

SAP User Groups Webinar

SAP Digital Access and Digital Access Adoption Program

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PUBLIC

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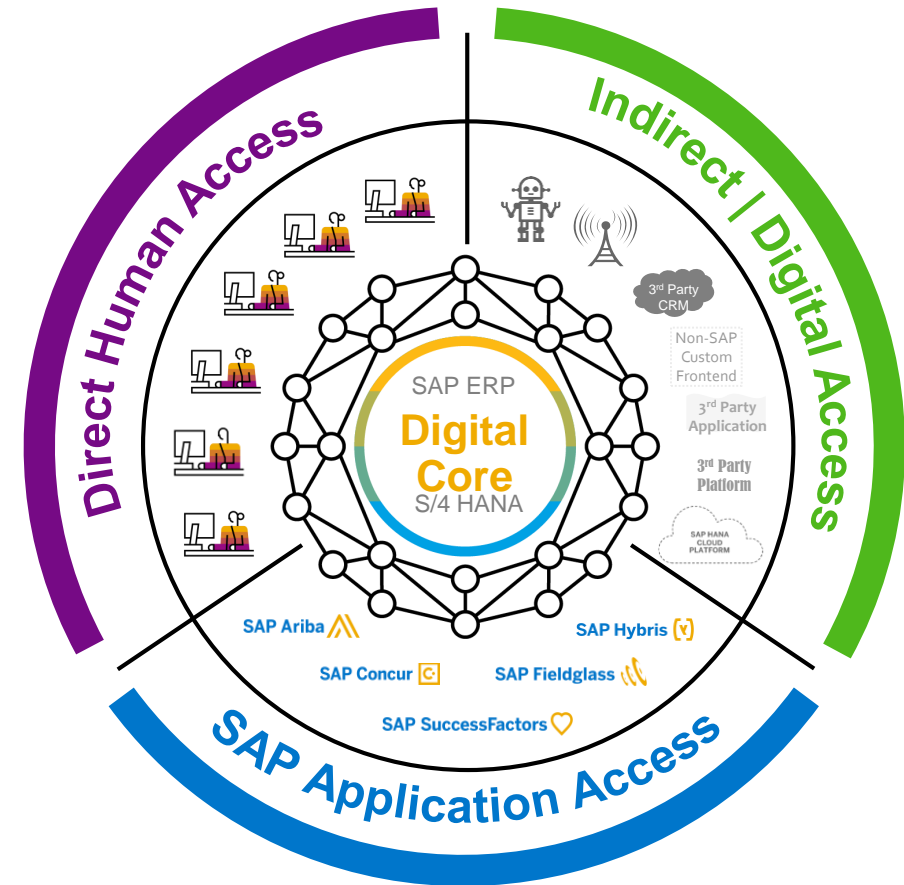
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Indirect Use / Digital Access

Use of SAP's Digital Core (ECC & S/4HANA EM) and types of access

One definition of use and three types of access

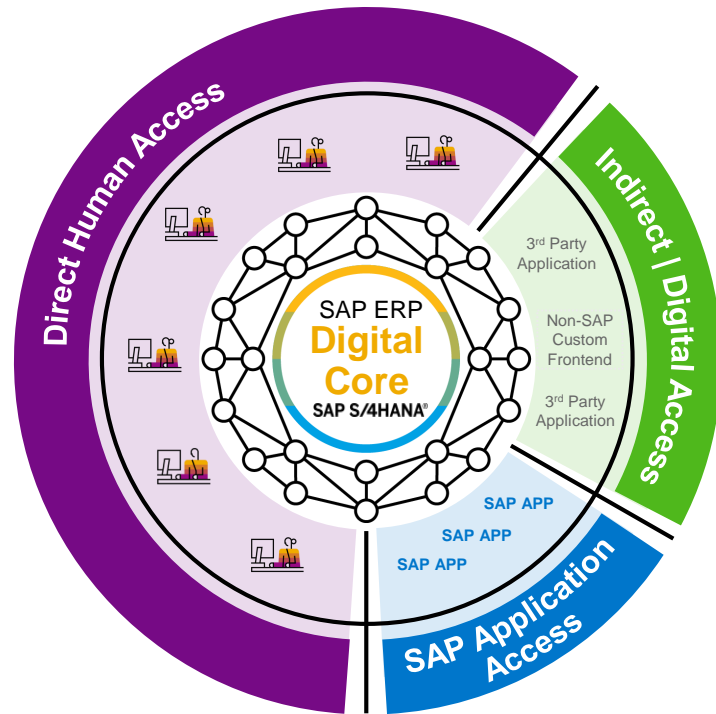
“Use” means to **activate the processing capabilities** of the Software, load, execute, access, employ the Software, or display information resulting from such capabilities. Use **may occur** by way of an interface delivered with or as a part of the Software, a Licensee or third-party interface, or another intermediary system.”



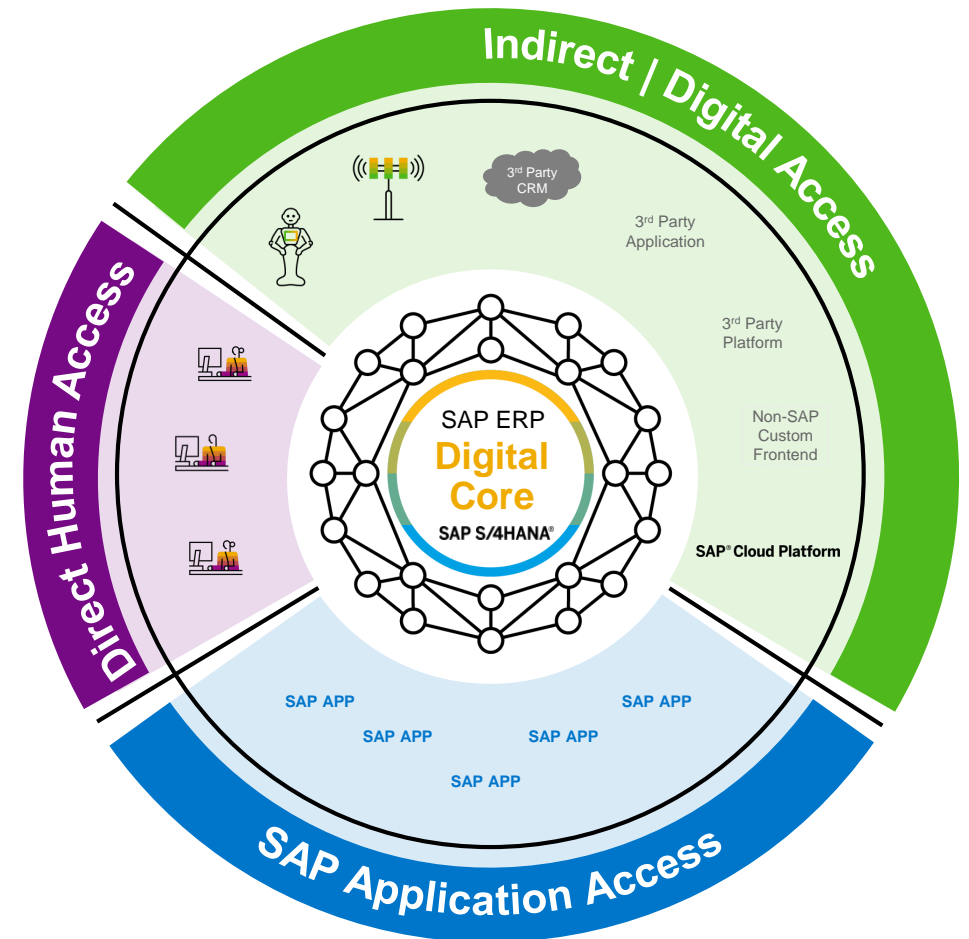
Technology landscape is evolving and so is the way customers access ERP

