

Understanding SAP Cloud ERP

Public Cloud Concepts and Operating Model

Markus Rosemann, SAP
April 7, 2026

Challenges for SAP ERP customers

Stagnation risks

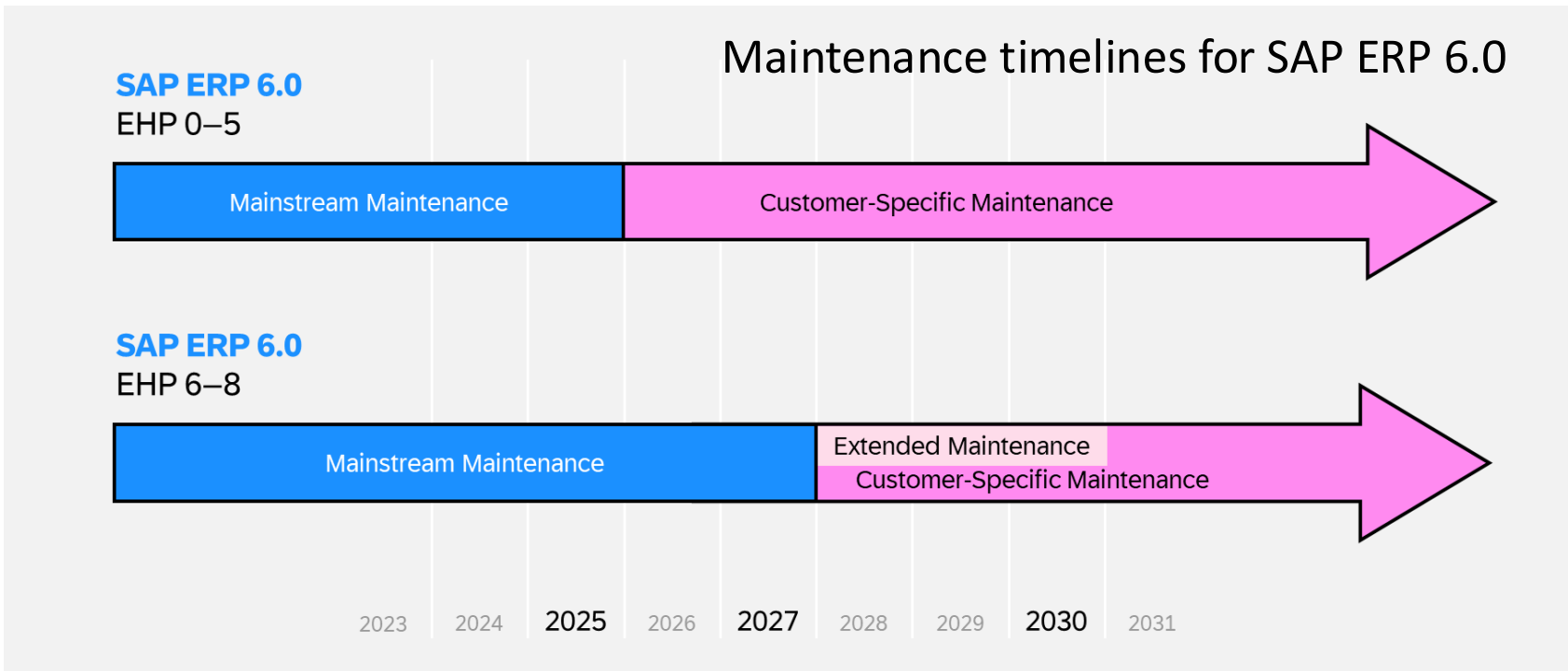
- Capacity is blocked because of manual processes; like reconciliation of tables at quarterly closing
- Complex and costly ERP re-implementation on old processes
- System lock-in, not allowing to benefit from innovations like AI and automation

Missing out on modernization

- Costly modifications and developments to meet regulations and blocking innovation
- Outdated user interfaces not attractive for a new workforce expecting a modern, intuitive, and AI-based experience
- Inconsistent and isolated data for reporting, separated from business processes, hence slowing down decision making



SAP ERP releases are running out of mainstream maintenance soon



- SAP provides mainstream maintenance for the latest three enhancement packages (EHP) of SAP Business Suite 7 core applications (incl. EHP 6, 7 and 8 for SAP ERP 6.0) software until the end of 2027 followed by the option to extend maintenance.
- Lower versions are running out of mainstream maintenance by the end of 2025.
- More detail about maintenance, see [SAP Support Portal Home](#).
- Read the blog post [here](#).

Opportunities of an ERP in the cloud

Agility and scalability

"Cloud is a foundational enabler. It's about agility, speed, and the ability to drive innovation." – McKinsey

Cloud ERP allows rapid adaptation to market changes and flexible scaling, avoiding large capital outlays.

Cost efficiency

"Cloud migration can reduce IT infrastructure costs by 15-25%." – BCG

Cloud ERP reduces the need for on-site hardware and IT infrastructure, leading to predictable operational costs.

Innovation and competitive edge

"Cloud is the new engine of innovation, allowing companies to rapidly experiment with new technologies and business models." – Forrester

Cloud platforms offer access to advanced technologies like AI and machine learning, fostering innovation and competitive advantages.

Enhanced security and data protection

"Cloud providers have matured their security capabilities to a point where, for many organizations, cloud environments are now more secure than on-premises ones." – Gartner

Cloud provides comprehensive security measures, exceeding what individual businesses can afford, resulting in better data protection and compliance.



Embracing the Future with SAP Cloud ERP

A Cloud ERP for your business needs

Either start fresh with SAP Cloud ERP or modernize your existing ERP with a clean core approach.

Benefit from the power of cloud ERP

Run your core business in the cloud, with SAP delivering continuously innovations for applications, data, and AI.

Run on industry best practices

Leverage built-in industry standards and best practice processes for faster deployment and state-of-the-art operations.

Innovate continuously

Stay ahead with new capabilities and features out of the box for a proactive use of technology.

Enhance user experience and automation

Deliver an intuitive, optimized user experience supported by intelligent automation and AI-powered insights.



Why customers start fresh with SAP Cloud ERP?



“Why are you moving to the private cloud when you can get all the benefits of a public cloud migration?”

– Director Corporate Controlling

Western Sugar

[Customer story](#)



“Our move to SAP Cloud ERP represents a significant leap forward in driving agility and innovation across PwC.”

- Global and US CIO

PwC

[Customer story](#)



“SAP Cloud ERP is helping us save time spent on system maintenance, improve user experiences, and enable staff to work more flexibly and efficiently.”

- Business Development Director

Tetra Pak

[Customer story](#)



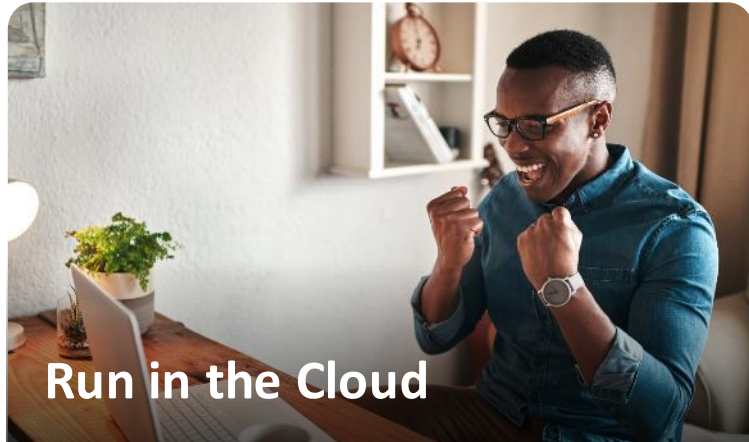
“With SAP Cloud ERP, we no longer need to manage the security and maintenance of our ERP hardware and software. SAP takes care of those things for us—and the peace of mind is priceless..”

- ERP Director

Stoli Group

[Customer story](#)

Embracing the Future with SAP Cloud ERP



- SaaS ERP
- Industry best practices
- Optimized user experience
- Automation with AI



- Cloud innovation cycles
- Global reach
- Extensibility and integration



- Methodology and tools
- Simplified change management
- Packaged activation services
- Peace of mind security

