

Extend your business with cloud apps based on the SAP PartnerEdge – Build program

Christian Baader July 31, 2018

PUBLIC



Legal disclaimer

The information in this presentation is confidential and proprietary to SAP and may not be disclosed without the permission of SAP. This presentation is not subject to your license agreement or any other service or subscription agreement with SAP. SAP has no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation and SAP's strategy and possible future developments, products and or platforms directions and functionality are all subject to change and may be changed by SAP at any time for any reason without notice. The information in this document is not a commitment, promise or legal obligation to deliver any material, code or functionality. This document is provided without a warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement. This document is for informational purposes and may not be incorporated into a contract. SAP assumes no responsibility for errors or omissions in this document, except if such damages were caused by SAP's willful misconduct or gross negligence.

All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.

Meet your Speaker



Christian Baader

 VP

ISV Strategy & Readiness, Platform Ecosystem, SAP SE

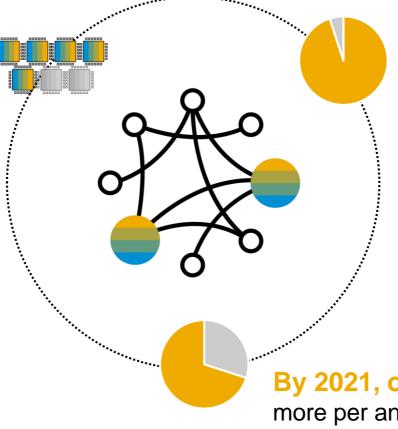
Agenda

- The Opportunity: Apps on platform
- Considerations for expanding into cloud and apps
- Innovate for the Intelligent Enterprise based on SAP Cloud Platform
- Partnering with SAP: SAP PartnerEdge Build
- Taking the Next Step
- Q&A

Opportunity: Apps On Platform

Business in the digital era – change, disruption, reinvention

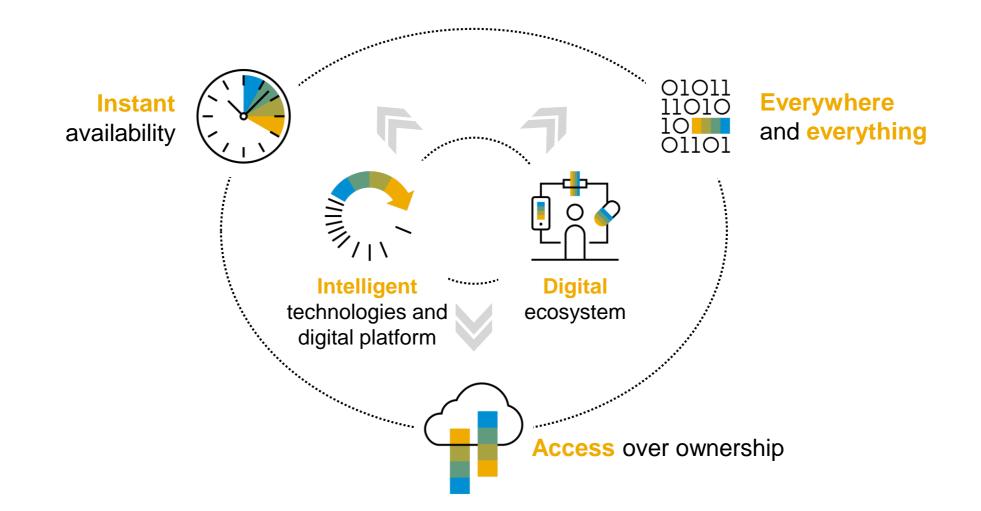
By 2020, 5 of the top 7 digital giants will willfully self-disrupt to create their next leadership opportunity.¹



By 2020, IoT technology will be in **95%** of electronics for new product designs.²

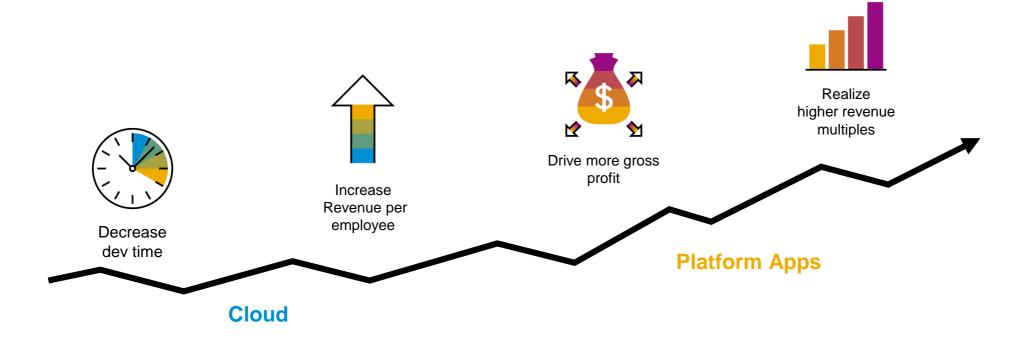
By 2021, over 50% of enterprises will spend more per annum on bots and chatbot creation than traditional mobile app development.³