Indirect/Digital Access is growing due to proliferation of devices, machine learning, AI, etc.

ERP Use in 20th Century



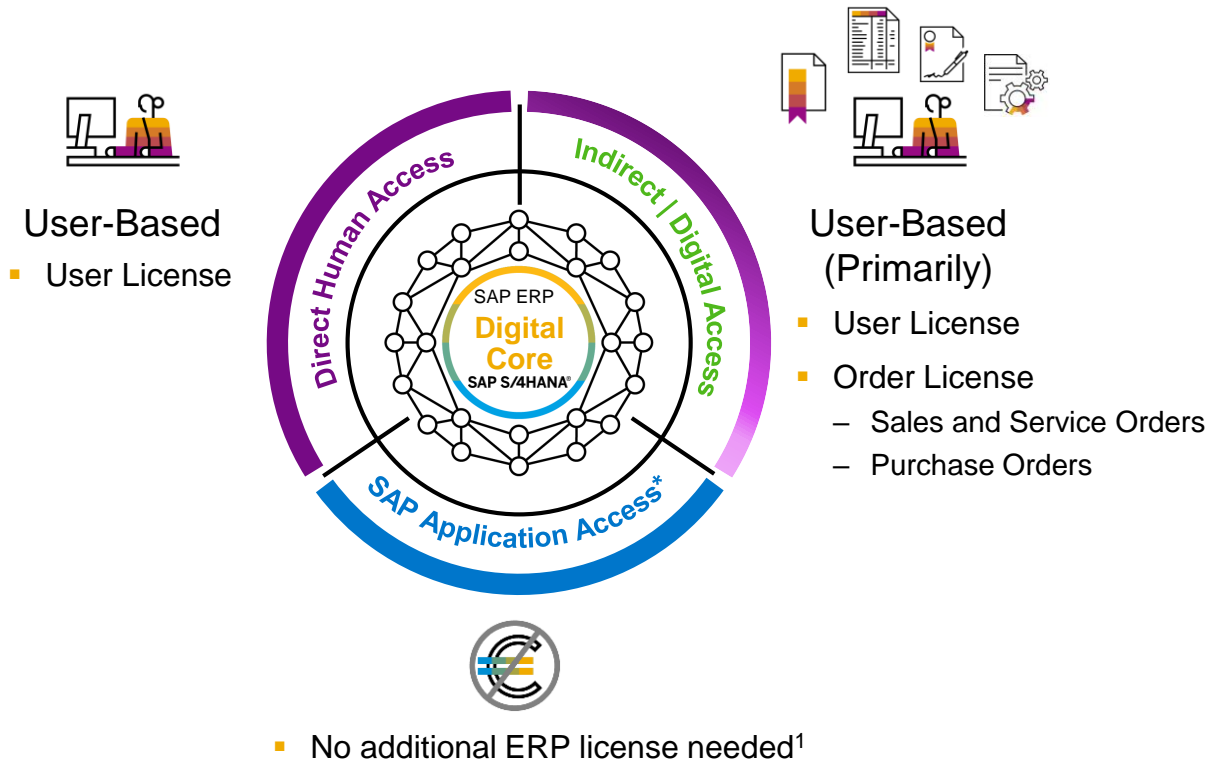
ERP Use in 21st Century



SAP is modernizing ERP pricing

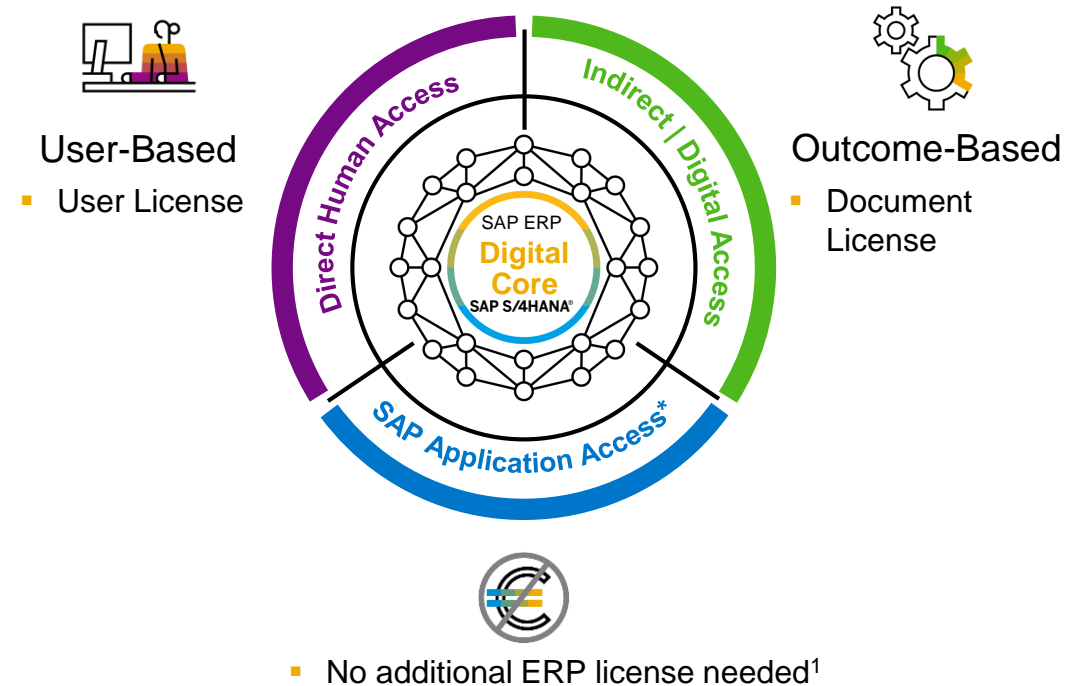
Direct and SAP Application Access remains unchanged, new pricing model for Indirect/Digital Access