Run in the Cloud

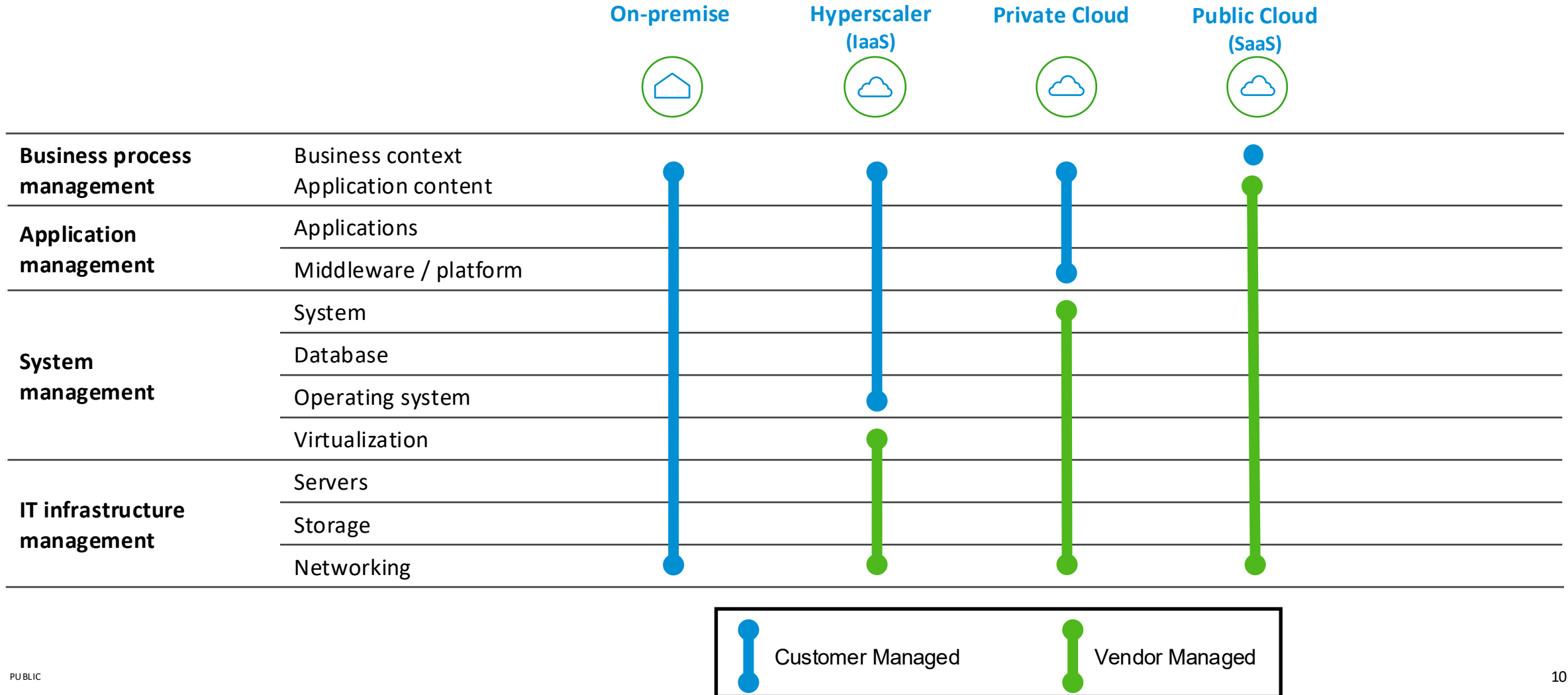
to improve operational efficiency

- **Return to standard** to improve operational efficiency by running on preconfigured Best Practices on a SaaS Cloud ERP solution
- **Deliver results** with a modern UX, including integrated collaboration, 200+ embedded intelligence scenarios offering a modern user experience for the workforce
- **Optimize** with AI assisted automation
- **Focus on innovation** by consuming SaaS services instead of keeping the lights on



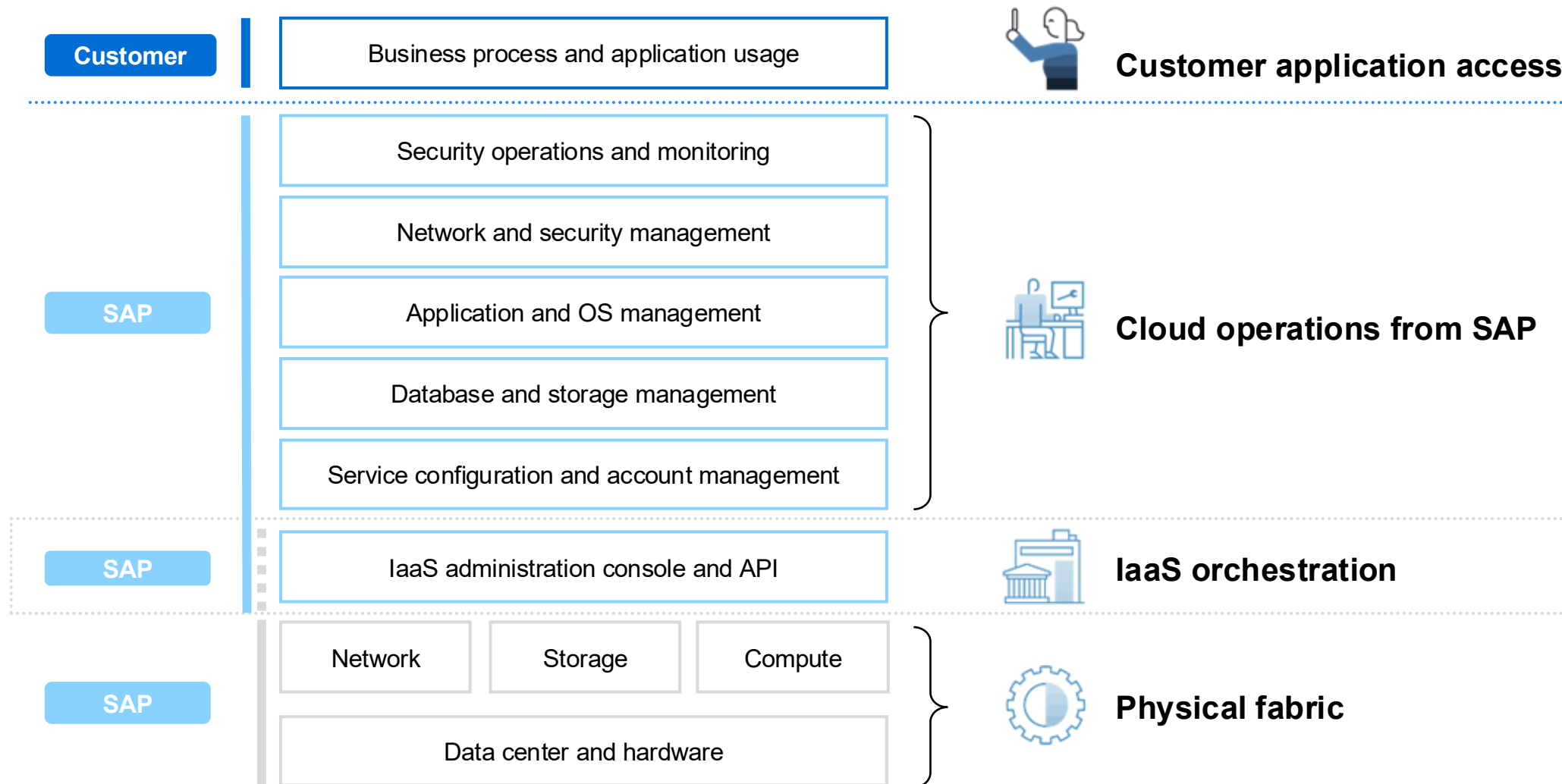
Cloud Model Overview

Comparison of the common service models, a question of controlling the stack



SAP S/4HANA Cloud Public Edition Operating Model

Shared Governance



Run in the Cloud

Peace of mind with continuous updates



Cloud Product Quality

- True **SaaS Cloud**
- High quality development standards
- **Automated provisioning**
- **Two upgrades** a year
- **Monthly** feature delivery



Availability SLA 99.9%

- SAP S/4HANA Cloud [available at any time](#) without disruptions.



Lifecycle Capabilities

- [3-Tier landscape](#)
- **Parallel Project Line** for complex projects
- **Technical scalability** to serve all customer needs and sizes



Extensible

- **Key user extensibility** for fields, screens, forms and reports
- **Low-Code/no-code** development tools
- **Developer extensibility** in stack or side-by-side



Simplified Upgrades

- **Parallelization of upgrade** activities to reduce downtimes ([Blue-Green deployments](#))
- [Test Automation](#) for business processes and [post upgrade test](#).

Self-healing - Continuous Innovation Delivery - Secure

SAP Cloud ERP – Full-featured SaaS ERP



Comprehensive core ERP for all industries

Procure-to-pay

Buy and receive

- Sourcing and procurement
- Good receipts and inventory management

Invoice and pay

- Process incoming invoices and accounts payable
- Manage payments
- Manage working capital

Order-to-cash

Order and fulfill

- Sales order processing
- Deliver goods and post costs
- Deliver services

Bill and collect

- Collect billing
- Execute invoicing and post revenue
- Collect payments

Record-to-report

Record, report, and FP&A

- Financial accounting and close
- Management reporting
- Financial plans, budgets, and forecasts

Typical core ERP scope



Procurement



Sales



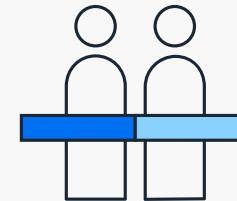
Finance

Advanced add-on applications

Advanced finance, procurement, and sales

- Planning and consolidation
- Automated close
- Treasury and banking
- Subscription billing
- Advanced tax compliance
- Employee buying

Customer examples



[Akkodis](#)

[CEWE](#)

[Dizal](#)

Full-featured SAP Cloud ERP with ready-to-run industry best practices



Finance

- Accounting and Financial Close
- Receivables and Payables Mgmt.
- Cost Mgmt. & Profitability Analysis
- Treasury & Working Capital Mgmt.
- Governance, Risk and Compliance



Procurement

- Sourcing & Contract Management
- Operational Procurement incl. buying experience
- Supplier Management & supplier invoice management
- Procurement Analytics



Sales

- Customer Order Management
- Customer Returns
- Billing and Invoicing
- Price Management
- Sales Rebate Management
- Sales Analytics



