Kick Off Your Move to SAP S/4HANA with
SAP Business Scenario Recommendations (next generation)

September, 2019
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PUBLIC
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Agenda

Introduction and Overview

Example: SAP Business Scenario Recommendations (next generation)

How to Request Your Own Report

Summary
Agenda

Introduction and Overview

Example: SAP Business Scenario Recommendations (next generation)

How to Request Your Own Report

Summary
How to build your case for SAP S/4HANA?

Typical Customer Questions:

- **Why** move from SAP ERP to SAP S/4HANA?
- **What** can SAP S/4HANA do for my enterprise? What are the benefits for each lines of business?
- Which **innovations are most relevant** and what are the **next steps**?
How to build your case for SAP S/4HANA?

Typical Customer Questions:

- Why move from SAP ERP to SAP S/4HANA?
- What can SAP S/4HANA do for my enterprise? What are the benefits for each lines of business?
- Which innovations are most relevant and what are the next steps?

NEW: SAP Business Scenario Recommendations for SAP S/4HANA (next generation)

- Unique insights into current business process performance, system usage and industry benchmarks
- Tailor-made recommendations for SAP S/4HANA functionalities for six lines of business
- Helping you to build your case for SAP S/4HANA and secure business buy-in
- Free of charge for customers on SAP Maintenance
Storyline example for the head of manufacturing
“Understand how to achieve your business goals with SAP innovations.”
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Business goal
“What does my CEO want me to achieve?”

Optimize manufacturing process
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Value drivers
“What should we improve?”

1. Optimize manufacturing process

2. Accelerate manufacturing cycle times
   Reduce total manufacturing costs
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Deep dive into performance
“Where are issues in today’s processes?”

Optimize manufacturing process

Accelerate manufacturing cycle times
Reduce total manufacturing costs

Process view and process performance indicators
(from customer’s SAP ERP software data with industry benchmarks)

Impacting cycle time
- Average lead time of production order release to confirmation
- # production orders not finished on time

Impacting manufacturing costs
- % production orders automatically created
- # planned orders not converted into production
- % production orders automatically released
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4. Deep dive into usage
   “How are we working today?”
   - Usage view
     (from customer’s SAP ERP software data with industry benchmarks)
     | Capabilities                  | What peers are using | What you use today |
     |-------------------------------|----------------------|--------------------|
     | Materials requirement planning| ★★★                 | ★★★                |
     | Demand-driven replenishment   | ★★                   | New                |
Storyline example for the head of manufacturing

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Usage view
(from customer’s SAP ERP software data with industry benchmarks)

Capabilities
• Materials requirement planning
• Demand-driven replenishment

What peers are using
★★★
★★★

What you use today
★★★
New

How SAP helps
(SAP S/4HANA, SAP Leonardo technologies) and what’s different?

Constraint-based production planning
Transitioning from infinite to finite planning and instantly identifying production bottlenecks »

Production execution
Automating production processes and eliminating time-consuming, paper-based tracking systems »
Example
SAP Business Scenario Recommendations (next generation)
Next Generation

SAP Business Scenario Recommendations for SAP S/4HANA

Customer Name: Sample Inc.
Customer Number: 12345
Date of analysis: 16 Sep, 2019
Country: Germany
Industry: Consumer Products Industry

System ID: PRD
Current Release: SAP ERP - EHP4
Database: Oracle

SAP Digital Business Services

Interactive Sample Report – View in “Full Screen Mode” with Adobe Acrobat Reader
Trends in Consumer Products Industry:

**Key Challenges within your industry**

**Empowered consumers**
- Consumers are informed, empowered and always on
- They can shop and buy from anywhere and make choices about where and how they would like to take

**Expanding ecosystems**
- Deliver the supply chain transparency that today's shoppers demand
- Reach consumers across channels directly in moments of need

**Extraordinary innovators**
- Building innovative business models
- Redefining customers expectations and gaining market shares

**Key Trends within your industry**

**Enabling new business models**
- Monetizing content or data
- Pursuing innovative partnerships

**Delivering personalized outcomes**
- Build enduring customer and consumer relationships
- By delivering on a set of outcomes, often service driven, that go well beyond traditional product focus

**Competing as an ecosystem**
- Expand the boundaries of consumer products
- By teaming with non-traditional ecosystem partners
- To deliver higher value at no or low incremental cost