Legacy Model



New Model

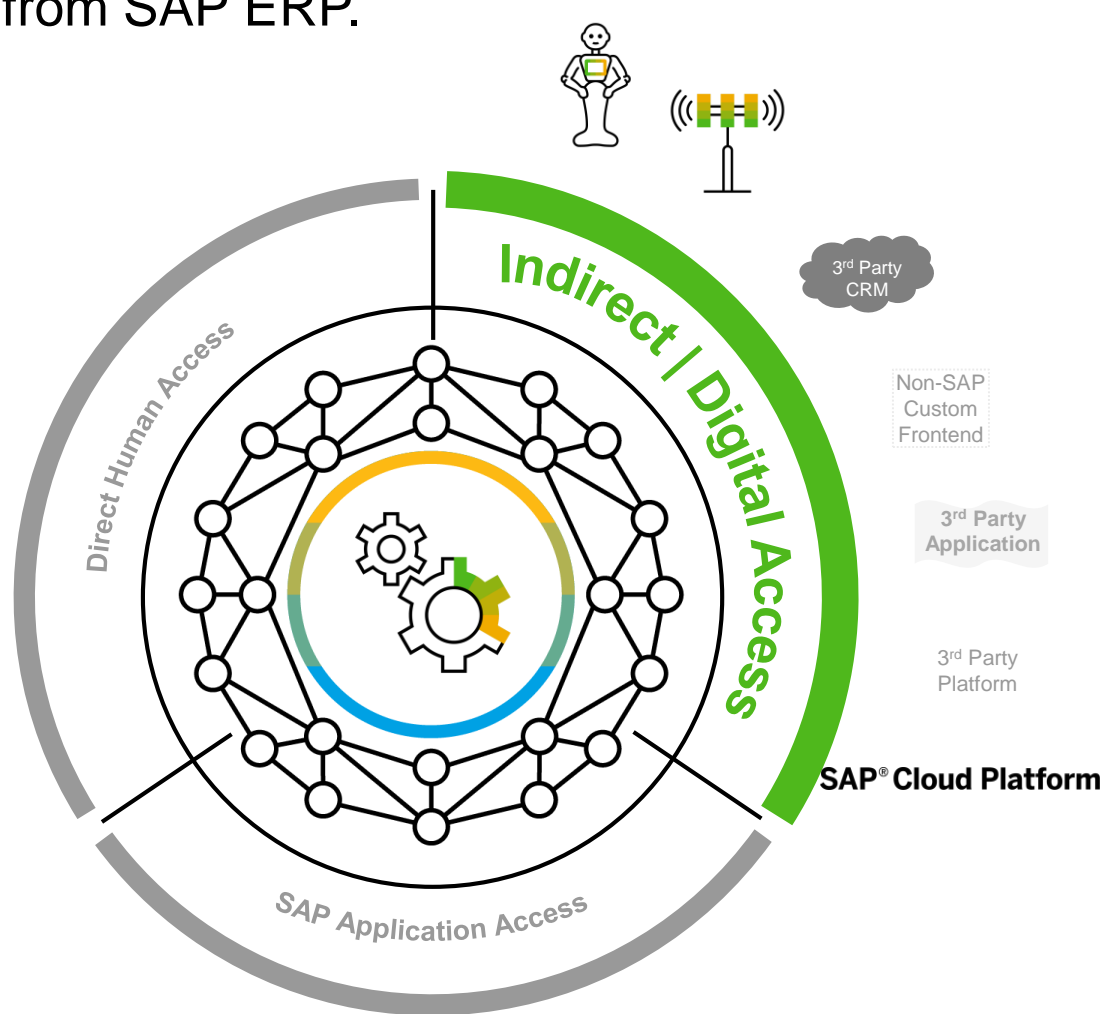
Available April 2018 Onwards



¹SAP applications refer to line of business and industry applications (cloud and on premise), as well as SAP Solution Extensions containing the required measurement functionality. This does not apply to technology solutions, such as platform, database, middleware integration and Enterprise Information Management. Provided ERP is otherwise licensed, no additional ERP User license is needed for use resulting from access by properly licensed SAP applications.

NEW Indirect | Digital Access Licensed Using Documents

Nine document types that represent system generated records and cover most valued outcomes from SAP ERP.



Document Types

- Sales Document (counted at line item level)
- Invoice Document (counted at line item level)
- Purchase Document (counted at line item level)
- Service & Maintenance Document
- Manufacturing Document
- Quality Management Document
- Time Management Document
- Financial Document (counted at line item level)
- Material Document (counted at line item level)

Multiplier

1.0

0.2

License Calculation

License calculation based on **initial Document created**
Read, Update, or Delete Documents are not counted

$(\text{Document (\#)} * \text{Multiplier}) + \dots + (\text{Document (\#)} * \text{Multiplier})$