Digital drivers are influencing customer expectations



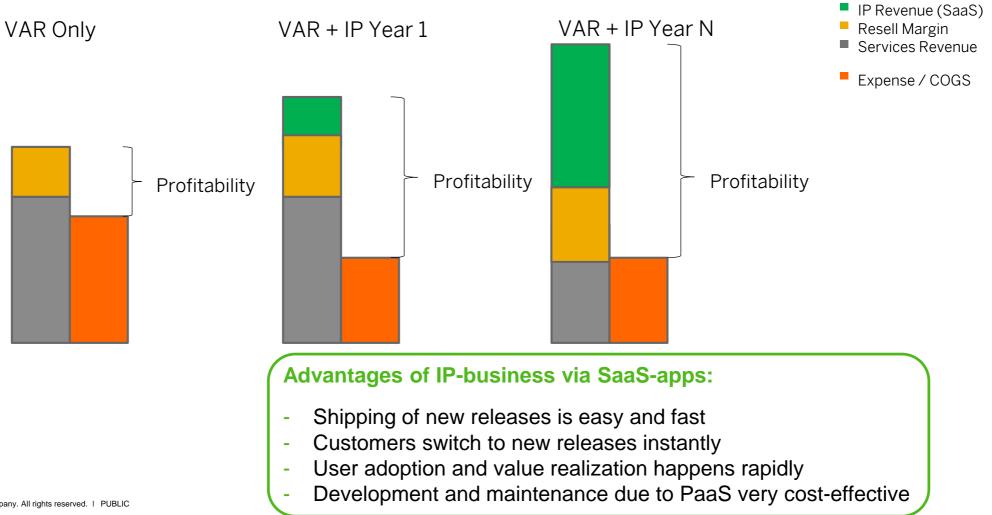
The Cloud drives business success

Leverage the Cloud as the agility layer in an apps-on-platform model



Explore the apps-on-platform approach with SAP Cloud Platform as your agility layer – Start here

Develop IP Packages On SAP Cloud Platform To Increase Profitability



9 *HY1 2017 Reselling

Considerations for expanding into cloud and apps

Key steps to move towards an apps business

Business Model, Operating Model, Platform

1. Expand Business Model

- Standardized offerings and value promise
- Revenues from sell, service, apps IP as differentiator
- Agile innovation

2. Evolve Operating Model

- From waterfall to agile development to DevOps
- From deal maximization to land & expand
- From Sales-led to Marketing-led

3. Select the technology platform for the business

- Customer and market segment needs
- Platform vendor market position and partnering approach
- Breadth of functionality, data access and data integration

Change Considerations*

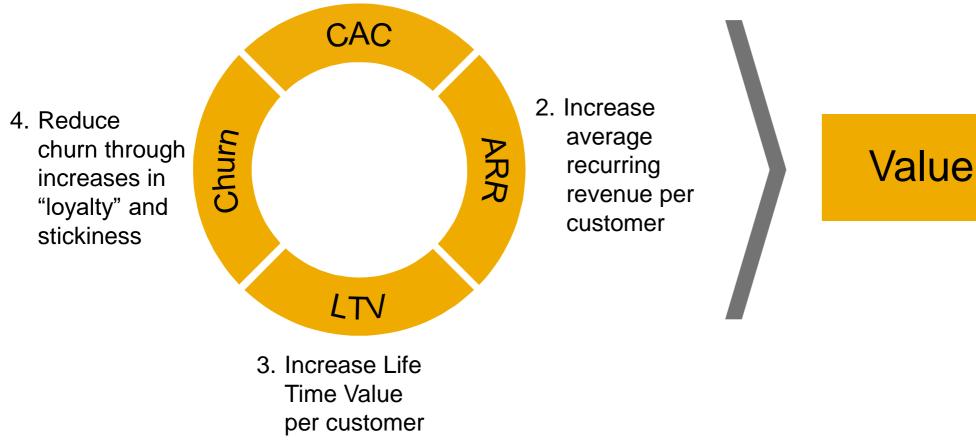
- holistically, not fragmented
- Ringfence for critical mass (new culture: LTV)
- Driven by CXO leadership

SAP support available, eg, <u>Cloud</u> <u>Planning and Strategy Learning Map</u>, <u>SAP Value Lifecycle manager</u>

Measure business impact via end to end Cloud metrics

Impacting overall firm growth, profit and value

 Reduce customer acquisition and retention cost with effective marketing, sales & success management

