

Build your Strategy and Deliver Value to Your Business Users by Fully Leveraging SAP Support

Wassilios Lolas, Customer Value Experience – Digital Business Services April, 2018

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Agenda

Introduction and Overview

- Customer Challenges
- Solution
- How to Read the Report

Example: SAP Innovation and Optimization Pathfinder

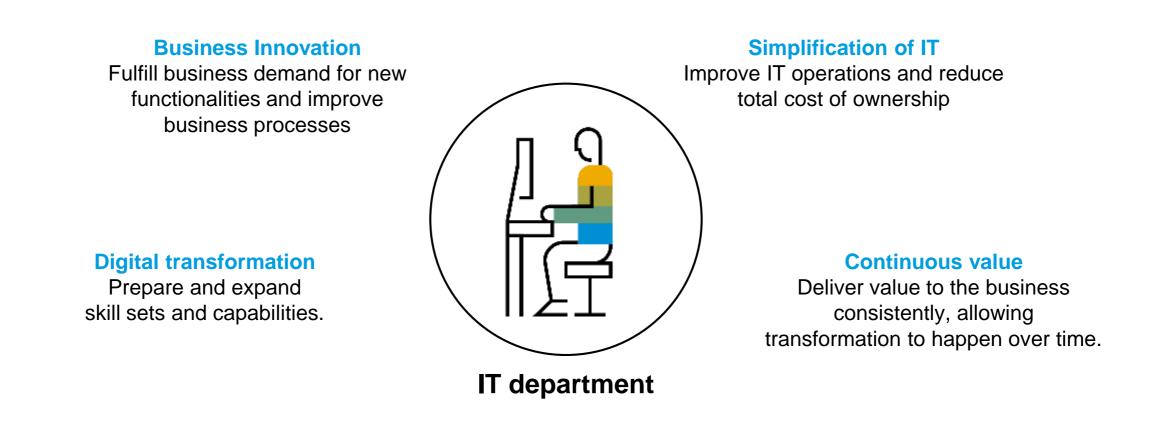
How to Request Your Own Report

Summary

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Digital transformation calls for optimized IT assets

Searching for the best way to meet line-of-business needs and support strategic digitalization goals



How To Identify Improvement and Innovation Opportunities?



SAP offers a broad portfolio for customers:

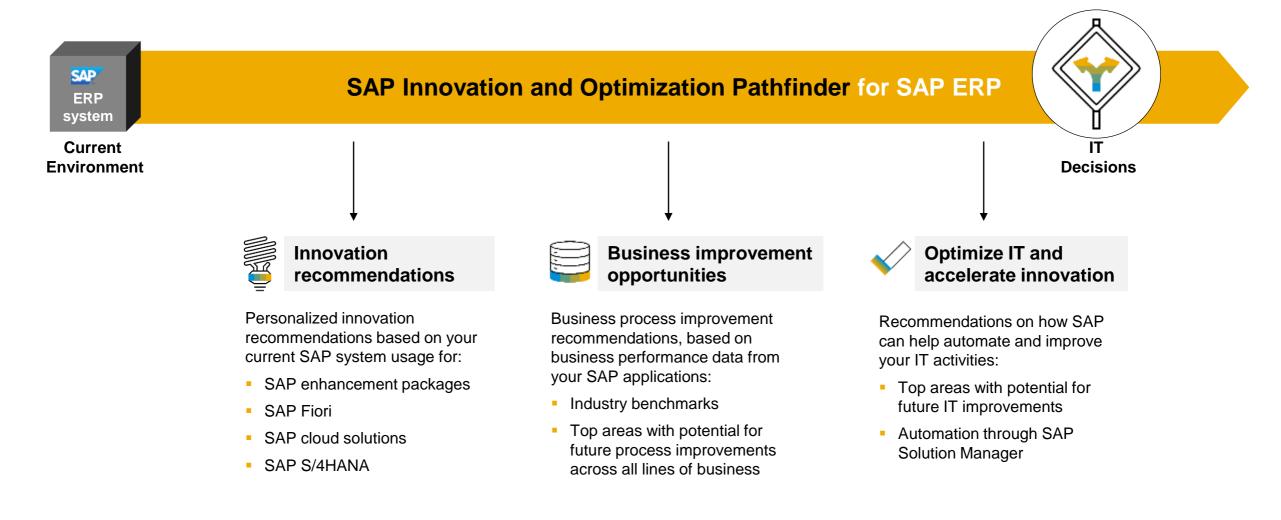
- 1,000+ user experience apps
- 800+ SAP enhancement package innovations
- 1000+ preconfigured business and IT performance metrics
- 1,300+ SAP Enterprise Support offerings that help optimize IT and business processes
- Vast range of premium engagement and service offerings
- Various solutions for the cloud and SAP S/4HANA





- Which innovations are relevant?
- How can we realize the full potential of our investment in SAP software and services?
- What are the next steps to take advantage of a vast portfolio of service and support offerings from SAP?

SAP Innovation and Optimization Pathfinder recommends options for optimizing business operations and the IT environment



SAP Innovation and Optimization Pathfinder

A tailor-made report highlighting innovation potentials, business process and IT optimizations

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Customer-specific improvement and innovation opportunities based on your core SAP ERP system usage, business & IT performance



Industry benchmarks and recommendations for business and IT managers to optimize SAP solutions, or to implement software and cloud innovations using relevant SAP Enterprise Support or SAP Services offering



Interactive report navigates decision makers to relevant information, services and tools