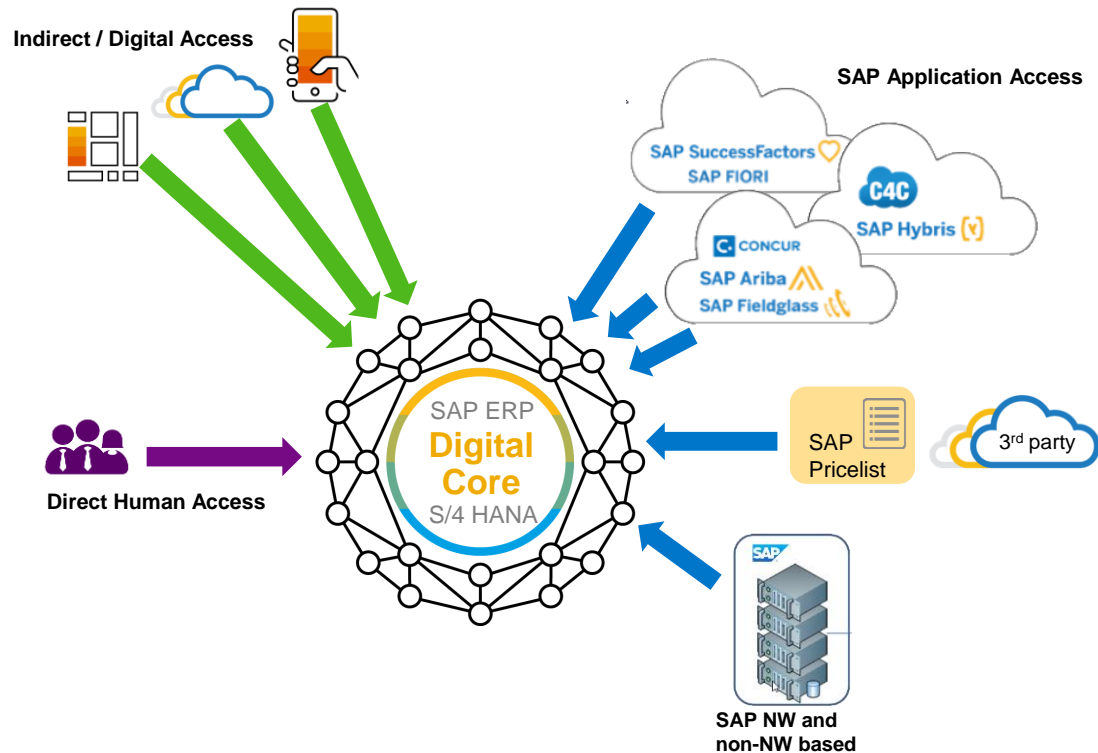
Where (#) is the Document Type from 1-9

Nine document types cover most valued outcomes from SAP ERP

Document Type	Description	Document item
Sales Document (counted at Line Item level)	A record that represents the material or service being sold or quoted (e.g., sales order line item, sales quote line item or a sales scheduling agreement release).	Sales Order Line Item Sales Contract Line Item Sales Quote Line Item Sales Scheduling Agreement Releases
Invoice Document (counted at Line Item level)	A record that represents the material or service being billed (e.g., billing document line item or supplier invoice line item).	Billing Document Line Item Billing Document Request Line Item Supplier Invoice Line Item
Purchase Document (counted at Line Item level)	A record that represents the material or service being ordered or requested (e.g., purchase order line item, purchase requisition line item or a purchase scheduling agreement release).	Purchase Order Line Item Purchase Requisition Line Item Purchase Scheduling Agreement Releases
Service & Maintenance Document	A record that represents the details of work to be performed, a reported problem or the status of processing, (e.g., service or maintenance order/notification) or a record that represents a claim (e.g., warranty claim).	Service/Maintenance Order Service/ Maintenance Notification Service/ Maintenance Confirmation Warranty Claim
Manufacturing Document	A record which represents the production-related details associated with manufacturing (e.g., production or process order or a manufacturing confirmation).	Production Order Process Order Manufacturing Confirmation
Quality Management Document	A record that represents the details of a nonconformance (e.g., defect or quality notification) or the results of an inspection (e.g., inspection result).	Defect Quality Notification Inspection Result Inspection Point Result
Time Management Document	A record that represents an employee's time worked (e.g., time sheet record)	Time Sheet Record Time Management Record
Financial Document (counted at Line Item level)	A record that represents accounting information in a financial journal (e.g., journal entry line item).	Financial Document Item
Material Document (counted at Line Item level)	A record that represents a specific material being received, issued or transferred to, from or within a storage location or plant (e.g., material document line item).	Material Document Line Item

Digital Access – Measurability

Brief Recap of Technical Approach



Built-in Functionality

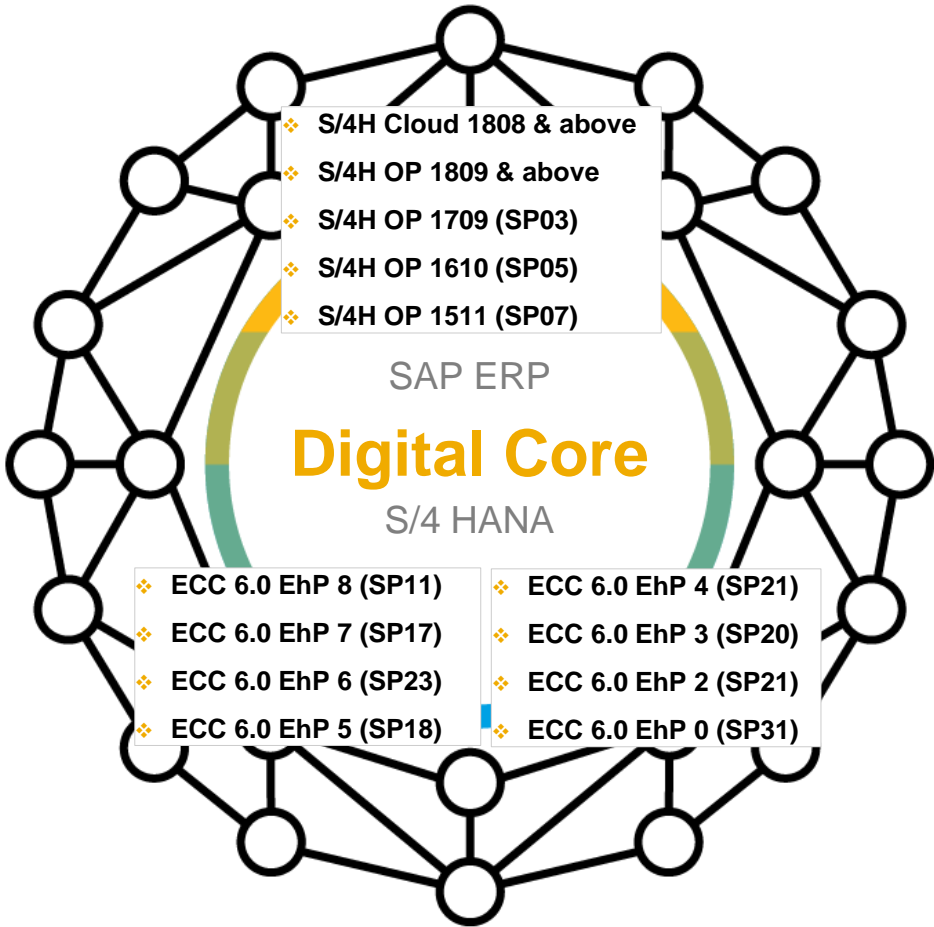
- Technical identifier („SAP Passport“) is sent to distinguish calls from SAP and non-SAP sender applications
- Within Digital Core (both S/4H and legacy ECC) call is logged and documents are counted in case technical identifier is missing
- Results relevant for future audits