Service

- Service Order Management
- Service Contract Management
- In-House Repair
- Service Execution
- Service Billing and Invoicing
- Service Monitoring and Analytics



Cross Functions

- Extensibility and Integration
- Embedded Analytics
- Situation Handling
- Responsibility Management
- Data Protection and Privacy

SAP Cloud ERP



Manufacturing

- Material Requirements Planning incl. Demand-Driven and/or Predictive MRP
- Make to Stock, Make to Order & Engineer to Order
- Quality Management
- Environment, Health and Safety



R&D

- Project Control
- Product Compliance
- Advanced Variant Configuration
- Product Change Management
- Bill of Materials Management



Asset Management

- Asset Health Monitoring
- Asset Fault and Incident Response Management
- Tactical Asset Management Planning
- Asset Management Resource Planning



Supply Chain

- Core Inventory Management
- (Advanced) ATP Processing
- Warehouse Management
- Transportation Management
- Logistics Cross Topics (Batch Serial Number, Handling Unit, Business Process Scheduling)



Industry Capabilities

- Service Industries
- Discrete Industries
- Consumer Industries
- Energy & Natural Resources
- Public Services

Simplify everyday work

with an intuitive, personalized, intelligent, and collaborative user experience

User Experience in SAP Cloud ERP out of the box

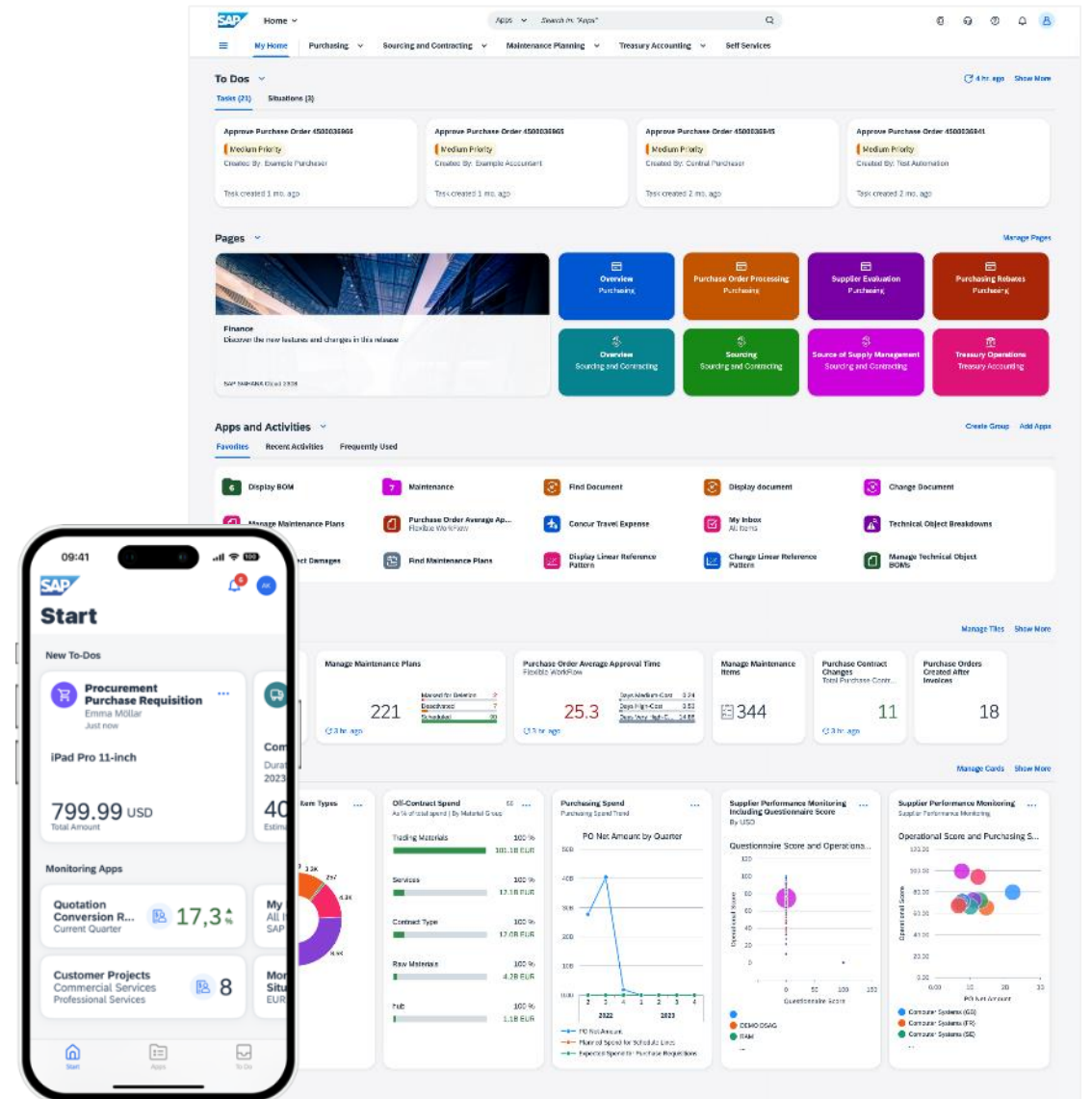
Intuitive

Collaborative

Personalized

Mobile

Intelligent



To Dos

Tasks (0) [Situations \(16\)](#)

⚠️ This sales quotation is about to expire

The validity of this sales quotation ends in 999 days, and 0,00% of its net value has been referenced by sales orders. Check if you ne...

Situation created 1 month ago

⚠️ This sales quotation is about to expire

The validity of this sales quotation ends in 999 days, and 0,00% of its net value has been referenced by sales orders. Check if you ne...

Situation created 1 month ago

⚠️ This sales quotation is about to expire

The validity of this sales quotation ends in 28118 days, and 0,00% of its net value has been referenced by sales orders. Check if y...

Situation created 1 month ago

⚠️ This sales quotation is about to expire

The validity of this sales quotation ends in 28118 days, and 0,00% of its net value has been referenced by sales orders. Check if y...

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The validity of this sales quotation ends in 28118 days, and 0,00% of its net value has been referenced by sales orders. Check if y...

Situation created 1 month ago

Pages

Scaling the Heights of Business-to-Business Commerce with Digital Networks
Whether in supply chain management or aeronautic science, visibility and...

1 day ago

Overview

Suppliers

Supplier Invoices

Payments

Periodic Activities

Purchasing Rebates

Overview

Billing Processing

Apps

[Favorites](#) [Recently Used](#) [Frequently Used](#)

Sales Management Overview
Track Execution

My Sales Overview

Delivery Performance
Delivered as Requested

Sales Orders
Demand Fulfillment

Pick Outbound Delivery

Track Sales Orders

Manage Billing Document Requests

Test Billing Document Request API

Create Billing Documents VF04

Create Billing Documents VF01

Quotation Conversion Rates
Valid/Not Completed

Joule – the one Artificial Intelligence user experience

Navigate across applications, steer processes, and manage your business data

Faster work

Accelerate every process with a single AI copilot to get comprehensive insights and perform tasks across all your SAP solutions.

Smarter insights

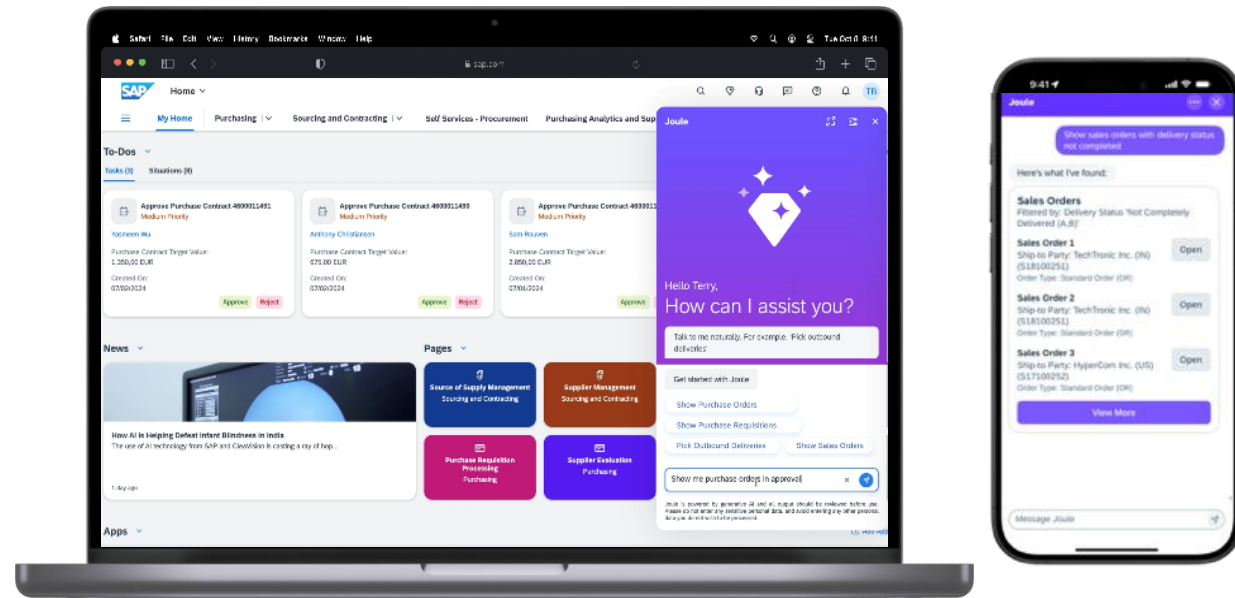
Get instant insights grounded in your business data and enriched by your business context.