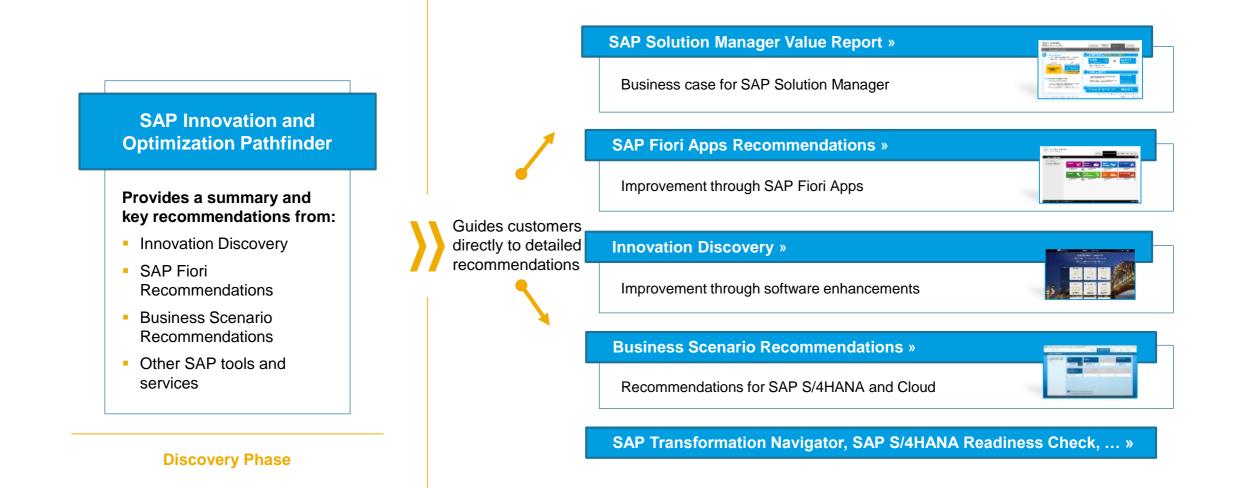


Free-of-charge for all customers on SAP maintenance





Big Picture: Pathfinder Guides Customers



What do our customers say?



"I found that Pathfinder is very effective, user-friendly and easy to use. (..) It gives me improvement recommendations by just submitting some system usage information."

Yasushi Suzuka, Chairman of Japan SAP User Group and Supervisory Board Member Japan Airlines

https://www.youtube.com/watch?v=IW90P4aFZUw

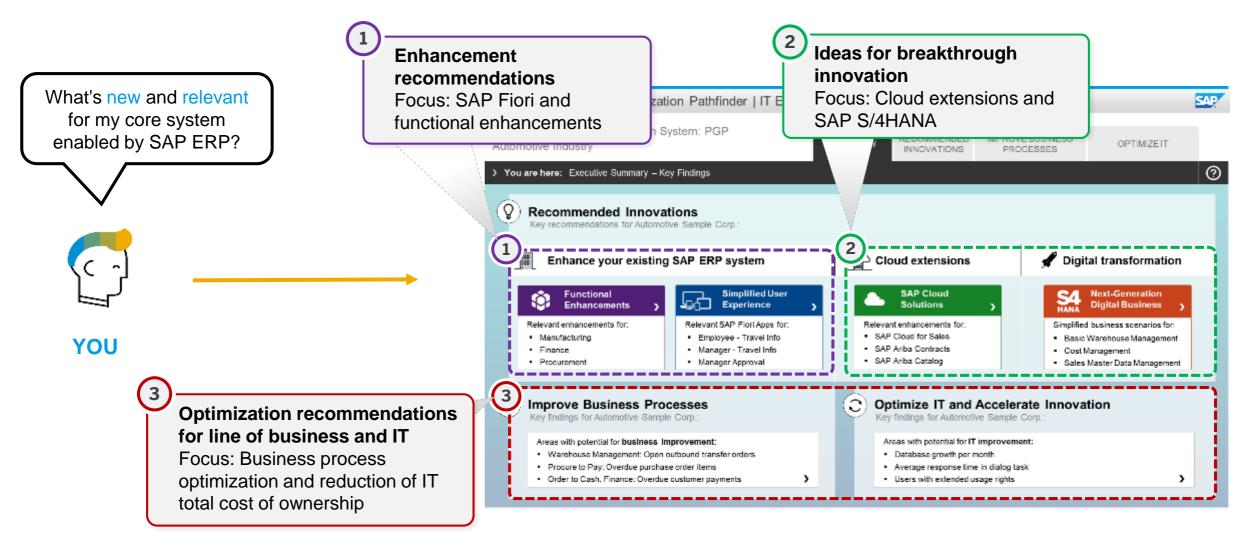


"Pathfinder helps SAP customers easily identify suitable innovations and improvement potentials for their lines of business and IT. The selected insights and recommendations are reliable for business discussions."

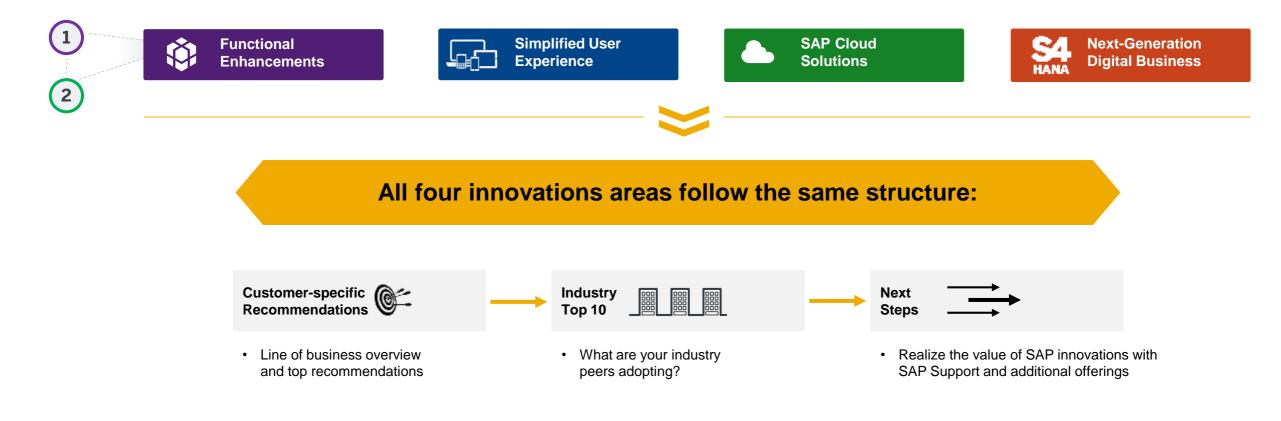
Andreas Oczko, Board member of German-Speaking User Group (DSAG)