**Key Value Drivers within your industry**

**Reimagine order to delivery**
- Improve customer service
- Reduce inventory carrying costs
- Reduce logistics costs

**Reimagine personalized products**
- Increase revenue from new products
- Increase revenue growth
- Reduce research and development expense

**Reimagine operational procurement**
- Reduce procurement function costs
- Improve compliance on supplier and price policies, taxation, and regulations
- Improve cash flow with faster payments
**Accelerators for your value and innovation discussion in the Consumer Products Industry:**

1. Understand the Industry Strategy
   - Get a business overview on what moves your industry
   - Understand SAP’s approach and products to drive industry innovation

2. Leverage Intelligent Technologies
   - Point of view of SAP towards technological impacts
   - Understand how these intelligent technologies improve everyday business

3. See target architecture with SAP Industry Digital Transformation
   - Explore a full proposed architecture in the industry poster
   - Choose from this full set and focus on processes and options relevant for you

4. Plan with SAP capabilities
   - Understand industry related abilities and offerings with SAP value maps
   - Plan your innovation program mid-term with SAP road maps

5. Implement smoothly with SAP Model Companies
   - SAP Model Company contain ready-to-use, preconfigured processes to accelerate your deployment
   - Choose the SAP Model Company for your industry and lines of business

Read the industry whitepaper »
See SAP’s point of view »
Get the poster »
Get the SAP road map »
SAP Model Company Overview »
SAP S/4HANA helps you achieve your business goals.

For selected lines of business and business goals, this report provides you with insights and tailored SAP S/4HANA recommendations.

Click one of the line of business on the right to discover how you can benefit from using SAP S/4HANA today.

**Finance**
- Reduce G/L efforts and financial closing time
- Reduce finance costs
- Reduce days sales outstanding

12 Customer-specific Recommendations High usage

**Sourcing & Procurement**
- Reduce procurement function costs

10 Customer-specific Recommendations Medium usage

**Sales**
- Improve on-time delivery performance
- Increase sales force efficiency

14 Customer-specific Recommendations High usage

**Supply Chain**
- Reduce days in inventory

7 Customer-specific Recommendations Medium usage

**Manufacturing**
- Reduce total manufacturing costs
- Accelerate manufacturing cycle time

12 Customer-specific Recommendations High usage

**Asset Management**
- Reduce unplanned downtime or outage
- Reduce asset data management cost

4 Customer-specific Recommendations Low usage

Value Drivers:

- **Accelerate Manufacturing Cycle Times**
  - 1.615 Planned but not converted in time
  - 79% Production orders automatically released
  - 3 days Lead time: Prod. order release to confirmation
  - 5 days Lead time: Prod. order release to delivery

- **Reduce Total Manufacturing Costs**
  - 87% Production orders automatically created
  - 4 days Lead time: Prod. order creation to release
  - 3.714 Failed goods movements during prod. order confirmation
  - 39 Overdue prod. orders assigned to sales

How SAP helps:

- Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.

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### How SAP helps:

- **Material Requirements Planning**: 2 stars
- **Demand-Driven Replenishment**: 2 stars
- **Constraint Based Production Planning**: 2 stars
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Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.
## Manufacturing: Your Current Process Performance in SAP ERP System “PRD”

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### Findings

**INTRODUCTION**

- Reduce Total Manufacturing Costs

**OVERVIEW**


**OVERVIEW**

- How SAP helps:
  - Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.

**OVERVIEW**

- Value Drivers:
  - Accelerate Manufacturing Cycle Times
  - Reduce Total Manufacturing Costs

**OVERVIEW**

- Production planning
- Production order creation
- Production order release
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- How SAP helps:
  - Material Requirements Planning
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**Planned but not converted in time**

### Findings and Benchmark
**What we measured**

1.615 documents

Planned but not converted in time

Absolute number of planned orders not converted into production orders, although the planned delivery date is already in the past.