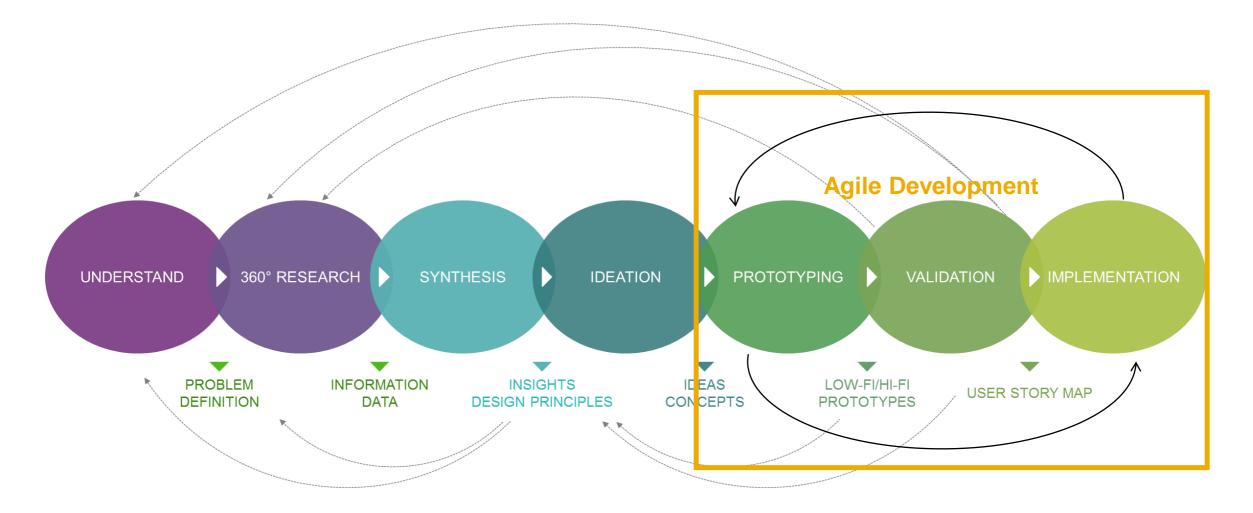




5. Drive increases in growth, profit, and valuation

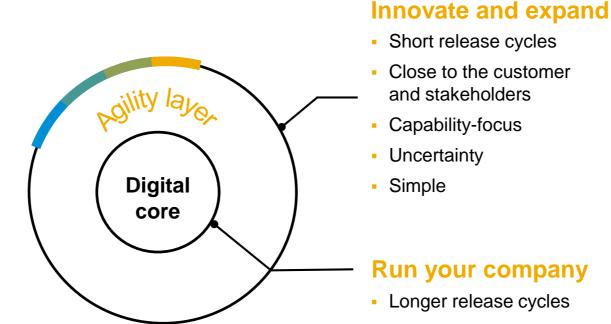
Switch to Agile Development integrated into Design Thinking Process





Intelligent enterprises need to enable agile innovation

Digital transformation requires both agility and stability



- Transactions backbone
- Reliability-focus
- Predictability
- Rather complex

14

Business Model
 Operating Model
 Platform-Selection

Platform-approach enables superior productivity

Example: SAP Cloud Platform

Software as a Service (SaaS)

Standardized design- & runtime

Platform as a Service (PaaS)

Enterprise readiness & cloud DNA

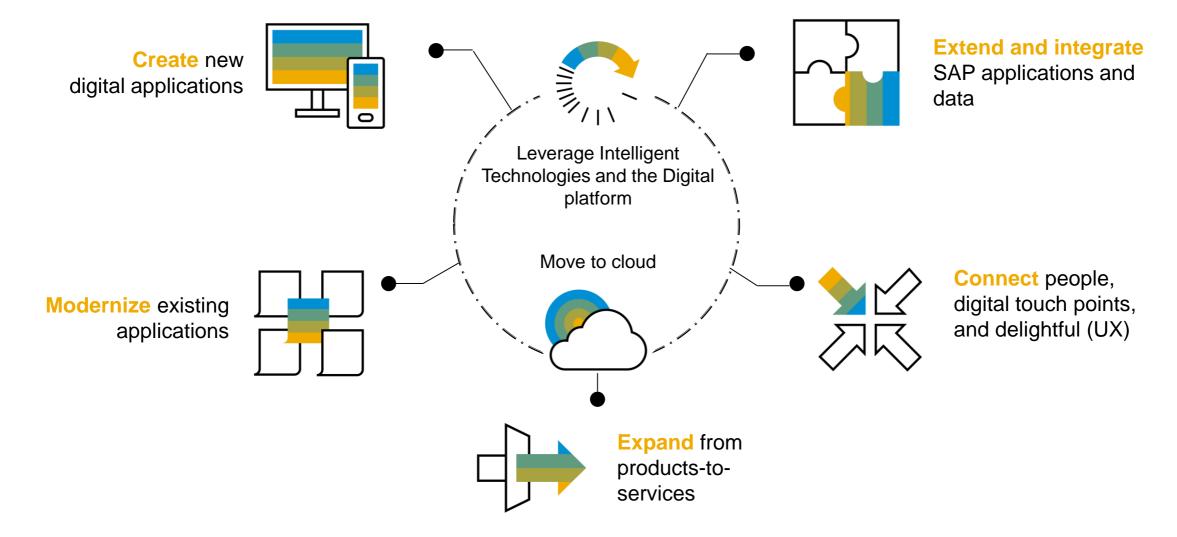
Infrastructure as a Service (IaaS)

Productivity kick-starter: best practices, platform services

- Lower TCD:
 open-standards & open source
- Abstracts/hides the cloud complexity: HA, DR, Security, Authentication, ...