https://www.youtube.com/watch?v=txJ3UCVttiM

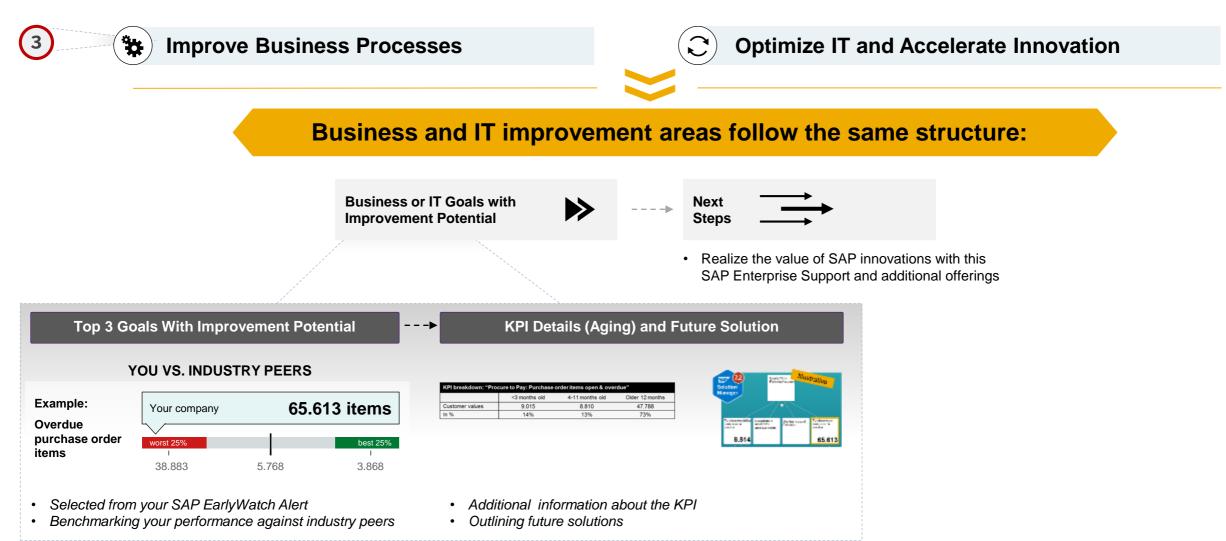
Introducing the Executive Summary



SAP Innovation and Optimization Pathfinder Report Structure 1/2: Business Improvements and IT Optimization



SAP Innovation and Optimization Pathfinder Report Structure 2/2: Business Improvements and IT Optimization



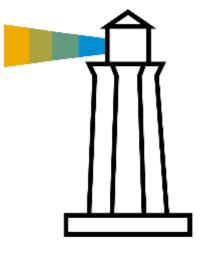


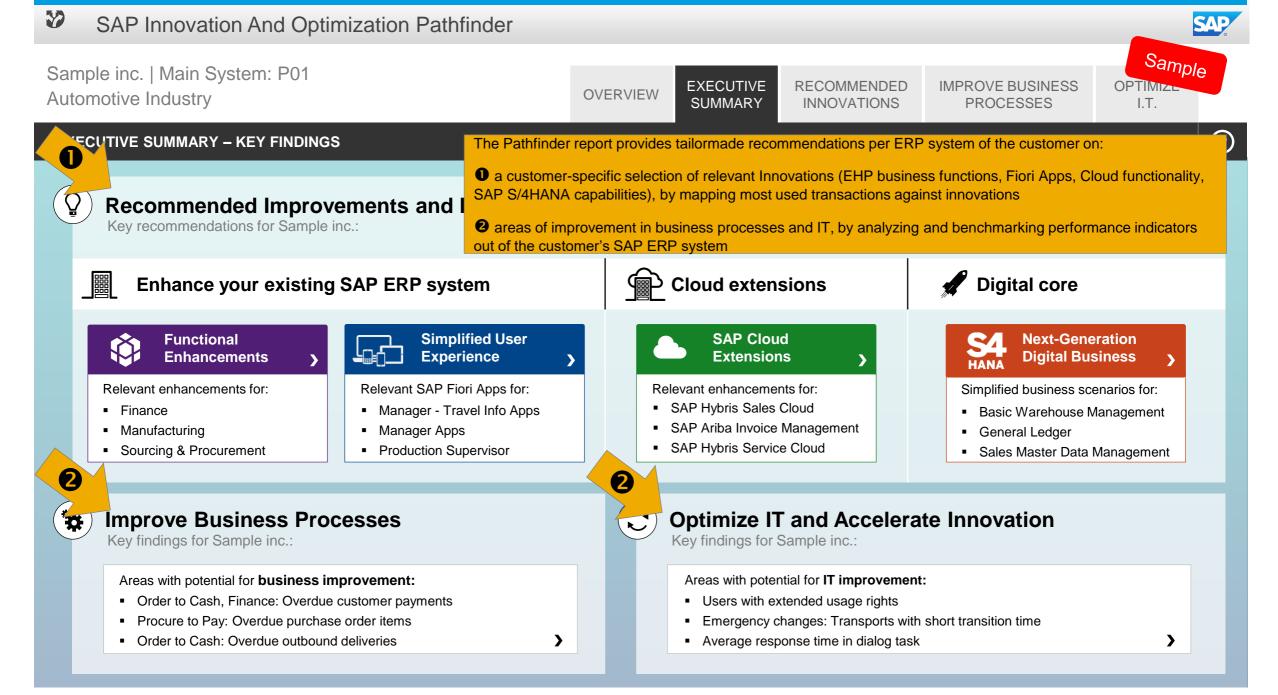
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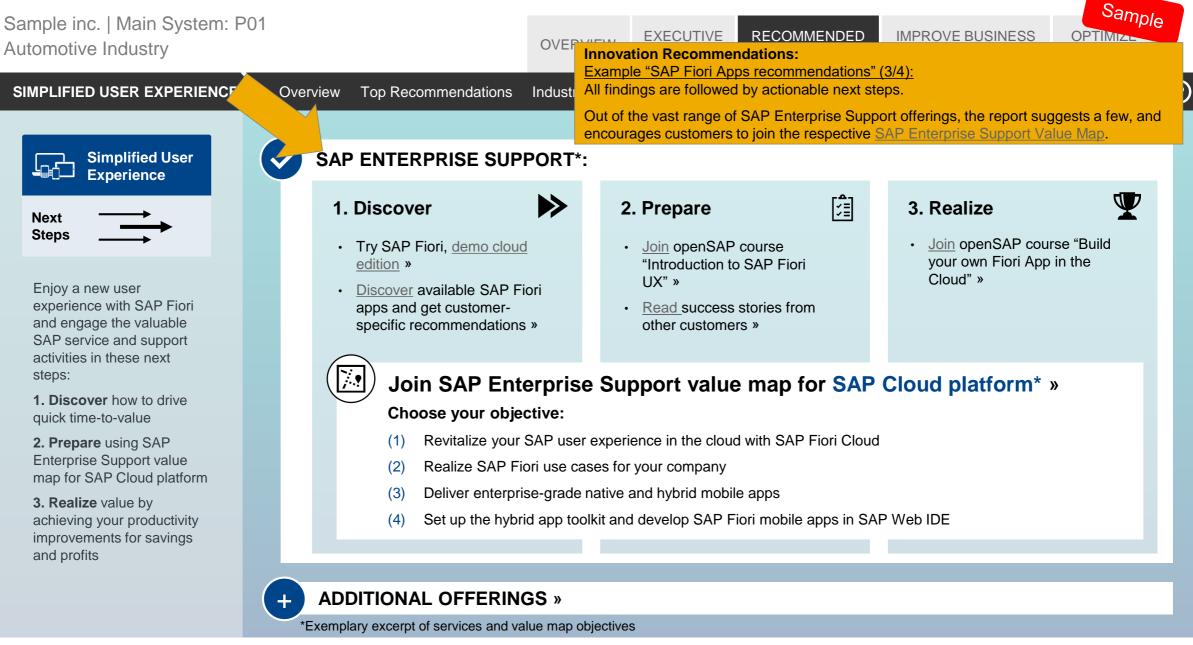