Estimation Note

- Only an estimation based on how documents have been entered into the system (via technical users)
- In cases of doubt, results will lean higher versus lower to avoid being misleadingly optimistic
- Results not relevant for future audits

Digital Access – Measurability

Built-in Measurability Availability



Further technical requirements are summarized in Central Technical Guide Note [2738406](#)

2738406 - Digital Access: Central Technical Guidelines Version 2 from 14.02.2019 in English [Show Changes](#)

Component: CA-GTF-DA Category: FAQ Corrections: 0 SAP Note/KBA Number 68
Manual Activities: 0
Priority: Recommendations / Additional Info Release Status: Released for Customer Prerequisites: 0

Description Software Components Attributes Languages

Symptom

From User to Usage Based Pricing – SAP's New Pricing Approach for Digital and Indirect Access

SAP's initial ERP pricing model was designed in the 20th century and counted customer employees logging directly into the SAP ERP to use it. Hence, the pricing model was based on users accessing the SAP ERP system and required identification and licensing of every individual using the software as a user.

During the past 20-plus years, the technology landscape and the methods how customers are using SAP software has changed dramatically. SAP ERP software (both legacy SAP ERP and SAP S/4HANA) has established itself as the Digital Core. Not only are our customers' employees using the Digital Core, but business partners, consumers, third-party applications, IoT devices, automated systems, and bots are also accessing the Digital Core.

With the Digital Access Licensing Model, SAP has created an answer to tackle aforementioned challenges.

This note summarizes the technical prerequisites for on-premise solutions to enable measurability for Digital Access. SAP's cloud solutions have been enabled via the regular cloud maintenance activities.

Other Terms

Digital Access; DA; Indirect Use

Solution

The following list summarizes the technical requirements for SAP's on-premise solutions:

On-premise Solution	Needed SP/FP/Note
S/4H OP 1809 and above	no additional SP
S/4H OP 1709	SP03
S/4H OP 1610	SP05
S/4H OP 1511	SP07
ECC 6.0 EhP 8	SP11
ECC 6.0 EhP 7	SP17

(...)

Digital Access – Measurability

Estimation Notes

[Note 2644139](#) - Digital Access: Tool for SAP ERP (ECC)

[Note 2644172](#) - Digital Access: Tool for SAP S/4HANA

Count Document Type Items for ECC Systems

Selection Criteria

Document Types ☐

Creation Date 01.01.2018 to 31.12.2018

Technical Users ☐

Display Options

☒ Display technical Users

Select Single Values

O. Single Value

WF-BATCH

GSSA

Int	Short Description
1	Sales Document
2	Purchase Document
3	Invoice Document
4	Manufacturing Document
5	Material Document
6	Quality Management Document
7	Service & Maintenance Document
8	Financial Document
9	Time Management Document

Document Type	Document Item	WF-BATCH	GSSA
Financial Document	Journal Entry Item	0	443
Financial Document		0	443
Invoice Document	Billing Document Line Item	0	0
Invoice Document	Supplier Invoice Line Item	1	55
Invoice Document		1	55
Manufacturing Document	Production Order	0	0
Manufacturing Document	Process Order	0	0
Manufacturing Document	Repetitive Manufacturing Confirmations	0	0
Manufacturing Document		0	0
Material Document	Material Document Line Item	4	170
Material Document		4	170
Purchase Document	Purchase Order Line Item	0	279
Purchase Document	Purchase Scheduling Agreement Releases	0	0
Purchase Document	Purchase Requisition Line Item	0	116
Purchase Document		0	395
Quality Management Document	Quality Notification	1	0
Quality Management Document	Inspection Result	0	0
Quality Management Document	Inspection Point Result	0	0
Quality Management Document		1	0
Sales Document	Sales Order Line Item	0	0
Sales Document	Sales Contract Line Item	0	0
Sales Document	Sales Scheduling Agreement Releases	0	0
Sales Document	Sales Quote Line Items	0	0
Sales Document		0	0
Service & Maintenance Document	Service Order	0	0
Service & Maintenance Document	Maintenance Order	0	2
Service & Maintenance Document	Service Notification	0	0
Service & Maintenance Document	Maintenance Notification	0	2
Service & Maintenance Document	Service Confirmation	0	0
Service & Maintenance Document	Maintenance Confirmation	0	0
Service & Maintenance Document	Warranty Claim	0	0
Service & Maintenance Document		0	4
Time Management Document	Time Sheet Record	0	0
Time Management Document	Remuneration	0	0
Time Management Document	Absence	0	0
Time Management Document	Attendance	0	0
Time Management Document	Substitution	0	0
Time Management Document		0	0
		6	1.067

Digital Access – Measurability & Transparency

Customer Dashboard for Cloud

License Compliance

Cumulative License Overview

Period	Entitlement	Usage	Delta
02.03.2018 - 01.03.2019	190000	37627	152373

LICENSES

DOCUMENTS

ID	Name	Period	Entitlement
8005687	S4HC Digital Access	02.03.2018 - 01.03.2019	120000
8005688	S4HC Digital Access Add Doc Cap	02.03.2018 - 01.03.2019	70000

Documents

Items (29)

Enter Document Type

Type	Total Weighted Count	Item	Count	Weighted Count
Sales Document	5496.000	Sales Order Line Item	16	16.000
		Sales Contract Line Item	0	0.000
		Sales Quote Line Items	0	0.000
		Sales Scheduling Agreement Releases	5480	5480.000
Purchase Document	17.000	Purchase Order Line Item	0	0.000
		Purchase Requisition Line Item	17	17.000
		Purchase Scheduling Agreement Releases	0	0.000

Purchase Requisition Line Item

Creation Date Range

MM/dd/yyyy - MM/dd/yyyy

Items (2)

Creation Date	Instance Count
21.08.2018	4
22.08.2018	13

Digital Access – Measurability & Transparency

Customer Dashboard for On-premise

- Use transaction RSUVM_DAC to start the report
- Last measurement is displayed
- By starting new measurement old results will be overwritten

■ Planned Availabilities in Software Component SAP_BASIS:

- 7.02 SP22 - RTC Nov 2019
- 7.31 SP25 - RTC July 2019
- 7.40 SP22 - RTC July 2019
- 7.50 SP16 - RTC Sep 2019
- 7.51 SP09 - RTC Oct 2019
- 7.52 SP05 - RTC Oct 2019
- 7.53 SP03 - RTC Oct 2019

Digital Access Report

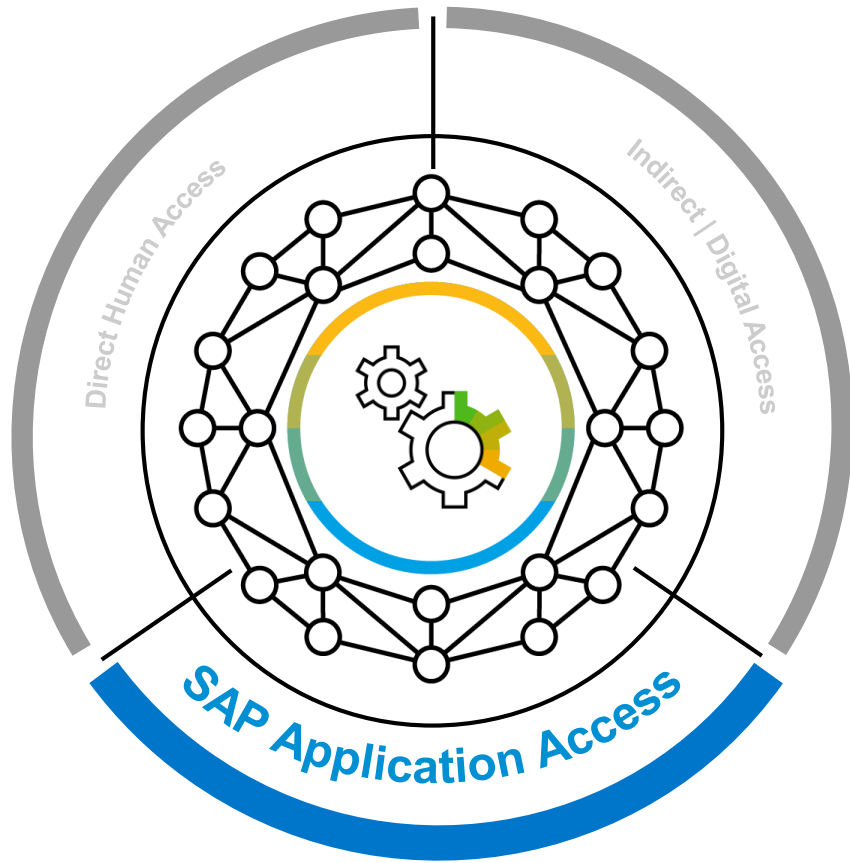
Measured By: LANGULR Jobs Planned: 0 Jobs Aborted: 0 ☒ Last Full Calendar Year
 Measurement Date: 29.05.2019 Jobs Active: 0 JobsFinished: 9 ☐ Last 12 Full Months
 Measurement Time: 18:05:58 ☐ User-Defined Period

Measurement Status: Successfully finished. Start Date: End Date:

Cl.	App.	Name of Application	Unit	Name of Metric	Start Date	End Date	Number
001	4040	Potential Purchase Documents	4041	Purchase Order Line Item (in K)	01.01.2018	31.12.2018	6
001	4060	Potential Manufacturing Documents	4062	Process Order (in K)	01.01.2018	31.12.2018	18
001	4060	Potential Manufacturing Documents	4063	Manufacturing Confirmation (in K)	01.01.2018	31.12.2018	1
003	4070	Potential Material Documents	4071	Material Document Line Item (in K)	01.01.2018	31.12.2018	934
500	4070	Potential Material Documents	4071	Material Document Line Item (in K)	01.01.2018	31.12.2018	21
001	4070	Potential Material Documents	4071	Material Document Line Item (in K)	01.01.2018	31.12.2018	95
001	4090	Potential Service & Maintenance Docs	4091	Service/Maintenance Order (in K)	01.01.2018	31.12.2018	1
001	4090	Potential Service & Maintenance Docs	4095	Service Order (in K)	01.01.2018	31.12.2018	1
001	4090	Potential Service & Maintenance Docs	4123	S/4 Service Confirmation (in K)	01.01.2018	31.12.2018	1
500	4100	Potential Financial Documents	4101	Financial Document Item (in K)	01.01.2018	31.12.2018	58
003	4100	Potential Financial Documents	4101	Financial Document Item (in K)	01.01.2018	31.12.2018	1.484
001	4100	Potential Financial Documents	4101	Financial Document Item (in K)	01.01.2018	31.12.2018	5
600	4100	Potential Financial Documents	4101	Financial Document Item (in K)	01.01.2018	31.12.2018	2
001	4110	Potential Time Management Documents	4111	Time Sheet Record (in K)	01.01.2018	31.12.2018	1