Intelligent technologies and cloud are enabling new opportunities for Solution Providers



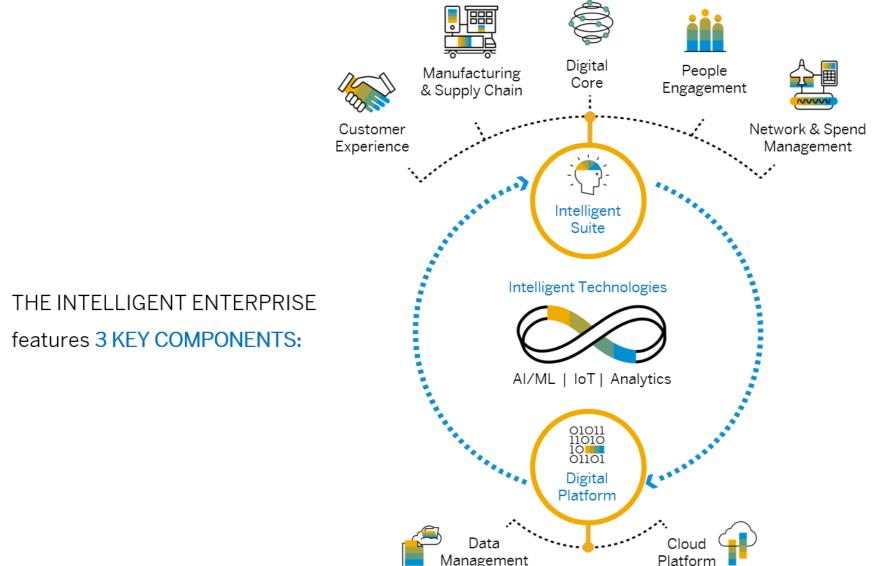
Business Model

2. Operating Model

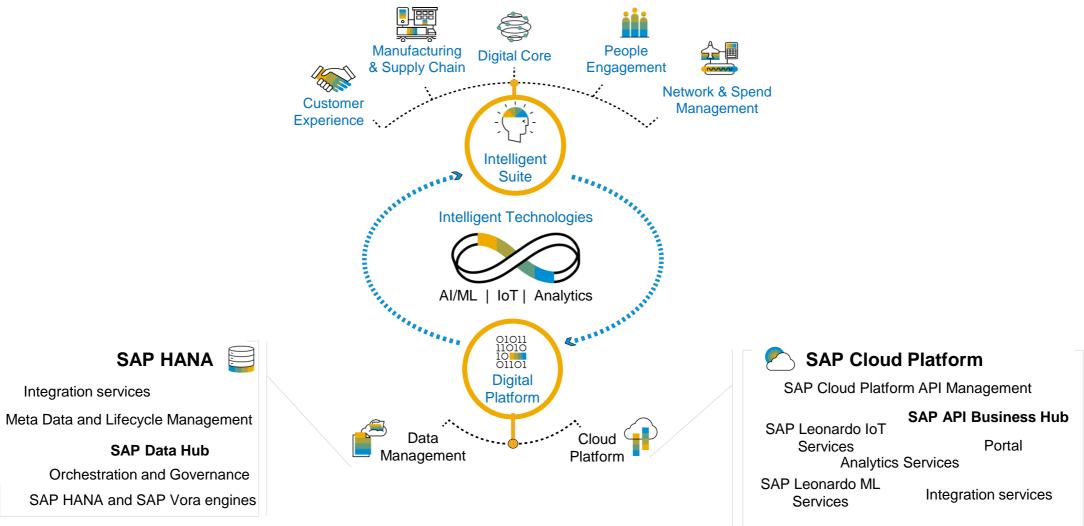
3. Platform-Selection

Innovate for the Intelligent Enterprise – based on SAP Cloud Platform

Innovate for the Intelligent Enterprise based on intelligent technologies and the digital platform from SAP – in the Cloud



Drive innovation with intelligent technologies and the digital platform from SAP



Expanding from products to services and IoT

Hagleitner IoT and cloud disrupt the hygiene business



Products and services Innovative hygiene management



Digital innovations Cloud, IoT, and Big Data technology



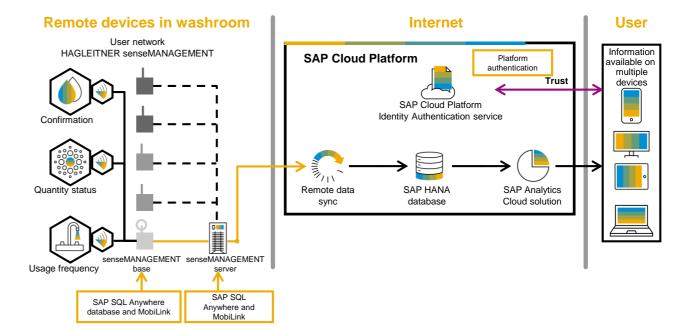
Why SAP

Single source for required technologies; guidance for development, deployment, and monetization

Outcome

Introduction of hygiene as a service using the senseMANAGEMENT solution, moving from a product-based to a service-based business model

A total solution – from development to deployment in just six months



senseMANAGEMENT data is transmitted via radio-frequency link to a local IoT gateway – an on-premise server running the SAP SQL Anywhere database, which aggregates data from a number of washrooms in a given facility.

hagleitner

Extending cloud applications from SAP



Simplifying the sales process – In Mind Computing leverages SAP Cloud Platform to extend the SAP Hybris Cloud for Customer solution and simplify the sales process, increasing opportunities for account executives.