Learn more »

### Consumer Products Industry Benchmark:

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### Implication

Understand the problem

### Possible Root Causes:
- Low trust on system-based planning data
- Production without production planning or outside of SAP-system
- Poor housekeeping: Non-deleted documents from inactive plants/materials

### Possible Business Impact:
- Inaccurate supply chain and replenishment
- Low production control (e.g. risk of double production)
- Higher workload for manual planning and production order entry
## Planned but not converted in time

### Findings and Benchmark
What we measured

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*Learn more →*

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**Consumer Products Industry Benchmark:**

- **Your Company:** 1,615 documents
- **Benchmark:** 10,566 documents (bottom 25%) to 1,927 documents (top 25%)
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**Consumer Products Industry Benchmark:**

- **Your Company**: 1.615 documents
- **Benchmark**: 10.566
- **Bottom 25%**: 1.927
- **Top 25%**: 82

**Details**

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</tr>
</tbody>
</table>

**Top 5 Plants:**

<table>
<thead>
<tr>
<th>Plant</th>
<th>Documents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant 7</td>
<td>906</td>
<td>56%</td>
</tr>
<tr>
<td>Plant 2</td>
<td>228</td>
<td>14%</td>
</tr>
<tr>
<td>Plant 3</td>
<td>198</td>
<td>12%</td>
</tr>
<tr>
<td>Plant 6</td>
<td>88</td>
<td>5%</td>
</tr>
<tr>
<td>Plant 1</td>
<td>12</td>
<td>1%</td>
</tr>
</tbody>
</table>

**Implication**

Understand the problem

**Possible Root Causes:**

- Low trust on system-based planning data
- Production without production planning or outside of SAP-system
- Poor housekeeping: Non-deleted documents from inactive plants/materials

**Possible Business Impact:**

- Inaccurate supply chain and replenishment
- Low production control (e.g. risk of double production)
- Higher workload for manual planning and production order entry

Learn more »

Value Drivers:
- **Accelerate Manufacturing Cycle Times**: 1.615 Planned but not converted in time
- **Reduce Total Manufacturing Costs**: 87% Production orders automatically created

How SAP helps:
- Material Requirements Planning »
- Demand-Driven Replenishment »
- Constraint Based Production Planning »
- Production Control »
- Production Execution »

**Production Planning**
- Lead time: Prod. order creation to release: 4 days
- Lead time: Prod. order release to confirmation: 3 days

**Production Order Creation**
- Production orders automatically released: 79%

**Production Order Release**
- Lead time: Prod. order creation to release: 4 days

**Production Order Confirmation**
- Failed goods movements during prod. order confirmation: 3.714
- Overdue prod. orders assigned to sales: 39

**Production Order Delivery**
- Lead time: Prod. order release to delivery: 5 days

How SAP helps:
- Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.
Material Requirements Planning

Business Scenario Description

Use sophisticated material requirements planning balances to optimize services and cost reduction. Gain visibility across the supply chain to monitor stock-outs and automatically create procurement proposals.

Value Drivers

- **Reduce days in inventory**
  Consider all inventory data, lead times, and procurement timing in calculations.

- **Reduce revenue loss due to stock-outs**
  Monitor inventory and automating the creation of procurement proposals.

- **Improve on-time delivery performance**
  Leverage MRP logic to ensure that materials are in stock and manufacturing is scheduled on time to meet delivery goals and order commitments.

What’s new in SAP S/4HANA

- **New Material Requirements Planning (MRP) Cockpit**
  The whole MRP Cockpit has been renewed and redesigned.

- **Embedded Production Planning and Scheduling (PPDS)**
  With SAP S/4HANA the PPDS functionality, which was outside the ERP system in APO-PPDS is now an embedded full PPDS in the core ERP.

- **New Demand Driven MRP**
  The Material Requirements Planning Run (MRP) has now been enhanced with Demand Driven MRP.

Further Information

Your Current SAP ERP usage:

- 8 Used transactions »

SAP S/4HANA Recommendation Details:

- Business Scenario Details »
- See Related SAP Fiori Apps »

Back to Innovation Overview »
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Further Information

**Your Current SAP ERP usage:**

8 Used transactions »

**SAP S/4HANA Recommendation Details:**

Business Scenario Details »

See Related SAP Fiori Apps »

Back to Innovation Overview »
The table below shows SAP S/4HANA business scenarios that are enhancing process areas which you are already running on SAP.

<table>
<thead>
<tr>
<th>SAP S/4HANA BUSINESS SCENARIO</th>
<th>YOUR CURRENT USAGE INTENSITY</th>
<th>BASED ON USAGE OF TRANSACTIONS</th>
<th>INDUSTRY POPULARITY</th>
<th>DETAILS</th>
<th>SAP FIORI APPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production Execution</td>
<td>★★★</td>
<td>25</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External Processing</td>
<td>★★★</td>
<td>5</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Material Requirements Planning</td>
<td>★★★</td>
<td>8</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production Control</td>
<td>★★★</td>
<td>4</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subcontracting</td>
<td>★★★</td>
<td>1</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing Analytics</td>
<td>★★★</td>
<td>1</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production BOM Management</td>
<td>★★★</td>
<td>4</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production Scheduling</td>
<td>★★★</td>
<td>2</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Just-In-Time Processing</td>
<td>★★★</td>
<td>1</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Improvement</td>
<td>★★★</td>
<td>1</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recipe/Routing Management</td>
<td>★★★</td>
<td>1</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand-Driven Replenishment</td>
<td>★★★</td>
<td>Usage of related application area</td>
<td>New</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The table below shows additional SAP S/4HANA business scenarios you could benefit from.