Better outcomes

Elevate outcomes across the business by generating content tailored to your role, from job descriptions to code, and beyond.

Human control

Choose when and how AI performs complex tasks to focus your efforts and maintain full control of decisions, data privacy, and security.



Joule is available with a rich library of **skills & capabilities** across SAP cloud applications.

Joule's skills are developed across applications with the goal to support 80% of the most used tasks and business processes.

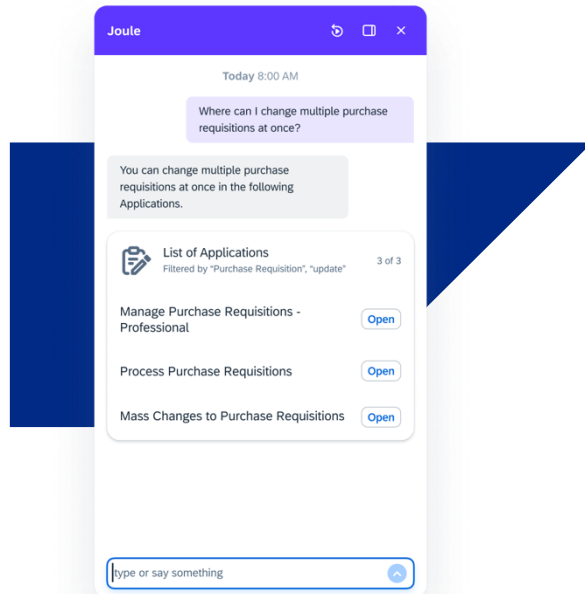
How you can interact with Joule

Interaction Patterns

OUTLOOK

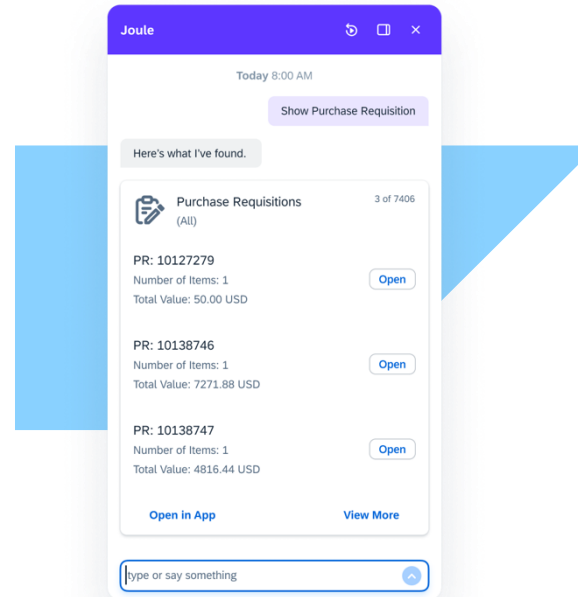
Analytical Pattern

You will be able to ask analytical question while Joule leverages JustAsk in SAP Analytics Cloud to provide analytical insights.



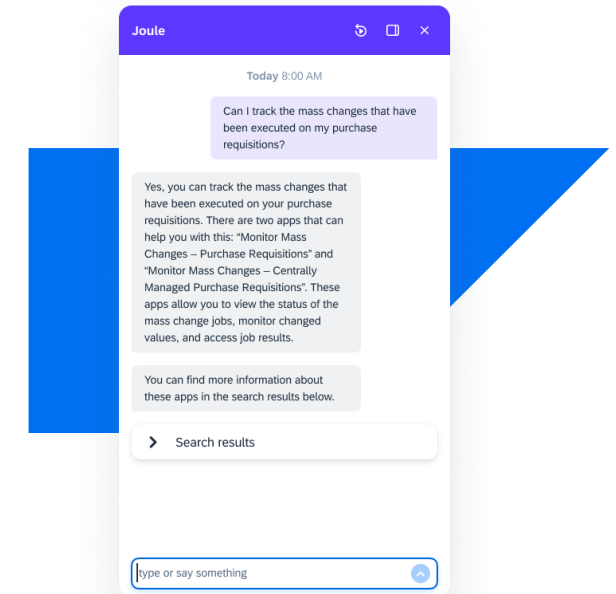
Navigational Pattern

Joule recommends relevant applications and facilitates seamless navigation to empower users in executing their business processes



Transactional Pattern

Joule offers insightful information about business objects, eliminating the necessity of opening the corresponding application.



Informational Pattern

Joule provides concise summaries of help content to effectively address user inquiries expressed in natural language.

AI Building Blocks in SAP Cloud ERP



Get innovation moving

With a solution which always be up-to-date and secure

- **Always be up-to-date** with continuous access to innovations and upgrades delivered 2x per year and monthly feature updates
- **Global reach** with delivered localizations and tools
- **Differentiate** with extensibility and integration



Get innovation moving with SAP Cloud ERP

Stay ahead by always getting the latest process and technology innovation



Self-healing

Hotfixes delivered every two weeks



Continuous Feature Delivery

Customers receive new features on a monthly basis via updates which are optional and nondisruptive.



Always up-to-date

Major updates twice a year provide new features that can be turned on when you want to use them

February
Release #1
(2602)

August
Release #2
(2608)

February
Release #1
(2702)

August
Release #2
(2708)

February
Release #2
(2802)

Get innovation moving

with compliant expansion into new regions with the widest and deepest localization coverage of any SaaS ERP

Go global with confidence with globally-ready localizations

- **Deep:** Country-level localizations integrated end-to-end at a deep functional level
- **Compliant:** Up-to-date regulatory compliance for tax, statutory reporting, and business-to-government interactions
- **Everywhere:** Geographic coverage for 60 countries/regions in 34 languages. Expand further with localization-as-a-self-service tools

60 local versions delivered by SAP

34 Languages supported

Any other country/region rollout with localization as a self-service for SAP Cloud ERP ⁽¹⁾

Includes content for:

Accounting

Tax

Payments

Invoicing

Reporting

¹ Belarus, Venezuela, [embargo countries](#) and SAP delivered/planned Local Versions are excluded.

Extend and integrate to meet your differentiating needs

Extend

Key value prop:

Easily extend business processes and applications to build your business differentiation

Integrate

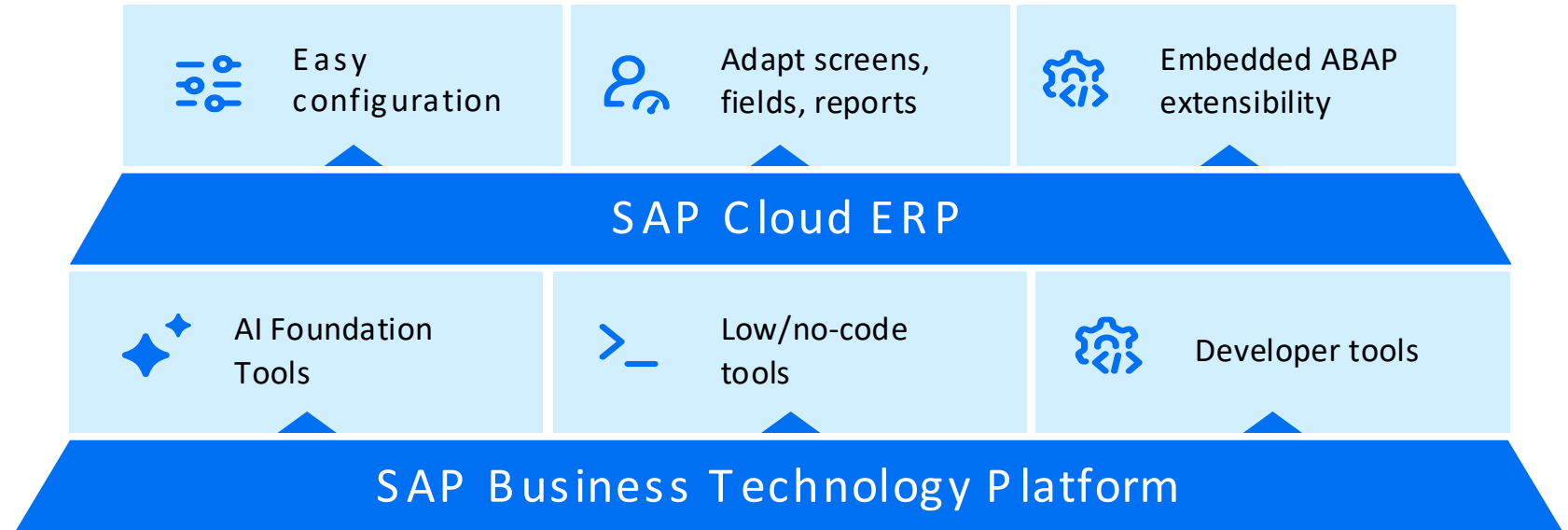


Integration principles:
predefined, open, holistic,
and AI-driven¹



Consistent security
and identity management

Differentiation is key:



750+

pre-built integrations to
SAP S/4HANA Cloud
Public Edition

700+

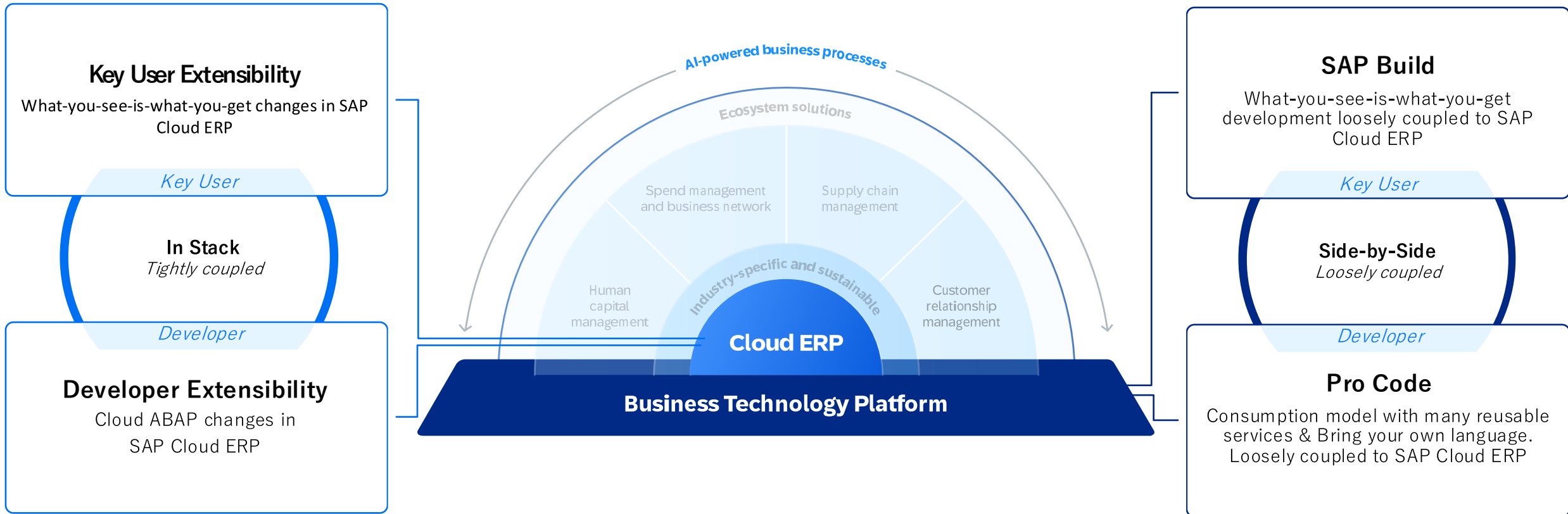
pre-built, open APIs
([API library](#))

6,000+

reusable (CDS) views exposed as the
virtual data model that are the basis
for data access in analytics,
applications and integrations

Build your differentiating processes

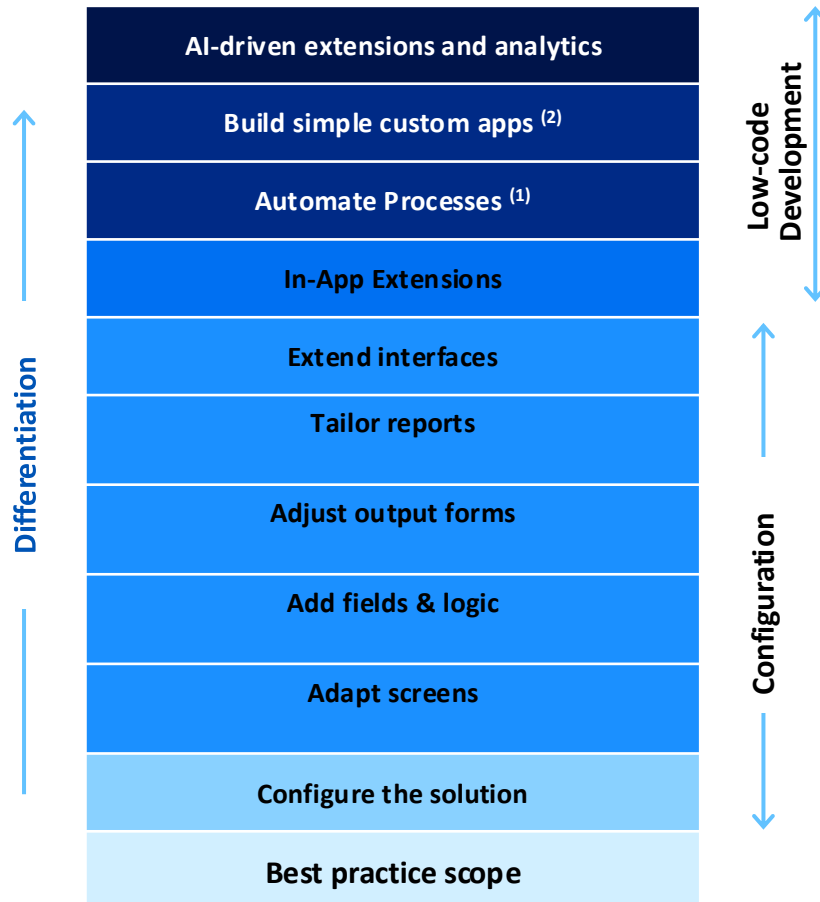
With extensions, automations, integrations and intelligence



Differentiate with extensibility

Keep your competitive edge without building technical debt

Your business platform for extensibility



Using cloud compliant tools

Business Technology Platform to build side-by-side extensions

SAP Build Apps to build simple no-code low-code extensions

SAP Process Automation to automate process steps

Embedded ABAP environment to extend the solution with in-stack development tools which don't impede upgrades

Embedded Analytics - 6000+ reusable (CDS) Views exposed as the Virtual Data Model. Tailor the delivered reports and KPIs to your needs

Extensibility tool add fields, adapt the UX, adapt output forms, extend interfaces

Central Business Configuration (CBC) to define your organization structure and fine-tune solution configuration

(1) [SAP Process Automation Content](#)

(2) [SAP Build Content](#)

Run confidently, secure, compliant, always on the latest version

A full Cloud ERP that is always on the latest release with performance, release updates, hotfixes, and compliance and security updates continuously managed by SAP

Compliance and security updates include:



Compliance + certificates



Security-as-a-culture within SAP development supported by training and policy requirements



Authentication + access control



Auditable security

Secure mission-critical operations:



99.9% SLA



24/7/365 AI-augmented threat and vulnerability management



Tenant isolation + encryption



[SAP compliance offerings](#) on the [SAP Trust Center](#)



Issue resolution + help desk support



Active community – [SAP expert community page](#)

Move to the cloud with confidence

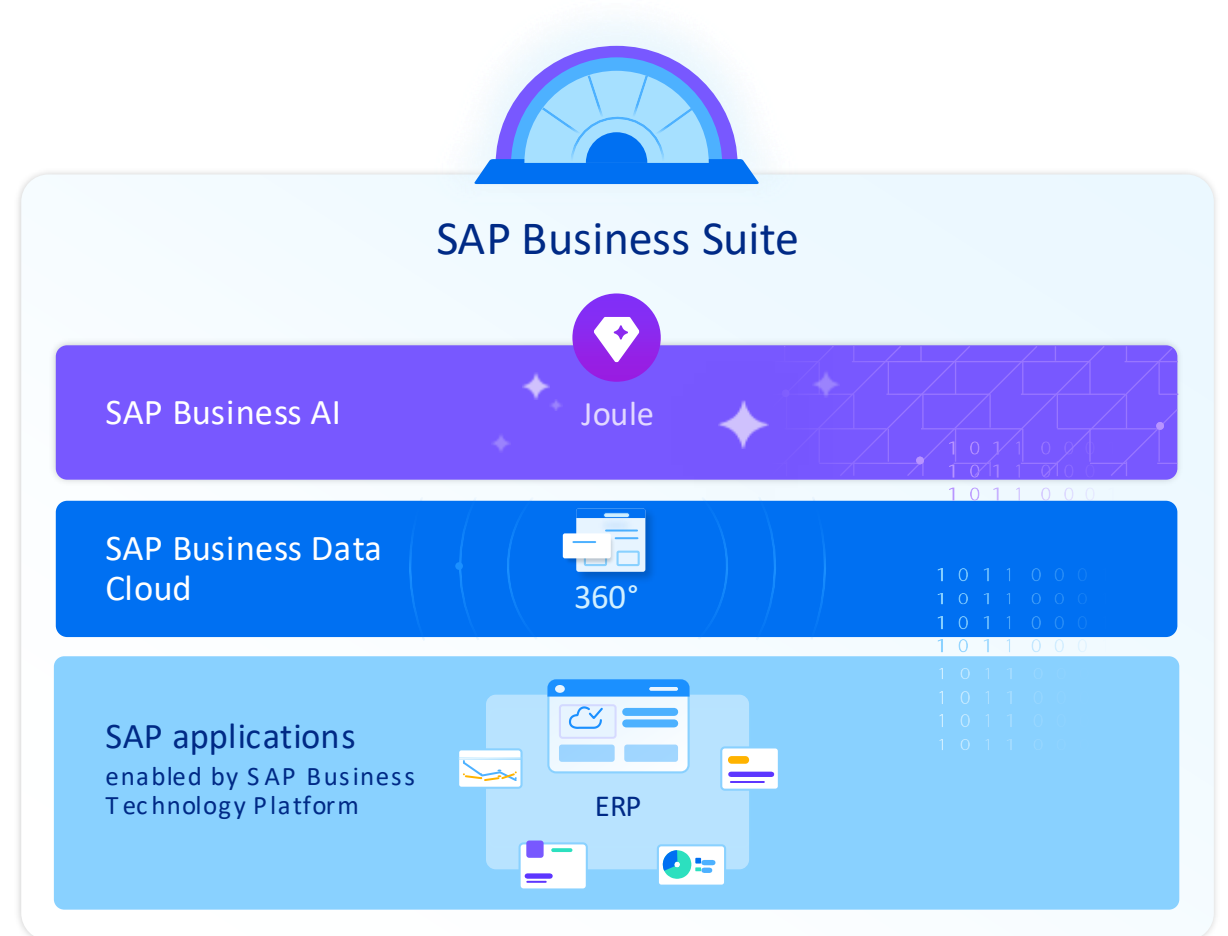
by using proven guidance to deliver speed and predictability