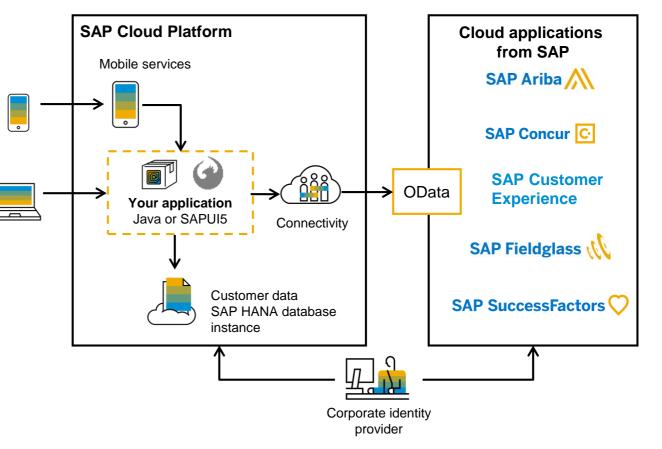
Reference video SAP App Center



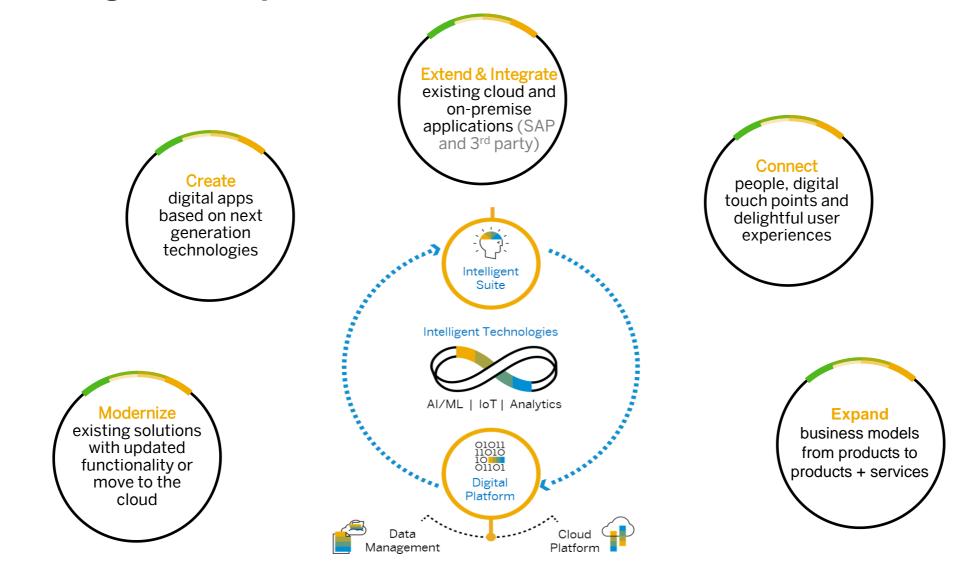
Empowering informed work – InsideView extends SAP Hybris Cloud for Customer and delivers market intelligence to make businesses smarter and more effective with SAP Cloud Platform. <u>Corporate site</u> | <u>SAP App Center</u>



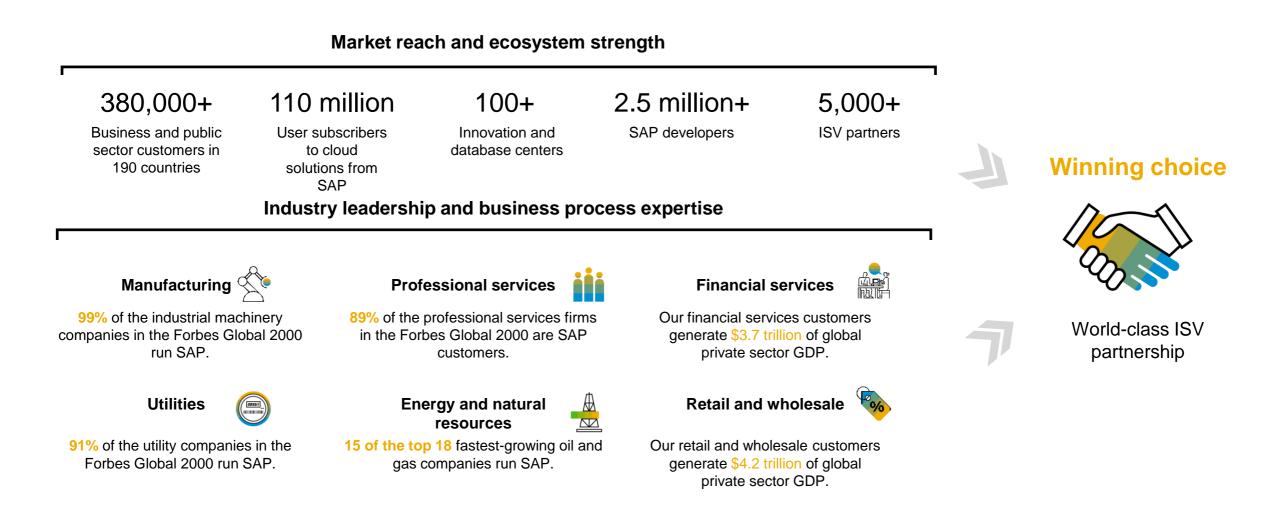
Extending SAP Hybris Cloud for Customer – SAP partner maihiro GmbH helps Henkel AG optimize sales customer lists and routes for its sales representatives. <u>Reference Video</u> | <u>SAP App Center</u> A common architecture landscape with SAP Cloud Platform for extending SaaS applications from SAP