<table>
<thead>
<tr>
<th>SAP S/4HANA BUSINESS SCENARIO</th>
<th>INDUSTRY POPULARITY</th>
<th>DETAILS</th>
<th>SAP FIORI APPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Inspection</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Planning</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repetitive Manufacturing</td>
<td>★★★★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constraint Based Production Planning</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extended Production Operations</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kanban</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing Engineering</td>
<td>New</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* = No SAP standard usage detected in your SAP ERP system. Business scenario runs possibly outside of SAP ERP system or custom developed solution.
Reimagine Personalized Order to Production

Traditional Scenario:

- Customer can select only from defined product variants
- Additional personalization requires engineering effort. It is delivered with high cost, long lead time, and varying quality
- Significant investment of labor and resources to fulfill the order
- Low customer satisfaction and inability to scale personalized offerings

The New World With SAP:

- Personalized order from customer through e-commerce; real-time feedback on feasibility
- Confirmation of commitment and lead time based on manufacturing/supplier network guidance
- Advanced variant configuration enables real-time product and production engineering
- Scheduling production in a single system
- Traceability and serialization enabled by integration of SAP Manufacturing Execution with digital core
- Fulfilment of personalized order with short lead time, low cost and high customer satisfaction
### Before: Challenges and Opportunities
- Accurately track the availability of material for made-to-order products
- Migrate from an Oracle-based PowerTerm solution for better insight into financial and procurement operations
- Gain better control over inventory using live tracking and valuation
- Reduce supply chain risk and the risk of procurement errors

### Why SAP and KPIT Technologies
- SAP S/4HANA for a single source of data on inventory turnover, material flow, and stock transfers
- SAP Fiori apps for an any-device, mobile-first, role-based user experience that simplifies employee engagement and boosts productivity
- Faster project completion with expertise and best practices from KPIT Technologies

### After: Value-Driven Results
- Optimized supply chain with real-time inventory visibility, from purchase requisition to goods receipt
- Faster production using touch-screen technology that allows workers to order consumables instantly
- Improved visibility of raw-material consumption and goods-in-transit stock
- Better non-destructive testing quality controls using automated monitoring and reporting

"Real-time intelligence helps us eliminate errors and reduce risk."

Harbir Singh, Head of Operations, Isgec Hitachi Zosen Ltd.
SAP S/4HANA helps you achieve your business goals.
For selected lines of business and business goals, this report provides you with insights and tailored SAP S/4HANA recommendations.
Click one of the line of business on the right to discover how you can benefit from using SAP S/4HANA today.

**Finance**
- Reduce G/L efforts and financial closing time
- Reduce finance costs
- Reduce days sales outstanding

**Sourcing & Procurement**
- Reduce procurement function costs

**Sales**
- Improve on-time delivery performance
- Increase sales force efficiency

**Supply Chain**
- Reduce days in inventory

**Manufacturing**
- Reduce total manufacturing costs
- Accelerate manufacturing cycle time

**Asset Management**
- Reduce unplanned downtime or outage
- Reduce asset data management cost
Take the Next Steps and Start Your Transformation to SAP S/4HANA

1. Build your business case

- Understand and Monitor your Processes
  - KPI-trees with real-time data and drill-down for root-cause analysis
  - Business Process Improvement Suite on SAP Solution Manager
    Learn more »

- Benchmark against Peers and Assess your Maturity
  - Benchmark business KPIs against peers and assess your opportunity to re-think your business processes
  - Next Generation Benchmarking tool
    Learn more »

2. Plan your Project

- Evaluate your Project Complexity
  - Assess the SAP S/4HANA project complexity according to your current ERP implementation
  - SAP Readiness Check
    Learn more »

- Build your Transformation Roadmap
  - Shape your future landscape and build your transformation roadmap
  - SAP Transformation Navigator
    Learn more »

- Plan and Start your Project
  - Understand most relevant services available to support your project
    - SAP Enterprise Support
    - SAP Model Company
    - SAP Value Assurance packages
    Learn more »
Understand and Monitor your Processes: Get the Data for your bottom-up Business Case

Business Process Improvement tool suite in SAP Solution Manager* with out-of-the-box key figure content:

- **Business Process Analytics** root cause analysis tool for your process experts. This is the prerequisite to derive and implement action items, which can be documented and tracked in Issue Management in SAP Solution Manager.