SAP Application Access

SAP Application Access: Summary of Key Points

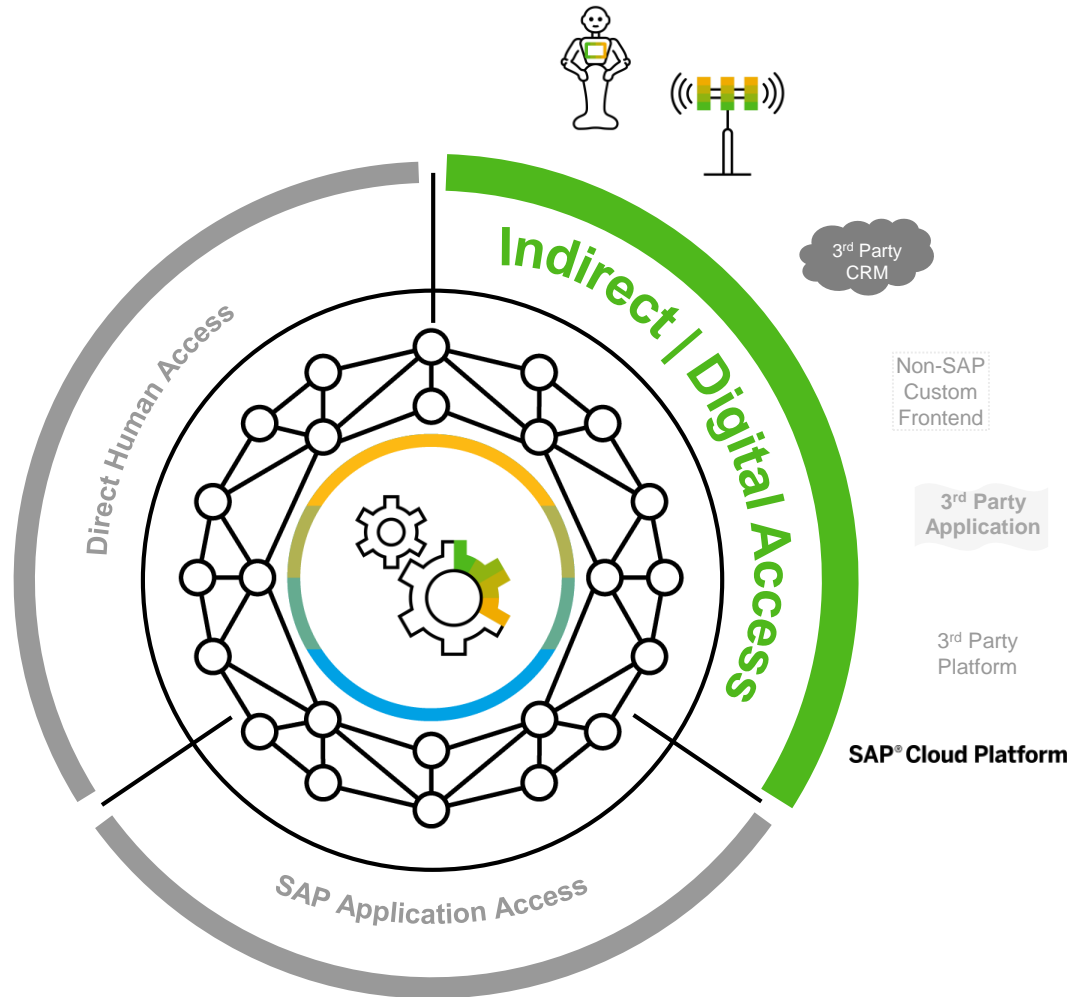


SAP Application Access occurs when humans, devices or RPA/bots use the Digital Core via another licensed SAP application.

SAP Application Access does not require any additional ERP licenses provided (1) ERP is otherwise licensed, and (2) use of ERP results from access by properly licensed SAP applications.

“**SAP applications**” refers to line of business and industry applications (**cloud and on premise**), as well as SAP Solution Extensions. This **does not** apply to technology solutions such as platform (e.g., **SAP Cloud Platform**), database, middleware integration (e.g., **XI, PI, PO**) and Enterprise Information Management.

Value of SAP Indirect / Digital Access Outcome Based Pricing



Value based – pay for system activity

Eliminates the need to count “users” accessing ERP, addresses concerns around IOT (devices, bots, etc.)

Outcome Focused

9 Document types address most valuable business outcomes
No additional charge for other document types

Transparent

Counts creation of documents by Indirect/Digital Access

- Cost for read, update, and delete actions via Indirect/Digital Access included in creation
- Subsequent document types created, as a result of the automatic processing of the original document created via Indirect/Digital Access, are not counted

Flexible - Interchangeable Document Capacity

Counts total documents created - regardless of type

Built-in volume discounts

Tiered pricing – the more you buy, the less you pay per unit

Measurable

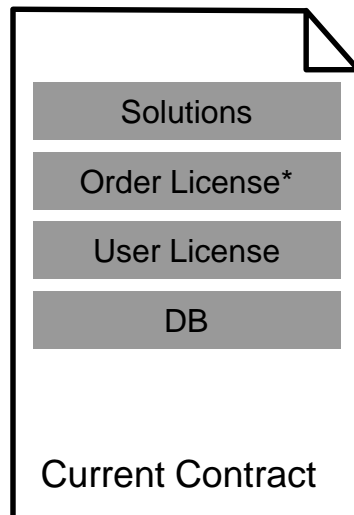
Entitlement to consumption dashboard planned

Options for existing SAP ERP customers

Status Quo – Do Nothing

For customers happy with their contract and who do not want to change

Option 1

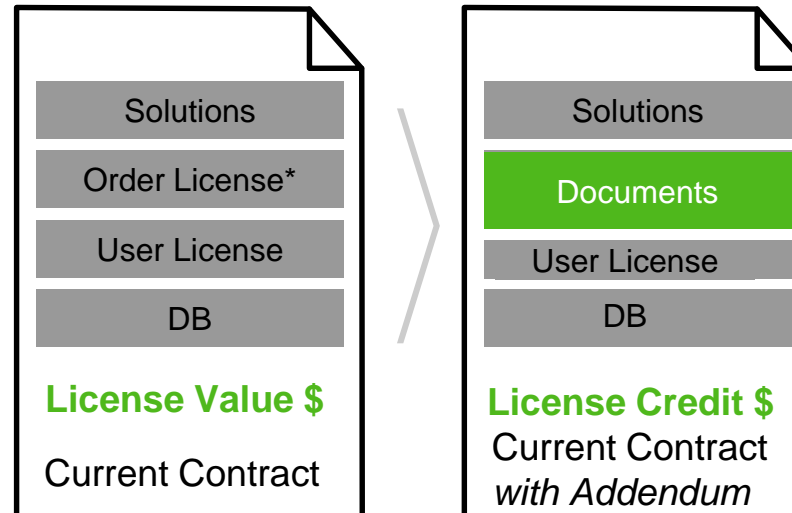


- Continue with current contract. No change.
- Continue to use User and Order* Licenses for all types of use and access
- SAP will waive back-maintenance for indirect access to SAP software for customers who proactively engage with us in good faith

License Exchange

For customers wanting improved transparency for Indirect/Digital access & remain in existing contract