SAP's digital platform and intelligent technologies enable all innovation-plays for the Intelligent Enterprise



Strengthen your digital ecosystem with SAP



Join the momentum...

More than 5,000 partners

Cloud | Hybrid / Private Cloud | On Premise

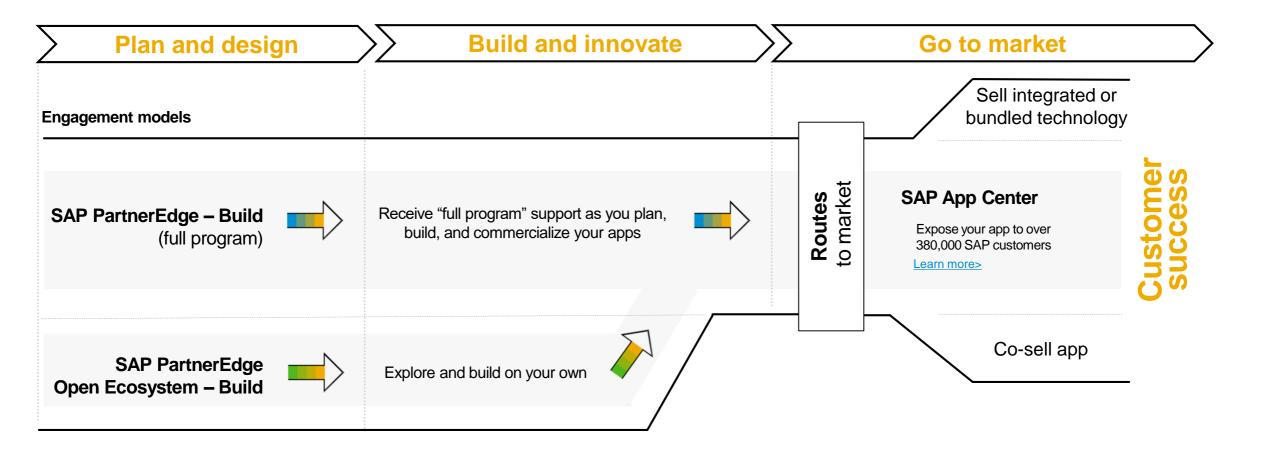


High-tech | Retail | Life Sciences | Financial Services | Manufacturing | Wholesale Distribution | Music, Media & Licensing Automotive | Food Service | Agriculture | Consumer Products | Telecom | Chemicals | Equipment Manufacturing

Partnering with SAP: SAP PartnerEdge – Build

Plan your ISV journey with SAP

Access a comprehensive range of planning, design, development, and go-to-market (GTM) services with the SAP PartnerEdge program – Build



Your partnership opportunity

Through the SAP PartnerEdge "Build" engagement model, you gain access to a wide range of resources and support that help you define new business models and plan, develop, and take innovative digital solutions to market - **reaching over 380,000 SAP customers**.

Plan and design

Build and innovate

- Blend your vertical expertise with SAP innovations
- Take advantage of SAP's best-of-breed capabilities in cloud, mobile, Internet of Things, machine learning, blockchain, inmemory computing, and more
- Get up-to-speed quickly with comprehensive digital onboarding and help of your partner service advisor*
- Get access to presales and technical resources during business case development^{**}

- Get enabled quickly via offerings such as SAP's online courses, SAP Learning Hub, SAP Help Portal, Tutorial Navigator
- Focus on your innovation and let SAP Platforms for cloud, in-memory data handling and advanced analytics take care of the rest
- Integrate with or extend SAP enterprise apps to provide new cloud, on-premise, or hybrid offerings
- Engage with SAP's developer and partner ecosystems
- Take advantage of SAP Enterprise Support
- Get access to technical resources during architecting and development^{**}

Speed app availability and benefit from GTM services

Go to market

- including: – Application certification
- Application readiness checks
- Marketing support and enablement
- Execute from awareness to "sales win" with:
 - SAP partner brand
 - Co-marketing programs
 - Exposure on SAP App Center, serving over 380,000 SAP customers
- Commercialize your app including embedded or bundled SAP technology
- Start out with standard terms
- Take advantage of customized terms that fit your business in a negotiated agreement^{**}

© 2018 SAP SE or an SAP affiliate company. All rights reserved. | PUBLIC

^{*} not available for members of Open Ecosystem - Build

^{**} available to partners that meet specific criteria and commitments (committed business plan, dedicated sales and marketing resources, financial commitments)