SAP Innovation And Optimization Pathfinder								
Sample inc. Main System: P01 Automotive Industry	ERVIEW	EXECUTIVE SUMMARY	RECOMMENDED INNOVATIONS	IMPROVE BUSINESS PROCESSES	Sample OPTIMIZE I.T.			
OVERVIEW	AP ERP system	Examp Based recom	Innovation Recommendations: Example "SAP Fiori Apps recommendations" (1/4): Based on the transactions most frequently used by this customer, the Pathfinder report recommends 38 SAP Fiori Apps if the customer stays on the current database, or 90 Fiori Apps if the customer decides to switch the database to SAP HANA.					
 Discover functional enhancements SAP enhancement packages provide improved functionality for SAP ERP, which can be activated based upon business demand Most business functions in SAP enhancement packages for SAP ERP are included with your underlying SAP software license and maintenance agreement* 	 Improve user experience SAP Fiori is the personalized and intuitive user experience for SAP software across devices It will help your users gain productivity, save training costs and increase user adoption SAP Fiori apps for SAP Business Suite are included with your underlying SAP software license* 	· 1	all lines of but leading cloud flexible on-de (laaS) SAP has alre subscribers a	oud apps (SaaS) for siness, a market- platform (PaaS), and mand infrastructure ady 110+ million cloud and 41 state-of-the-art around the world	 SAP S/4HAN core" of your and natively s Internet of Th real-time ana 	A is the next- usiness suite help you run digital economy A is the "digital entire enterprise supports the ings, Big Data,		
 Functional Enhancements Relevant innovations on your current SAP enhancement package 5 on latest SAP enhancement package 8 * Details can be found in SAP Note 152246 	 Simplified User Experience Relevant SAP Fiori apps 30 on your current database 73 on SAP HANA ** http://news.sap.com/sapphire-now-sap-fiori-user- 	experience/	Exte	P Cloud ensions evant extensions	HANA Digita	Generation Il Business ant scenarios		

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mple inc. Main System: P01 tomotive Industry							
		OVERVIEW	EXECUTIVE SUMMARY	RECOMMENDED INNOVATIONS	IMPROVE BU PROCES		Sample OPTIMi∠⊧ I.T.
Simplified User Experience	Top Recommendations Overview of relevant SAP Fiori a Finance	apps for S Humar By C SAF	ne more details, to be Finance area, the omer's current tran ommended by the F clicking on any of the P Fiori Apps pre-filte	be used in the conversa ere are a total of 308 Final psaction usage, 1 (on cu Pathfinder report. hese numbers the Fiori a ered, containing additio	ation with the re iori apps. Out o urrent database Apps Library w nal information	of these, and b e) or 19 (on SA vill open, with t n.	based on the AP HANA) are the respective
experience for SAP software	Available SAP Fiori apps: 500+ > 1 on your current release level and database > 19 on SAP HANA >	Available mac	le for custom devel	er can map only standau lopments (e.g. Z-transa 13 on your current relea level and database 22 on SAP HANA	ase	6 on your curr level and da	rent release atabase
underlying SAP software	Supply Chain Available SAP Fiori apps: 550+	Service, Sa and Comme Available SAP F	les, Marketing erce	R&D, Engineering Available SAP Fiori apps.	· · · · ·	Asset Manag Available SAP Fio	
Explore each line of business to discover which SAP Fiori apps are currently, and in the future, relevant for you.	1 on your current release level and database 3 on SAP HANA		urrent release database	0 on your current relea level and database 1 on SAP HANA	ase	0 on your curr level and da 4 on SAP HAN	rent release