- **Dependency Diagrams** help to differentiate cause and effect of different key figures. These ‘KPI trees’ visualize qualitative relationships between key figures. Drill-downs down to the individual document allow you to identify root-causes and to get a clear understanding of where you need to improve.

- **Tabular Dashboards** can be build on top of business process analytics and enable continuous tracking and break-down across organizational units for your activated key figures.

- **The Progress Management Board** visualizes key figures improvements.

*All these functions are already included in your SAP Enterprise Support or Product Support for Large Enterprises agreement with no additional costs.*
**Evaluate the Steps Needed for your Move to SAP S/4HANA with SAP Readiness Check**

- **A holistic system analysis** is the foundation for further planning steps towards a successful and smooth SAP S/4HANA system conversion.

- The **SAP Readiness Check analyzes** software prerequisites, infrastructure requirements, SAP S/4HANA functional implications, necessary custom code adaptations and application data migration requirements already **months before a project starts**.

- An analysis should be **run as early as possible** to get a full understanding of the related tasks and efforts to support a smooth transition.
Build your Transformation Roadmap with SAP Transformation Navigator

Choose the right SAP products and solutions for your journey to the Intelligent Enterprise:

- Set up your Product Map starting with your current products: SAP will recommend your future Product Map
- Build the foundation for your business case to move to the SAP S/4HANA based Intelligent Enterprise
- A transformation program needs structure, direction, and priorities: SAP provides a solid and adaptable framework to plan and start your transformation journey
Agenda

Introduction and Overview

Example: SAP Business Scenario Recommendations (next generation)

How to Request Your Own Report

Summary
SAP Business Scenario Recommendations (next generation)
Request Process Overview

1. Extract data
   - Implement SAP Notes 2745851 and 2758146 in productive SAP ERP system
   - Run data extraction report and download ZIP file

2. Initiate your request
   - Initiate your request – go to: www.s4hana.com
   - Fill in the form, upload the extracted ZIP file and submit your request

3. Confirm your request
   - After submitting your request you will receive an e-mail to confirm your e-mail address
   - SAP will start to generate the report after your confirmation

4. SAP will share results report
   - SAP will send you the results report via e-mail

How-To Guide
Next Generation of SAP Business Scenario Recommendations for SAP S/4HANA

The SAP Business Scenario Recommendations report provides you with tailor-made insights to build your case for SAP S/4HANA.

**Typical questions you may ask**
- Why move from SAP ERP to SAP S/4HANA?
- Which new functionalities are most relevant for each line of business?
- How does SAP S/4HANA support your business goals?

**What you can expect**
- Unique insights into your current operational business process performance, functional usage and industry benchmarks.
- Specific recommendations for five lines of business: SAP S/4HANA functionalities and SAP Fiori apps.
- Build your case for SAP S/4HANA and secure business buy-in.
- Free of charge*

**Request your own report**

With little effort you can request your own SAP Business Scenario recommendations for SAP S/4HANA. Please follow the instructions and apply on your productive SAP ERP system the SAP standard notes number: 2758148 and 2745851.

This will generate a ZIP file with all necessary information. Please review the content in the file and submit your request below.

**How to request your own report:**
- Follow the how-to-guide

**Want to know more?**
- Demo Video
- Sample report
- Presentation

**Questions?**
- Contact our team

Get started now
Agenda

Introduction and Overview

Example: SAP Business Scenario Recommendations (next generation)

How to Request Your Own Report

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Key Benefits of SAP Business Scenario Recommendations

- Identify the most valuable SAP S/4HANA business scenarios for your company
- Receive tailor-made insights to build your case for SAP S/4HANA
- Get unique business performance insights and tailored recommendations by line of business based on the actual usage of your SAP ERP system
- Free-of-charge, personalized report to all customers under SAP maintenance, independent of their support model

Order your free report: [www.s4hana.com](http://www.s4hana.com)
Thank you.

SAP Digital Business Services
Customer Value Experience
s4hana@sap.com