- **Make the move** with predefined methodology tools and accelerators
- **Migrate the most essential data** with the Data Migration Cockpit
- Fast user adoption with **intuitive navigation and embedded intelligence** grounded in familiar terminology and screens
- **Realize the value** in your solution in the shortest possible time with the Packaged Activation Service
- **Stay secure and compliant** with ever-updating regulatory compliance, security patching, and hot fixes

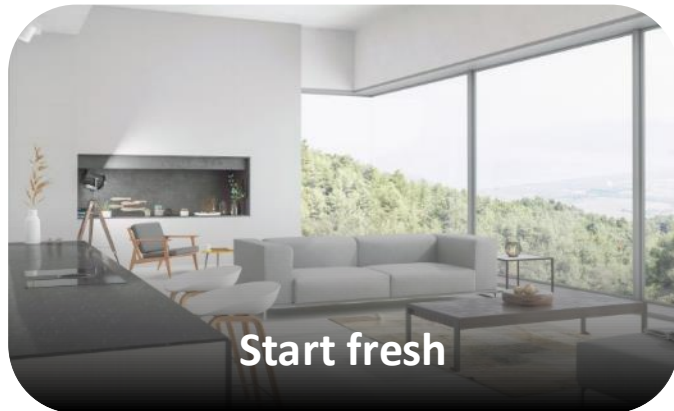


Start by modernizing your ERP to the cloud

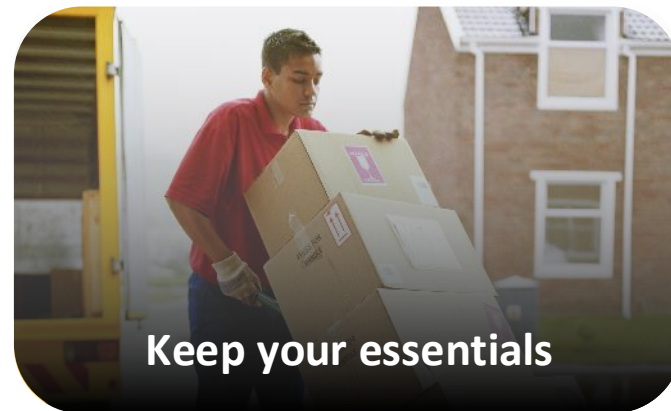
- Start fresh with a new cloud ERP
- Modernize existing ERP with clean core approach
- Use two-tier, hybrid approach with fresh start for subsidiaries and ERP modernization for headquarters



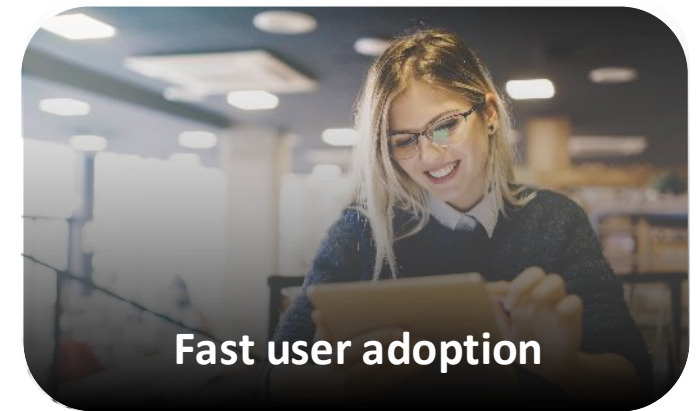
Start fresh with SAP is like moving in a familiar new home



- Simplify by moving into a more standardized environment maintained by SAP
- Leave behind complex legacy configuration and enhancements not serving business needs anymore



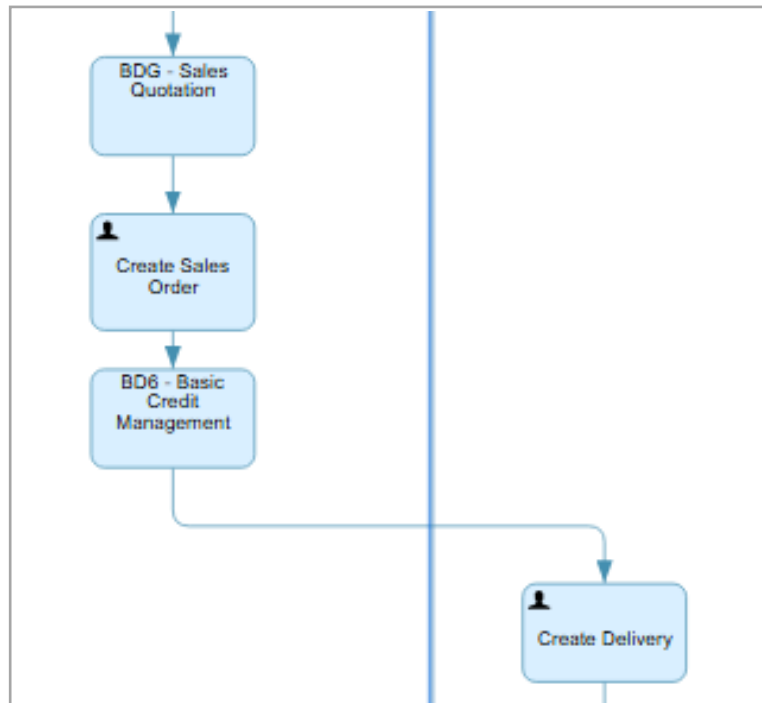
- Migrate essential master and transaction data
- Recreate familiar elements like organizational structures and cost centers
- Build competitive differentiating enhancements without creating technical debt



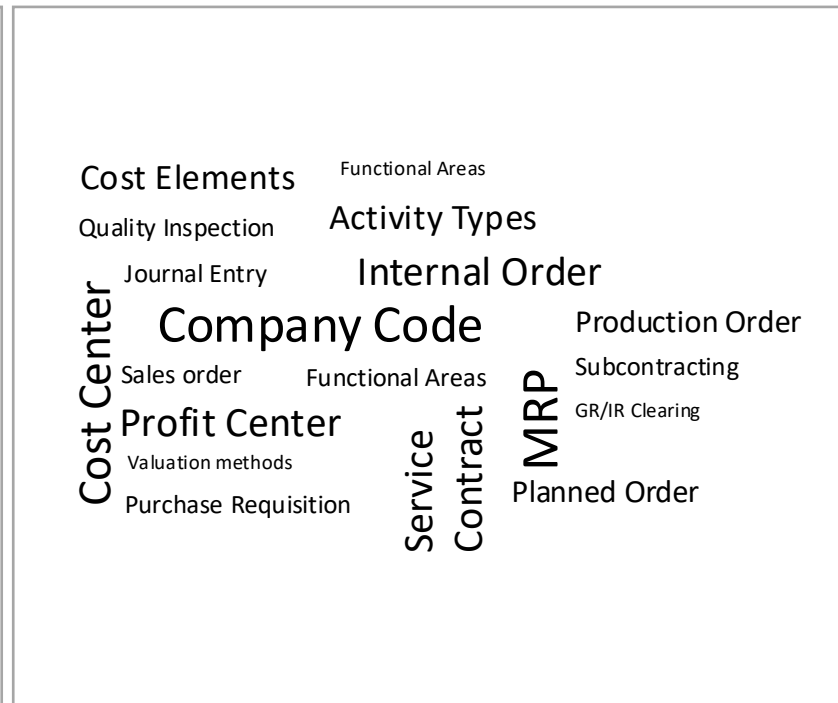
- Users can quickly adopt the new UX since they are familiar with the terminology, processes, and key transactions
- Users take advantage of new features powered by embedded analytics and AI

Seamless Transition: From SAP ECC to SAP Cloud ERP

Similar Processes



Shared Terminology



Familiar Screens

Standard Order 57

Sales Order: 57 Overall Status: Open Ovr Delivery Status: Not Relev. for Deliv Approval Status: Not Relevant Net Value: 80.00 USD

Sold-to Party: Power Bikes Inc (USCU-CUS24) Rejection Status: Nothing Rejected Credit Status: Not Performed

Ship-to Party: Power Bikes Inc (USCU-CUS24)

General Information Items Business Partners Process Flow

General Information

Sales Area: Dom. Sales Org US, Direct Sales, Product Division 00 Customer Reference: MRINAL99 Document Date: 09/16/2016 Created By: _SAP1312410

Employee Responsible: - Customer Reference Date: - Billing Block: Check Payment Terms Created On: 09/16/2016