Option 2

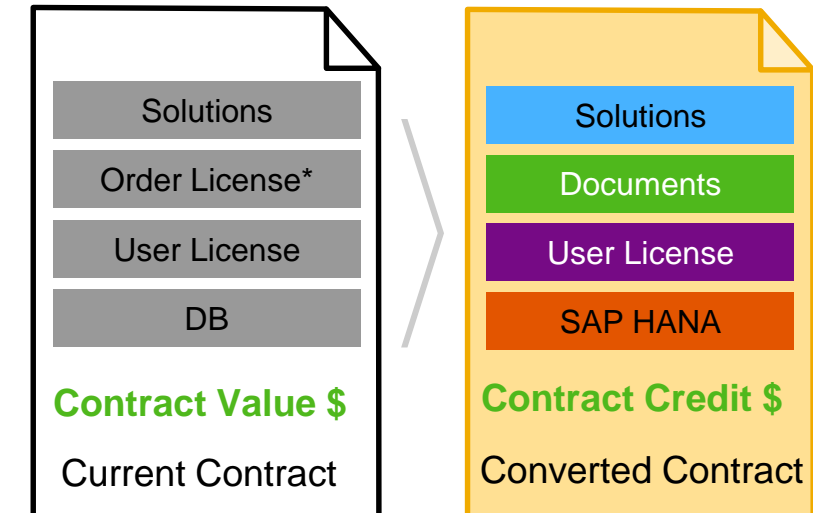


- Continue with current contract with addendum
- Up to 100% credit for User and/or Order license value** applied to new Document license value
- 100% of the maintenance base of the converting licenses is carried forward.
- SAP will waive back-maintenance for indirect access to SAP software for customers who proactively engage with us in good faith

Contract Conversion

For customers licensing SAP S/4HANA and wanting to consolidate / simplify old contracts

Option 3



- Replace current BOM with new BOM that includes a simplified licensing structure
- Opportunity to reconfigure solution landscape (new bill of material)
- Up to 100% credit for old contract value** applied to new S/4HANA contract value
- 100% of the maintenance base of the converting licenses is carried forward
- SAP will waive back-maintenance for indirect access to SAP software for customers who proactively engage with us in good faith

*Sales & Service Order Processing/Execution and Purchase Order Processing/Execution; ** Conditions apply

Digital Access / Adoption Program

The Digital Access model is transformative

Document-based licensing is an important innovation for SAP's customers

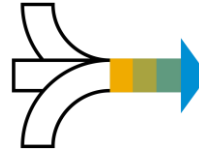
Market Momentum

Solid Customer Adoption

- >800 customers have adopted Digital Access
- Wide adoption amongst both new and existing
- Customers in all regions

Third Party Validation

- “Digital Access shows good fit by addressing customer requirements.”
– *Simon Kucher & Partners*
- “SAP has chosen to take the lead in a way that challenges the industry and sets SAP on a course to change the game for customer success across the enterprise software industry.”
– *Josh Greenbaum, EAC*



Additional Opportunity for Customer Success

Digital Access Adoption Program Available May 2019

More Clarity Needed

- How do I measure the potential impact of document-based licensing?
- Can I leverage the value of licenses I have purchased in the past to move to the Digital Access model?
- How much will Digital Access cost my organization?

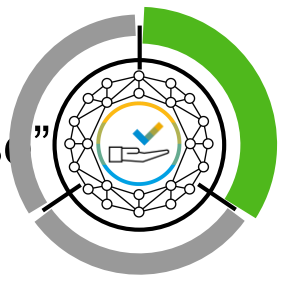


Deutschsprachige
SAP® Anwendergruppe

Supported by our User Groups, the Digital Access Adoption Program provides greater clarity to our Customers

The SAP Digital Access Adoption Program (DAAP)

DAAP* is planned to be in place for one year and is designed to cover estimated “current use”



1 Step 1 Customer Chooses Measurability Option

(A) Customer & SAP’s Global License Audit and Compliance (GLAC) identify estimated # of documents created by current use

OR

(B) Customer implements Support Packages containing SAP Passport tool with support to identify estimated # of documents created by current use

2 Step 2 Customer Chooses Financial Incentive Option

(A) Customer licenses at least 115% (15% growth) of current estimated document use and the license fee charged for this transaction is only for such licensed growth**

OR

(B) Customer licenses at least 100% of current estimated document use and receives a 90% discount on Digital Access

*The DAAP is applicable to SAP ERP and SAP S/4HANA, but it is **Not applicable** to SAP S/4HANA Cloud

** Only eligible for Standard Volume Discount. Special Discounts may not be applied.

Indirect Access Pricing for the Digital Age

SAP Digital Access Evaluation Service

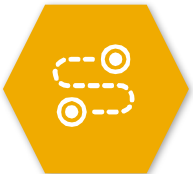
Quick Links

- [SAP Digital Access Landing Page](#)
- [Digital Access Evaluation Service \(incl. Request Form\)](#) - customers only
- For questions in regards to the service please send a mail to Digital.Access.Service@sap.com



Evaluation Support

SAP offers comprehensive and free-of-charge support to determine the initial number of Digital Access documents. Based on a detailed evaluation of the Digital Access documents for the specific business processes customers will have a basis for the decision whether SAP Digital Access is the suitable license model for the future. Additionally, the result can be used as a baseline for the Digital Access Adoption Program.



Phase Approach

In close cooperation with the customer SAP GLAC as trusted advisor will guide through the complete process of document estimation. This includes the initial information on the document determination approach, support of the estimation report implementation and sharing of best practices for the report execution.



Joint Result Evaluation

Jointly, the results will be reviewed, discussed and any obstacles clarified. A final summary of the service including used principles and results will be documented in a report and shared with all involved parties for further commercial discussions.

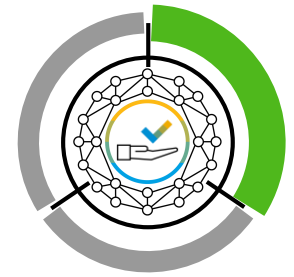


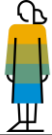


Flexible Scope

The service offering can be adjusted to the specific requirements and pre-knowledge of the customer. Examples can include pure verification support, knowledge transfer on the general license model, as well as the future measurement functionality.

The Digital Access model is optional for all customers scenarios

Customers should evaluate options according to their specific needs



Step		 Customer A	 Customer B	 Customer C
1	Customer assess Indirect Access Starting Position	All indirect use already covered by existing licenses	Customer unsure of Indirect Access licensing position >> Consider Digital Access Model	
2	Customer chooses their measurability option	No Action Required	Determine current estimated document use	
3	Customer chooses their Digital Access Adoption Program option		Customer works with SAP AE to Determine cost of adopting Digital Access Model	
4	Customer identifies any licenses purchased for Indirect use + any eligible shelfware*		Customer works with SAP AE to calculate conversion credit, if applicable	
5	Customer assess the Costs vs Benefits of adopting the Digital Access Model		Possible Zero net cost (if enough credit) to adopt Digital Access Model	Reasonable Cost to adopt Digital Access Model
Recommended Customer Action			Adopt Digital Access Model	Adopt Digital Access Model

Thank You!

Jochen Mueller

License Expert EMEA & MEE, SAP DE

THE BEST RUN 

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