Select the partner level that fits your innovation and GTM needs

		Go To Market (Leverage GTM resources, set your price, reach out to SAP customers)		Attractive fees:
PartnerEdge - Build		Commercialization Options	SAP App Center - List your application for customers to discover, try and buy. Transact your app on the SAP App Center	 No listing fee 15% transaction fee Standard pricing Revenue share for cloud 25% Custom terms
			Bundle/embed runtime licenses	
			Customize – Explore alternative commercial licensing options to fit your business and benefit from additional custom services	
		Innovate (Access dev licenses, enterprise support ³ and enablement)		Comprehensive Developer Licensing
		Development License	SAP Cloud Technologies	 Cloud packs: from € 1,068 p.a.
Pa		Options	On-Premise Technologies	On-premise licenses: from €0
SAP				+ additional resource options
S		Plan & Design		
		2	Full Partnership with SAP	Common SAP PartnerEdge base fee €2,000 per annum ¹
			Open Ecosystem - Build	No program fee

1 Existing Sell and Service Partners do not have to pay the annual base fee again when signing up for the SAP PartnerEdge Build engagement model

2 Transition to the full program for application commercialization and access to dedicated SAP partner contact

3 For products where enterprise support is not available equivalent support will be offered.

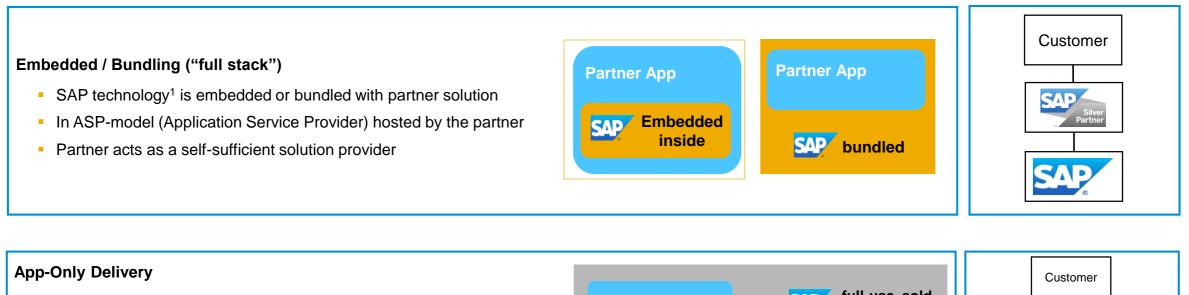
Application sales and delivery models in SAP PartnerEdge – Build

Sell your application with SAP technology, as a full-stack solution, or

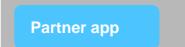
separately in case your end-customer is already in possession of the SAP technology or purchases it independently.

Application Delivery

Sales Motions



- Partner sells app to customer without SAP technology
- Full use license sold by SAP field or VAR



full-use, sold separately



¹ End-customers may only use the SAP product only in conjunction with the ISV's solution. The ISV may not distribute SAP products on a stand-alone basis.

Market and deliver your apps to SAP Customers on SAP App Center

Once you've built your application, you can accelerate your market traction with visibility on the SAP App Center.



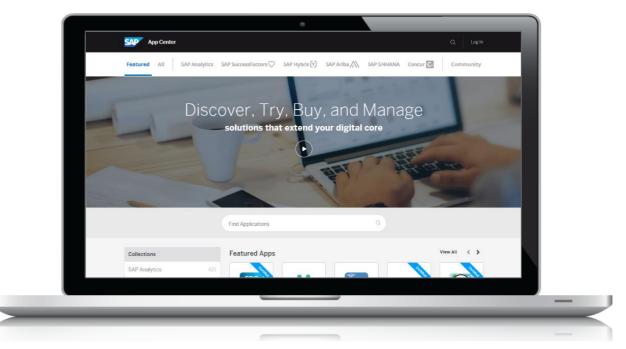
Explore the SAP App Center:

- A simple way for you to grow your market. Start by listing your app for free
- A digital space where SAP customers can discover, try, buy and manage partner applications
- An enterprise-class procurement environment with flexible workflows

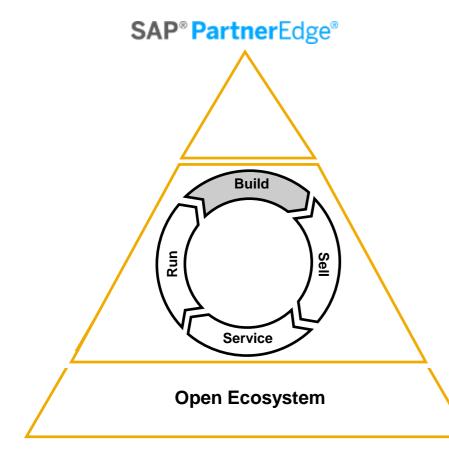
Buying on App Center drives compensation for SAP field !