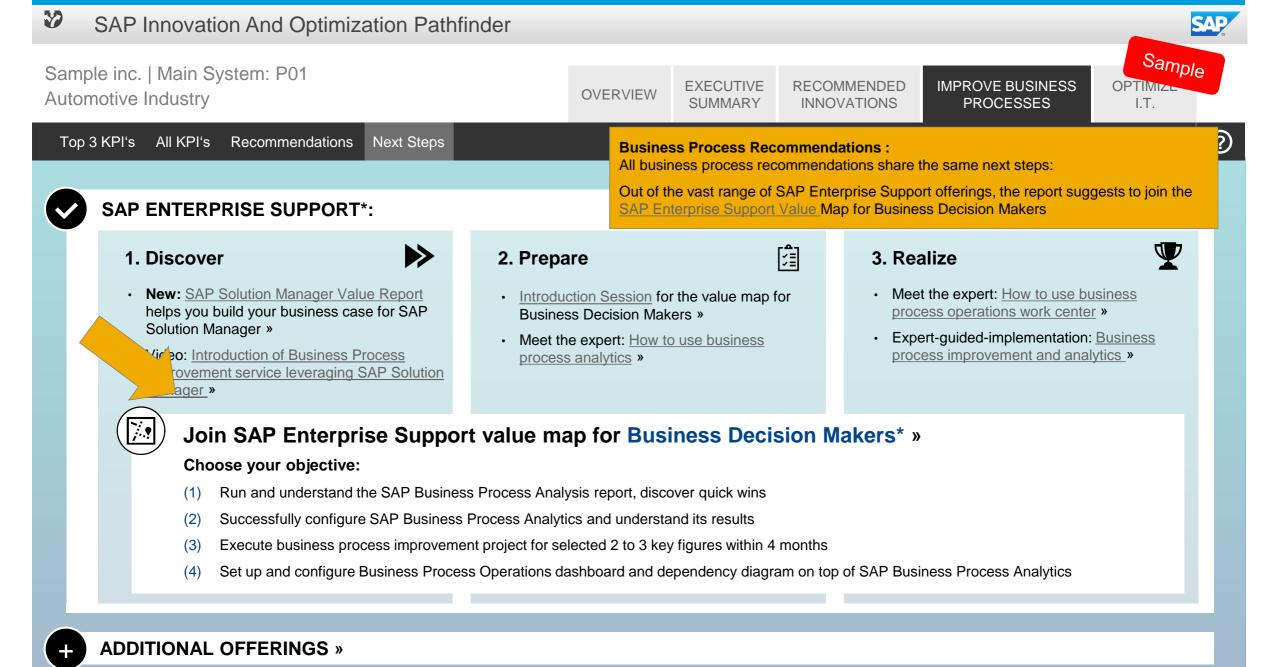
	zation Pathfinder					
ample inc. Main System: P01 utomotive Industry		OVERVIEW	EXECUTIVE SUMMARY	RECOMMENDED INNOVATIONS	IMPROVE BUSINESS PROCESSES	Sample OPTIMiz⊧ I.T.
Experience	SAP ENTERPRISE SUPP	ORT »	e Pathfinder also h reement). This is ju	Apps recommendation highlights suitable SAF ust a selection from SAF	<u>is" (4/4):</u> P Services (not included ir AP's services portfolio. Th vith a tailor-made offer.	
Next Steps Image: Constraint of the step of	ADDITIONAL OFFERING 1. Advise • User Experience (UX) Advis Service: Identify use cases, business case and roadmap	Sory .	 2. Realize and Empower SAP Rapid Depl for SAP Fiori Ap Fiori foundation apps SAP Rapid Depl for SAP Screen customer and de Personas UX-Driven produoptimization Training service Personas 	ops: Deploy SAP and SAP Fiori <u>loyment Solutions</u> <u>Personas</u> : Coach eploy Screen uctivity	 3. Innovate and Enhance Design Thinking webusiness innovatio business use case Design service for experience Custom Developm new SAP Fiori app custom developed app or solution 	n: Identify s for UX user ent (e.g.): Build a

*Service offerings, not included in your maintenance agreement

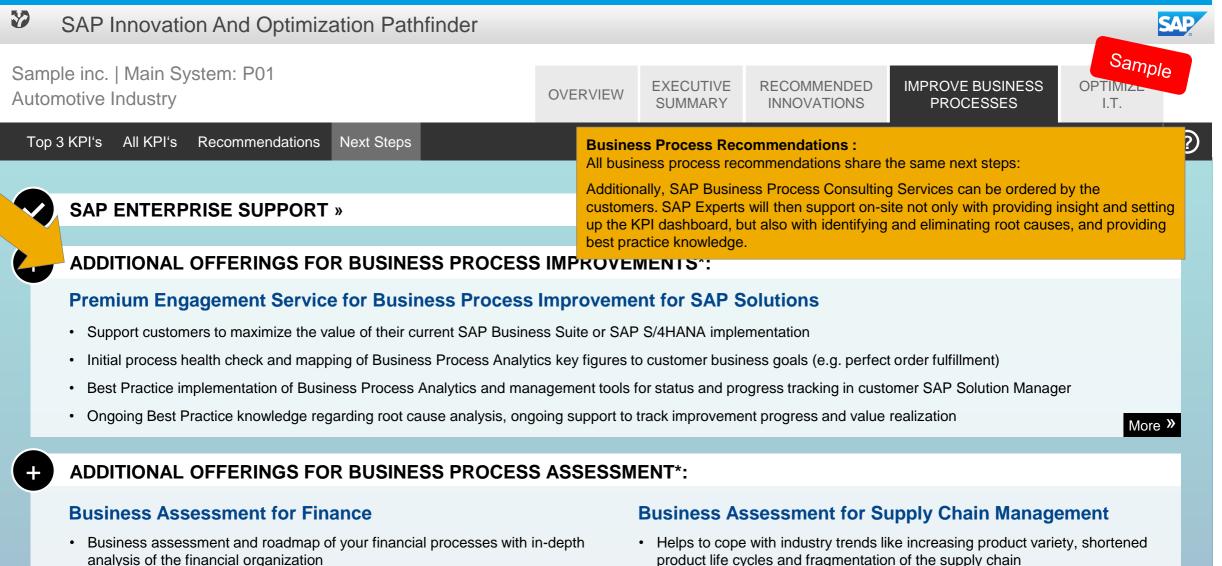
SAP Innovation And Op Sample inc. Main System: P01 Automotive Industry Top 3 KPI's All KPI's Recommenda		C	 Business Process Recommendations: Example "Improve Supply Chain Planning Accuracy" (1/2): Through the enhanced Early Watch Alert the Pathfinder report receives business performance metrics, and provides A connection between a customer business goal, and a performance metric that might indicate possible performance issues (in this example: overdue purchase order items) Benchmarks against industry peers. These benchmarks are based on real system data from our customers, collected via support services and inputs from Pathfinder requests. 				
BUSINESS GOALS WITH IMPROVEMENT POTENTIAL	, v	OU VS. INDUSTRY PE	ERS		NEGATIVE IMPACT ON BUSINESS	IMPROVEMENT VALUE FOR YOU	
 Reduce Days Sales Outstanding Avoiding of delays, wasted money and errors 	Order to Cash, Finance: Overdue customer payments	Your company bottom 25% I 35.485 21.03 Industry be		l	Higher liquidity cost Longer period end closing and year end closing Manual work for tracking / clarification Loss of revenue	 Maximize cash generation Reduce operating expenses ➡ Details » 	
Improve Supply Chain Planning Accuracy Predicting the future requirements to balance supply and demand	Procure to Pay: Overdue purchase order items	Your company 2 bottom 25% 98.908 19.65 Industry ber		1	Delay in production and sales delivery Maverick buying (unplanned expensive emergency purchases) Wrong available to promise planning Wrong material requirement planning	 Optimize Business Processes Reduce operating expenses ➡ Details × 	
3 Optimize Perfect Order Fulfillment Avoiding of delays, wasted money and errors	Order to Cash: Overdue outbound deliveries	Your company bottom 25% 11.178 4.429 Industry ber		•	Delay of goods delivery with impact on customer Legal impact with guaranteed delivery	 Optimize Business Processes Reduce costs for business operations ➡ Details × 	

