptions:
- IT Spend (% of revenue) for IM&C companies is 1.4%
- Average Annual HW Replacement Cost is 1.8% of IT Spend
- Average Annual SW Operating Cost is 7% of IT Spend
- Annual Labor Cost Related to IT Run/Operations is 2.9% of IT Spend
- Annual Labor Cost Related to IT Build and Deploy is 4% of IT spend
Other ways to engage with SAP Technology and Solutions
Join the SAP IT Community on JAM

Register Here
Just want to start with HCP for Innovation, Integration, application extensions or UX – 3 month trial

- Bring us your future Use Case and we will offer you an Australian-based HCP Innovation Environment for 3 months free.

- All you need to do is to be able to identify a Use Case that is important to your organisation
  - Eg Extend a cloud application
  - Integrate Cloud and On-Premise Applications
  - Deploy Fiori to enhance you existing User Experience
  - Start an IOT Application
  - Customise your SAP applications

- Furthermore, we will allocate an HCP coach from the SAP team to enable you on your environment, and a team to run Design Thinking to help you and your broader team uncover use cases for HCP.

- Is this something you would like to try out?

- Register for the Business Case at www.sap.com/australia/smartmove
Just want to Start with HANA or HCP
Subscribe to HCP or HEC in Sydney Data Centre

The Value of SAP HANA Cloud Platform

Use the On/off switch to toggle applicable benefits. Click on a benefit to explore details.

Build & Deploy New Cloud Apps Faster

TCO of Apps

Improve Customer Experience

Optimize Business Decisions

POTENTIAL BENEFITS
$134,999

OFF ON

POTENTIAL BENEFITS
$185,412

OFF ON

POTENTIAL BENEFITS
$5,708,000

OFF ON

POTENTIAL BENEFITS
$0

OFF ON

Total Potential Benefits
$6,028,412

Find the Right Fit for You

Everyone’s requirements are different, so SAP HANA Cloud Platform is available in a variety of packages—each designed to equip you with the right tools for your project.

HCP ROI Tool

Get pricing for the SAP HANA Cloud Platform.

https://hcp.sap.com/pricing.html
Build a TCO Model for SAP HANA

Model accounts for

- Personnel Costs
- Hardware Costs
- SAP Build Costs
- SAP Run Costs
- Shadow BI Costs
- Business Benefits

Contact: mailto:len.augustine@sap.com
ERP Simulation Game on SAP S/4HANA

**S/4HANA SYSTEM**

1. Business decisions
2. Business analytics
3. End-to-end process collaboration

**PARTICIPANTS**

1. Business decisions
2. Business analytics
3. End-to-end process collaboration

**SIMULATION ENGINE**

1. Customer and supplier behavior algorithms
2. Simplification of administrative tasks
3. Time acceleration

**Contact** mailto:leah.thomas@sap.com
Hands on Workshops on SAP HANA, HCP, VORA, C4A, Predictive & IoT

SAP HANA Technical Academy

- Introduction to the HANA Platform, Cloud for Analytics and Predictive Analytics.
- Hands on Modelling in HANA
- Hands on Reporting with Cloud for Analytics
- Hands on with Predictive Analytics
- Demo of Real time reporting through HANA Live, In-Memory Data Provisioning through Smart Data Integration and Smart Data Quality, and more.

Contact mailto:len.augustine@sap.com