Watch 2 min video >

www.sapappcenter.com



Leverage the SAP PartnerEdge – Build engagement model to accelerate and drive application opportunities



Program Benefits

- Rapid onboarding and enablement¹
- Broad portfolio of SAP technologies and solutions¹
- Development acceleration assistance for select startups¹
- Solution qualification and (optional) certification
- Exposure to over 380,000 SAP customers via comarketing and listing on <u>SAPappcenter.com</u>
- Access to SAP partner brand
- Embedding and bundling at standard terms
- Negotiated commercial terms possible²

How to engage

Learn more and apply now: <u>www.sap.com/buildbetter</u>



5,000+ Partners Building Apps ~1,000+ Partners on SAP Cloud Platform



available on SAP App Center

¹ Also available in Open Ecosystem – Build

² Available based on specific criteria: committed business plan; dedicated sales & marketing resources, financial commitments

Taking The Next Step

Opportunity: Turn custom apps into packaged IP

Custom Apps

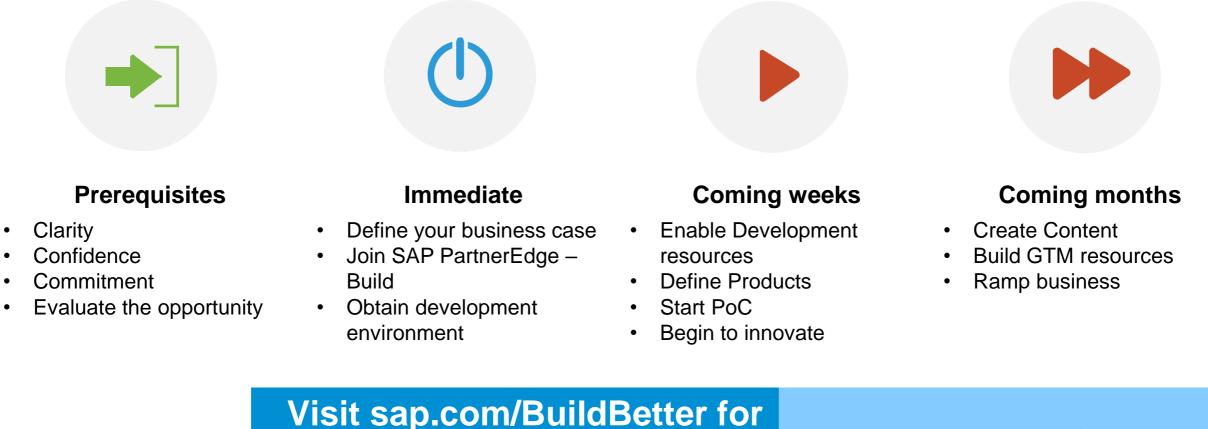
- Built to order
- For a single customer
- Might be on premise
- Point of entry



- Target multiple customers and partner channel
- Developed for offering portfolio
- Consider SAP Cloud Platform
- Offer as full-stack solution via embedding runtime
- Leverage SAP App Center

Get Started with your Applications Business

On SAP's Digital Platform



more details and sign-up now!

© 2018 SAP SE or an SAP affiliate company. All rights reserved. | PUBLIC

www.sap.com/BuildBetter

Questions & Answers



Where to find more information

Learn more about SAP PartnerEdge – Build at: <u>www.sap.com/buildbetter</u>

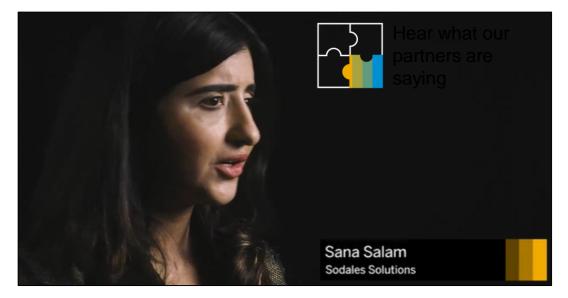
Learn more about SAP Cloud Platform at: https://cloudplatform.sap.com

Access developer tools and services https://www.sap.com/developer

Participate in SAP Community SAP Cloud Platform: <u>https://www.sap.com/community/topic/cloud-platform.html</u> Partnership: <u>https://www.sap.com/community/topic/partner.html</u>

SAP Cloud Platform: success stories https://cloudplatform.sap.com/content/skywalker/website/en_us/success.html

Apply to SAP PartnerEdge – Build Apply now >



Watch video>



Contact information:

Christian Baader: Christian.Baader@sap.com





www.sap.com/contactsap

© 2018 SAP SE or an SAP affiliate company. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP SE or an SAP affiliate company.

The information contained herein may be changed without prior notice. Some software products marketed by SAP SE and its distributors contain proprietary software components of other software vendors. National product specifications may vary.

These materials are provided by SAP SE or an SAP affiliate company for informational purposes only, without representation or warranty of any kind, and SAP or its affiliated companies shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP or SAP affiliate company products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.

In particular, SAP SE or its affiliated companies have no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation, and SAP SE's or its affiliated companies' strategy and possible future developments, products, and/or platforms, directions, and functionality are all subject to change and may be changed by SAP SE or its affiliated companies at any time for any reason without notice. The information in this document is not a commitment, promise, or legal obligation to deliver any material, code, or functionality. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, and they should not be relied upon in making purchasing decisions.

SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP SE (or an SAP affiliate company) in Germany and other countries. All other product and service names mentioned are the trademarks of their respective companies.

See www.sap.com/corporate-en/legal/copyright/index.epx for additional trademark information and notices.