SAP Innova	ation And Optimi	zation Pathfinde	r		s Process Recommendations: "Improve Supply Chain Planning Accuracy" (2/2):
	y	ENTIAL:	0	than 12 mor reporting, da managers w IT departme 2 The Path	Is on the time distribution are provided. Note: although purchase orders overdue for more months are business-wise probably not relevant anymore, they do have an impact on a database size and duration of period end closing. Cleaning this up will provide rs with faster and better insight, and reduce costs and effort for Purchasing, Finance and trents. Pathfinder suggests as a starting point to get insight by using SAP Solution Manager a process capabilities, which provide quasi real-time reporting Future Solution: Use business process analytics in SAP Solution Manager to
days and are Implication: This could indicate cu production, maintenan supplying elements th	nce/repair). The identified nat are considered in curr		also indicate (c (ATP) and ma	ogue » sales, ild) terial	continuously monitor business processes.
KPI breakdown: "Pro		order items open & overd			Purchase requisition items open & incomplete purchase orders overdue
Customer values	<3 months old 15.835	4-11 months old 10.721	Older 12 mo 185.319		
In %	7%	5%	87%		65.314 3.212 14.288 211.875
In % 7% 5% 87% The aging distribution shows overdue and open purchase order items. Review how the numbers can be reduced and how to avoid this trend in future. 87%				ese	 The KPI tree shows all dependencies which influence the business goal "Improve Supply Chain Planning Accuracy" The dashboard provides you with a steady control of all dependent KPI's, providing the transparency for a continuous
	oals which are impacte		Relevant for Procure		optimization

NEXT STEPS »



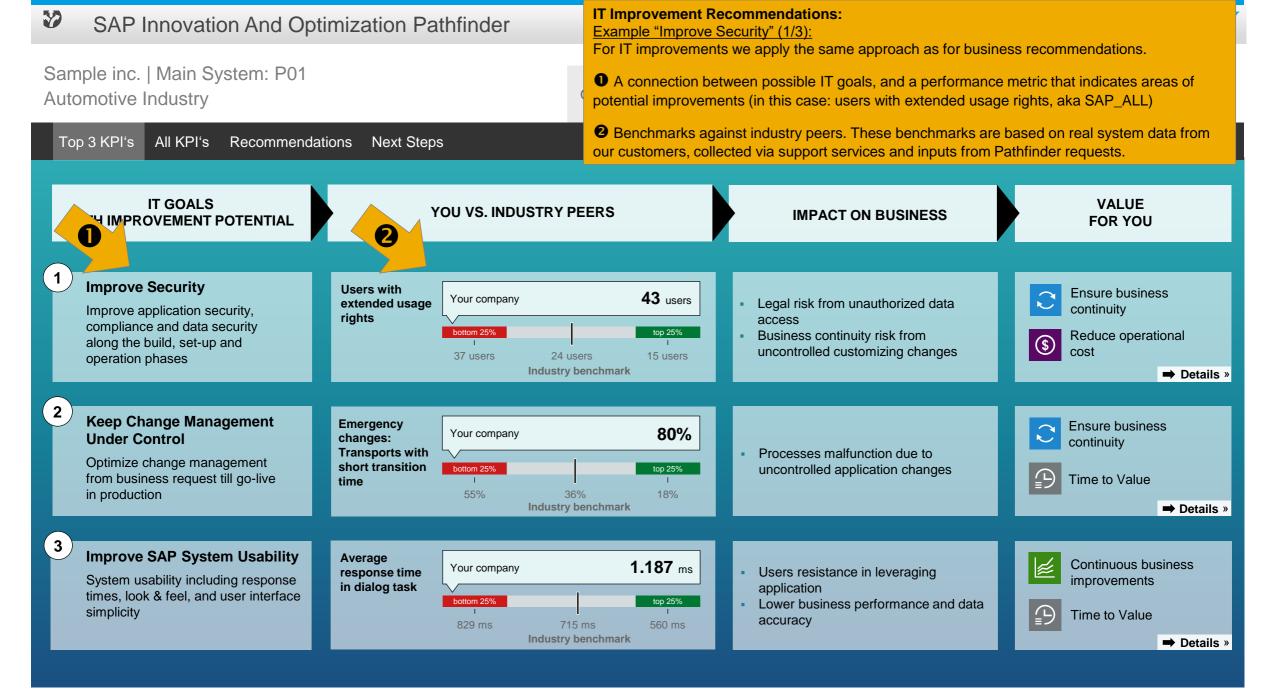
*Exemplary excerpt of services and value map objectives



- Provide flexible transformation path to meet business needs and regulations
- · Outcome: Better compliance with financial regulations and more timely decision making due to faster financial reporting
- product life cycles and fragmentation of the supply chain
- Improve customers' SCM processes and support IT applications
- Outcome: Target SCM processes are defined plus transformation roadmaps are developed based on SAP Best Practices

More »