Delivery Block: -

Items (1) Standard

Item	Product	Requested Quantity	Item Category	Requested Delive...	Overall Status	Rejection Status
10	Trunk MTX EX Bag (M2-TG-A18)	1	PC 3rd Party w/o SN (CB2)	09/16/2016	Open	Nothing Rejected

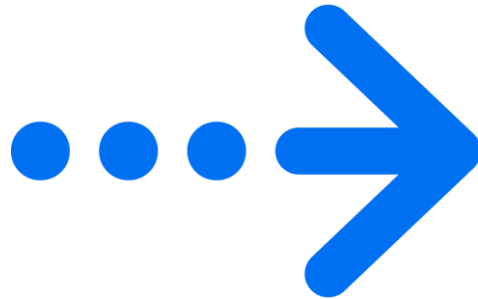
Move to the cloud with confidence

SAP Activate: An Implementation Shift

Traditional ERP

Design to blueprint

- Consultative approach
- Waterfall project methodology
- Customized solution
- Development, not configuration
- Historically time consuming and costly



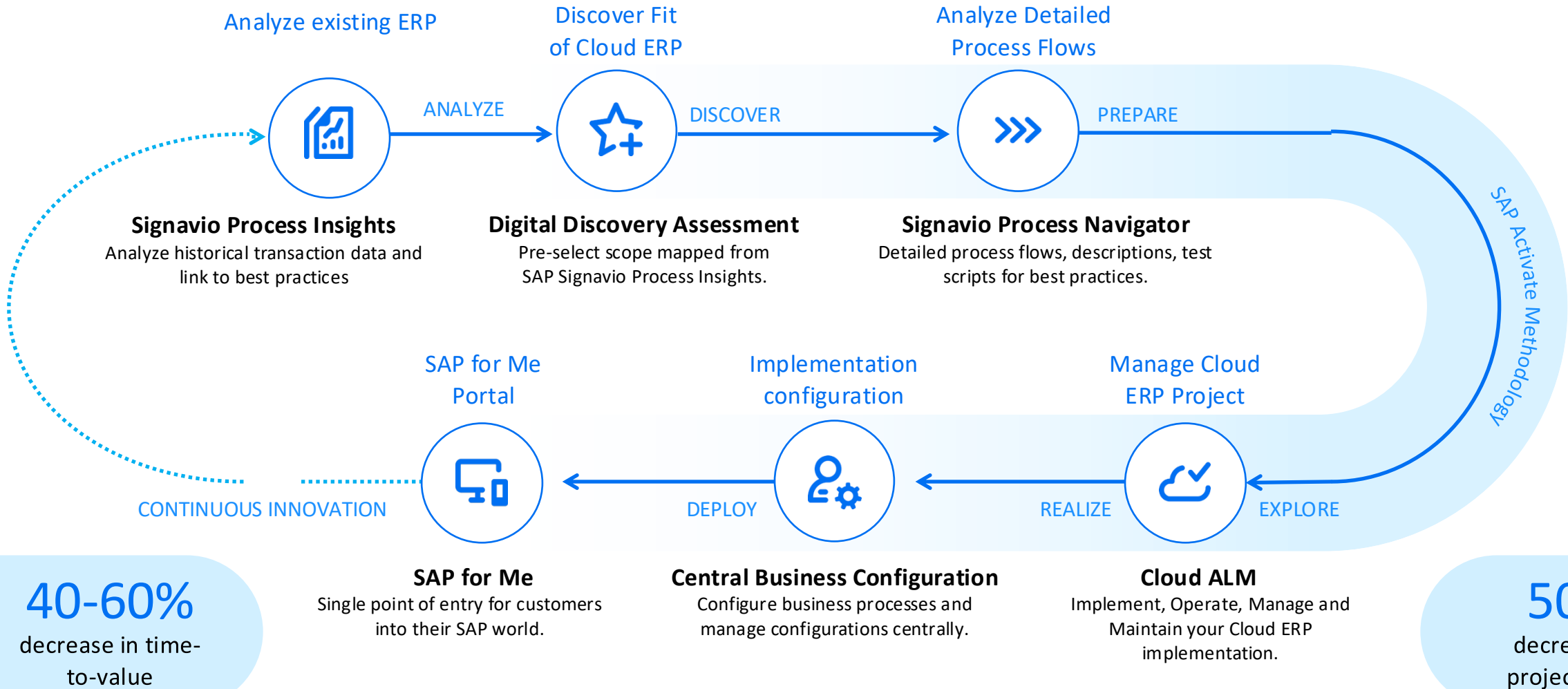
Transformative

Fit-to-standard

- Business **owns** the solution
- Lead with '**standard**', best practices
- **Agile, modular, scalable**
- **Accelerators:** tools, templates, and content
- **Premium engagement** ready
- **Quicker and higher ROI**

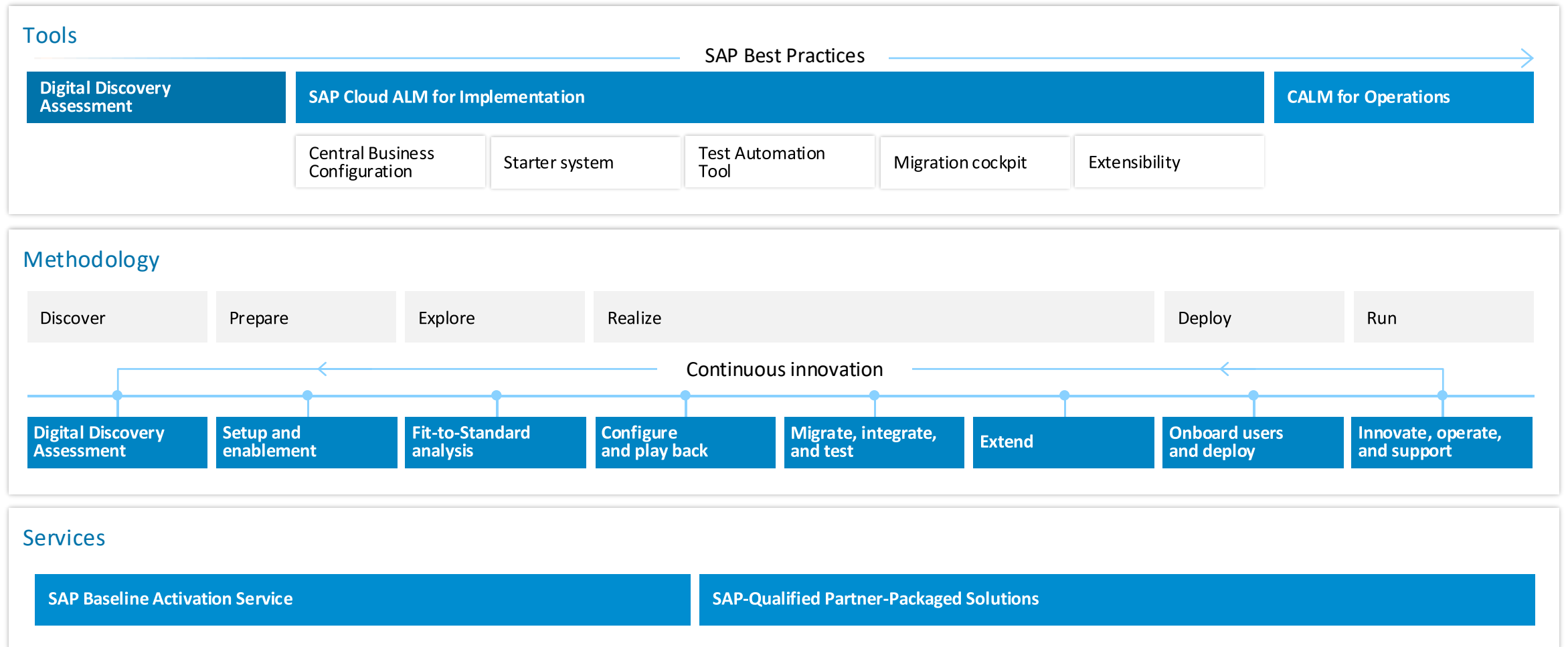
Rapid and predictable adoption

Proven services, tools, and methodologies to help you successfully adopt SAP Cloud ERP quickly and reliably



Accelerate for SAP Cloud ERP

bringing together adoption and acceleration throughout deployment



Move to the cloud with confidence

Enabling adoption with help from an active expert community and accessible learning

Benefit from a collaborative, open community for customers, SAP, and partners to engage and flexible, learning resources specific to role to provide free, easy-to-navigate learning content

Community

Learn what works and what doesn't through a collaborative, open community of your peers, SAP experts, and partners

SAP S/4HANA Cloud, Public Edition

SAP S/4HANA Cloud is a standardized, in-memory ERP running in the cloud that connects your entire workforce, suppliers, customers and assets to the digital core, offering scalability, ease of management and security that companies need to excel in today's digital economy.