*Service offerings, not included in your maintenance agreement



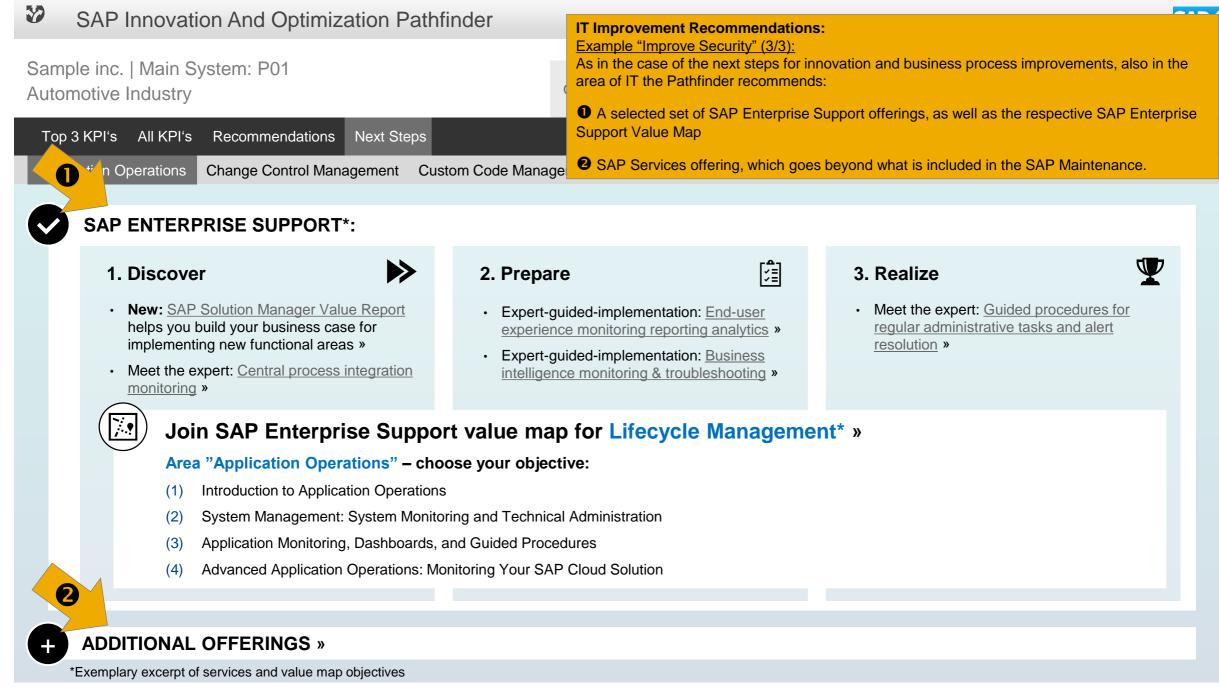
			IT Improvement Recommendations: Example "Improve Security" (2/3):						
			• Details on the performance of the respective metric are provided. Note that in the case of security the Pathfinder does not only point to the amount of users with SAP_ALL rights, but also shows the amount of users who are authorized to change user passwords, and those who can						
Top 3 KPI's All k	(PI's Recommendation	ns Next Steps	make modif	 Particulation of the productive system! For all IT findings, the Pathfinder suggests to use the SAP Solution Manager capabilities. 					
1 IT GOAL WITH IMI Improve Secur	PROVEMENT POTENTIAL ity	:				Future Solution: Use SAP Solution Manager IT services and operations management.			
Situation: "43 users with extended usage rights in SAP ERP system P01".						7.2 om Code - SAP Clone Finder Relevant SAP Solution Manager			
Implication: Recent customer examples show that espionage, sabotage and fraud can cause sever damage to an SAP system and to the contomer's business. We found several severe issues in your productive SAP system						Solution Manager			
KP	I Details	Additional critic	al usage rights	;		Image Find similar SAP objects in SAP environment. operation Image Find similar objects in specified packages operation Image Compare customer objects via RFC destination • Secure setup			
Number of super users accounts (SAP_ALL)	% of total users vs. users having extended usage rights	No. of users authorized to change user passwords	No. of use authorized to or display all	change		Construction Package for San Objects without Reference Objects without Results Secure code Infrastructure security			
43 users	2%	72 users	55 user	s					
Users with listed above critical profiles can endanger the business continuity and shall b taken under control.				ll be		 IT services and operations management tools play an important role for security, collecting information about a system landscape, providing alert mechanisms, and helping distribute security patches. 			

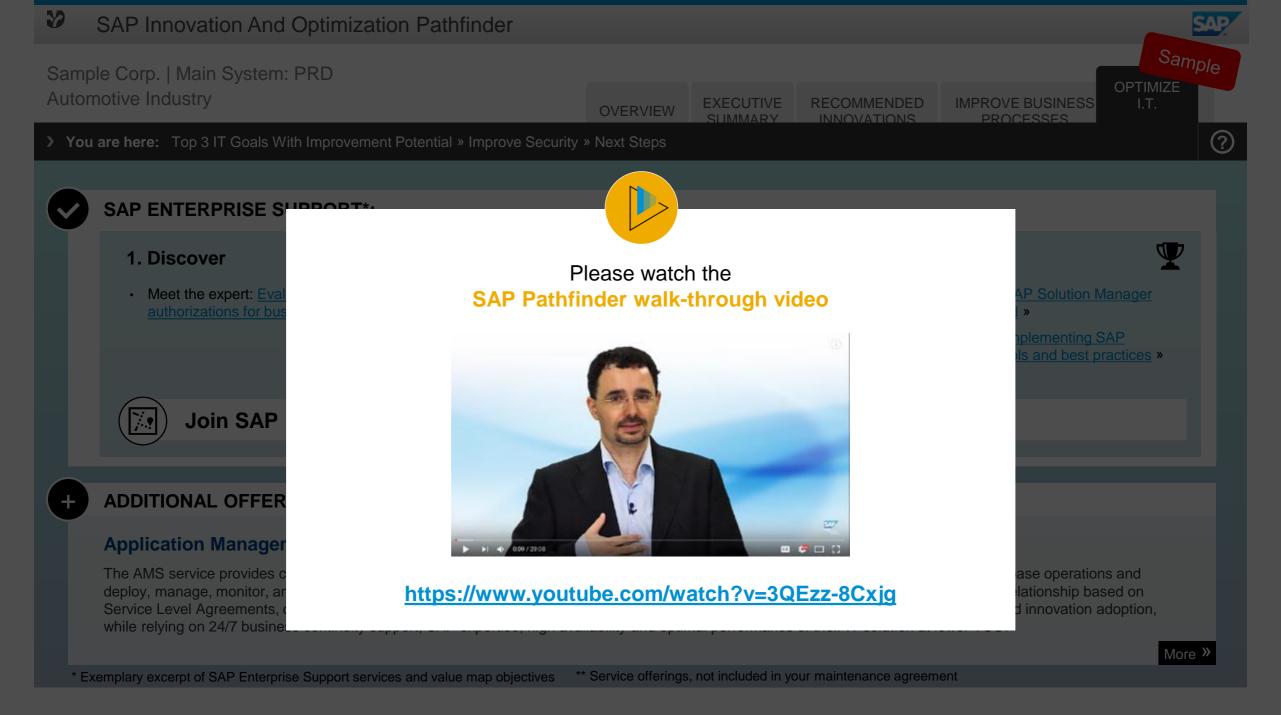
NEXT STEPS »

is paramount to leverage automation as offered by Solution Manager. • Impacted cost driver \rightarrow Cost of system and application administration

System activities performance can have a high impact on the IT cost of operation, therefore it

Total Cost of Ownership





Pathfinder delivers what customers want most



Tailored report, free of charge that matches the customer's existing usage



Executive-level presentation of findings, including industry benchmark comparisons



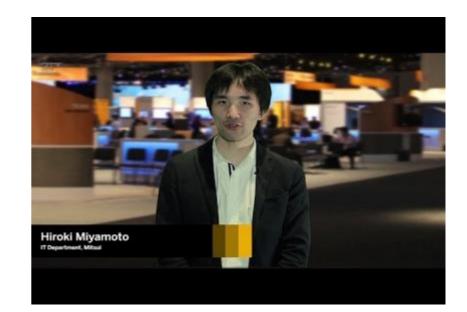
Prioritized list of potential activities and a strategy for optimization and innovation



Informed guidance that provides implementation options that leverage SAP enterprise support and services



Full realization of the potential of SAP software and support investments





Hear Hiroki Miyamoto of the IT Department of Mitsui discuss the value of SAP Innovation and Optimization Pathfinder

https://www.youtube.com/watch?v=pA8AuDYG6qQ

Agenda

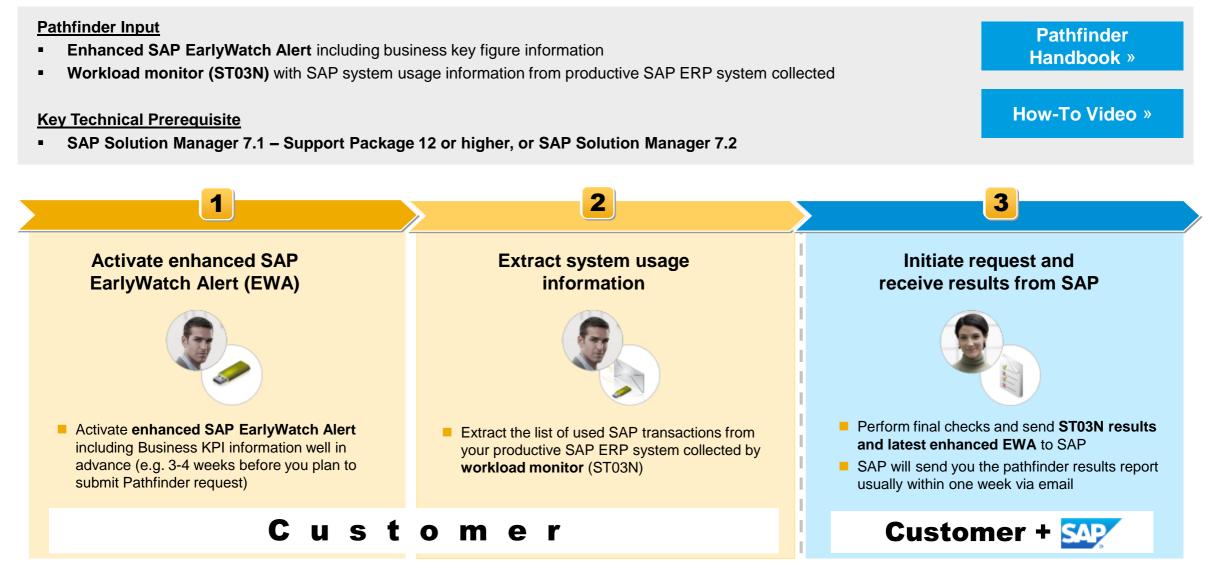
Introduction and Overview

Example: SAP Innovation and Optimization Pathfinder

How to Request Your Own Report

Summary

Prerequisites And Delivery Process Overview





SAP Innovation and Optimization Pathfinder for SAP ERP

Discover how SAP can help you to optimize and innovate your existing SAP ERP system. Take just a few minutes to share your company information and receive your personalized, free report within five business days.

Get Started Now

Get tailor-made recommendations on areas of relevant SAP innovations, business process improvements and IT optimization potentials for your core SAP ERP system. This interactive report is available for all customers on SAP maintenance and provides recommendations that are based on the way you are using your SAP ERP system today.

Find out:

- Where are areas of business process improvement for my ERP system, and how am I positioned compared to my peers?
- Out of SAP's vast offering of SAP Fiori apps, Business Suite enhancements, SAP S/4HANA scenarios or Cloud extensions, which are the most relevant ones, based on

PATHFINDER ORDER FORM:

www.sap.com/pathfinder

Contact

Requesting is fast and easy

With little effort you can submit your last month's transaction productive ERP system workload data (STO3N) – and your latest enhanced SAP EarlyWatch alert with business key figures. In case you haven't activated the enhanced EWA you can follow the instructions provided in this practical guide.

You will get your report by email in approximately 5 business days.

Questions? Contact us directly, or watch this short video. You can also view a sample report.

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Key Benefits of SAP Innovation and Optimization Pathfinder



Empowers CIOs or IT leaders to articulate business benefits with their line-of-business managers



Helps customers prioritize decisions and build an optimization and innovation strategy



Offers a free-of-charge, personalized report to all customers under SAP maintenance, independent of their support model



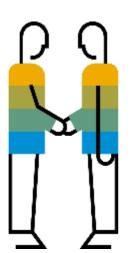


Order your free report: www.sap.com/Pathfinder



Contact information:

Pathfinder@sap.com





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