2208 Early Release Video Replays
Missed the live sessions? Watch replays on demand!

Follow | Ask a Question | Write a Blog Post | Related Topics | EN

Topic Resources | Community Content

Featured Content

- SAP S/4HANA Cloud, Public Edition Z302 Early Release Series!**
For all our SAP S/4HANA Cloud, public edition customers and partners, and SAP Learning Hub users: We've hosted a series of compelling live sessions from the heart of the SAP S/4HANA Engineering organization.
- RASD 2.0 Released to Customers**
The Release Assessment and Scope Dependency (RASD) tool has been giving an upgrade. Check out what's new!
- Top 10 SAP S/4HANA Cloud Microlearnings**
Learn about SAP S/4HANA Cloud Finance and Risk | Advanced Valuation Processes.
SAP S/4HANA Cloud Microlearnings

Search community content

Browse this topic

SAP S/4HANA Cloud, Public Edition

- Automation Testing: continuous delivery for SAP S/4HANA Cloud!
- Enterprise Management Layer for SAP S/4HANA
- Intelligent Adoption and Consumption: New Product Releases

View all...

Resources

Learning

Build skills and improve adoption across your team with flexible learning and training tailored to your roles and goals

SAP Learning | Learn | Get certified | Explore SAP

What is SAP S/4HANA Cloud?

SAP S/4HANA Cloud comes with built-in intelligent technologies, including AI, machine learning, and advanced analytics that allows companies to run integrated and intelligent, digital businesses in real time.

SAP S/4HANA Cloud helps you establish consistent leadership for the top line, bottom line, and green line, with a complete cloud ERP system.

Learn more

Browse SAP S/4HANA Cloud capabilities and start learning

- Asset Management**
Planning, scheduling, and executing maintenance
- Finance**
Accounting, treasury, and financial risk management
- Supply Chain**
Transportation and warehouse management
- Sourcing & Procurement**
Streamline purchasing, sourcing, and contract management

Customers starting fresh with SAP Cloud ERP

Benefits and Quotes

[Royal Eswatini Sugar](#)

15%–18% cost reduction by moving to SAP Cloud ERP.

[Clyde Bergeman](#)

85% reduction in financial closing time (from seven days to one day).

[Detecon](#)

Up to 5 minutes time saved per financial document.

[Hitachi High Tech](#)

94% reduction in customization footprint.

[Mayfairs Corporate Group](#)

35% reduction in time associated with supplier invoice processing across the Order to Pay business process.

[Reliable AutoTech](#): *“The user experience is tremendous. Users are very happy with access to anywhere from anywhere.”* – Head Corporate IT

[Alfreccell](#): *“With SAP Cloud ERP, we have an ERP solution that fits to the needs of our business, rather than us having to fit our processes around the technology.”* – CEO

[KWC](#): *“Solutions using best practices supported by SAP, coupled with a no-customization policy, provided a rapid, scalable solution landscape to support future expansion and organizational change in a cost-efficient way.”* – CIO

[Testo](#): *“SAP Cloud ERP allows us to be more value providing IT than in the past when we were quite busy maintaining our system”* – CIO

[Pitney Bowes](#): *“Solution order management functionality in SAP Cloud ERP has played a crucial role in our successful transformation [...] to a business that offers customers innovative holistic solutions.”* – Country Leader UK/Ireland

How to start your SAP Cloud ERP journey?

Adopt modular Cloud ERP with speed, predictability, and confidence



Run in the cloud



Get innovation moving



Move with confidence



Experience the solution today!



Take a product tour
on SAP.com

Take the tour



Request a demo
Expert-led demonstration

Get a demo

For more information, visit [SAP Business Suite Transition | SAP GROW](#)

Customer Evolution kit

Get ready for your Cloud Transformation

The Customer Evolution Kit gives you a guided, immersive experience into SAP latest tools and capabilities - helping you evaluate transition paths, uncover process insights, and align your roadmap with strategic goals across your enterprise.

The Customer Evolution kit is:

- **Offered at no additional cost**

Every customer with a valid SAP support agreement is eligible — no extra fees, no hidden costs. Just value, delivered.

- **Delivered at scale**

Over 300 organizations globally have started their Cloud journey with the Evolution Kit. Tap into the momentum and unlock your own transformation.

- **1:1 Engagement. Remote. Fast-Paced. Fact-Based**

In just one week, receive a focused, hands-on walkthrough of the key tools, insights, and strategies tailored to your system and business goals

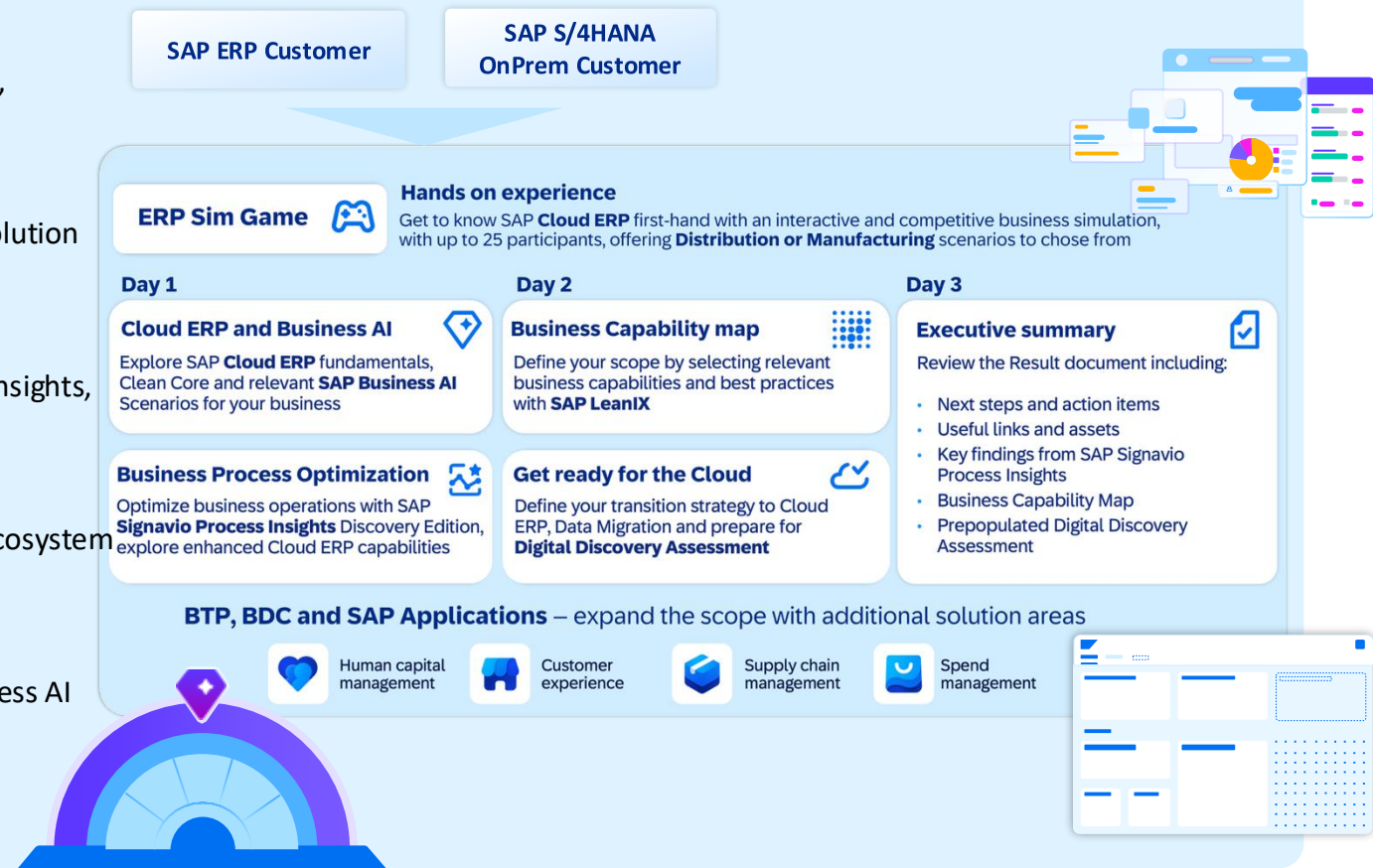
- **Introduction to the SAP Integrated tool chain**

From process insights to architecture planning — explore a connected tool ecosystem that powers your cloud transformation

- **Discover the Intelligent SAP Suite and the power of Business AI**

Extend your view beyond ERP and explore the full SAP portfolio, where Business AI helps uncover new insights and opportunities for your enterprise.

[Learn more](#)



SAP Customer Evolution Kit for Cloud ERP

SAP ERP Customer

SAP S/4HANA OP Customer

ERP Sim Game



Hands on experience

Get to know SAP **Cloud ERP** first-hand with an interactive and competitive business simulation, with up to 25 participants, offering **Distribution or Manufacturing** scenarios to chose from

Day 1

Cloud ERP and Business AI



Explore SAP **Cloud ERP** fundamentals, Clean Core and relevant **SAP Business AI** Scenarios for your business

Business Process Optimization



Optimize business operations with SAP **Signavio Process Insights** Discovery Edition, explore enhanced Cloud ERP capabilities

Day 2

Business Capability map



Define your scope by selecting relevant business capabilities and best practices with **SAP LeanIX**

Get ready for the Cloud



Define your transition strategy to Cloud ERP, Data Migration and prepare for **Digital Discovery Assessment**

Day 3

Executive summary



Review the Result document including:

- Next steps and action items
- Useful links and assets
- Key findings from SAP Signavio Process Insights
- Business Capability Map
- Prepopulated Digital Discovery Assessment

BTP, BDC and SAP Applications – expand the scope with additional solution areas

- 

Human capital management
- 

Customer experience
- 

Supply chain management
- 

Spend management

INTERNAL – SAP Only

Thank You

Markus Rosemann, SAP
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