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DSAG Technology Days 2023

Taking reality into account in strategy

Walldorf, March 22, 2023 - "Work in Progress" is the motto of the Technology Days 2023 of the German-speaking SAP User Group e. V. (DSAG) on March 22 and 23 at the Congress Center Rosengarten Mannheim. As the motto suggests, SAP currently has a lot in the works. Following SAP's comprehensive strategic realignment, user companies would like to see a stronger return to the "customer first" credo of the founding years. The realities of user companies should once again be given greater consideration in SAP's strategy - especially in view of the imminent end of maintenance for many key SAP solutions and the resulting need for predictability and reliability in SAP's product strategy. The conceptually identical connection of SAP cloud services to the multi-level SAP landscapes and the positioning of the Business Technology Platform (BTP) are just as essential here as appropriate pricing: this will be discussed on both days of the event.

Due to the major changes in the SAP product portfolio, topics such as easy migration, integration capability, data protection and IT security are more relevant than ever. "Currently, complexity management is not sufficiently supported by overarching standards, clarity and investment security - also and especially for cloud products. They are, as the motto of Technology Days 2023 says, work in progress," explains Sebastian Westphal, DSAG board member Technology.

S/4HANA innovations and developments

The anchor release of SAP S/4HANA, which will be available in October of this year, forms the basis for next-generation technology and compatibility with legacy software. This marks an important milestone. The customers have come a long way together with SAP since the market launch in 2015 and have accompanied the continuous further development of the core product over the years with a high level



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of financial and personnel commitment and implemented it in their companies. Even today, user companies miss the provision of previous ECC functionalities in the current SAP product portfolio - and expect complete functional equality here in a timely manner. "With investments already made in S/4HANA transformations, which quickly resulted in single-, double- or even triple-digit million budgets, the anchor release 2023 must above all not mean that innovations and enhancements will only take place in the public cloud," says Sebastian Westphal and adds: "With a maintenance commitment for S/4HANA until 2040, there is therefore a need for further details and binding commitments from SAP in order to secure the previous S/4HANA project investments."

New spheres of data analysis

A positive highlight in this context is the new SAP Datasphere offering, which addresses DSAG's long-standing demand for the consolidation of SAP and non-SAP data. This evolution of the SAP Data Warehouse Cloud is an important step in the right direction - if it succeeds in simplifying the complex integration of data from SAP systems and third-party systems of the increasingly hybrid architecture models.

"We hope that SAP will continue along this path in a targeted manner and combine simple products with attractive licensing models as part of this development. Provided that user companies are also offered a suitable commercial offering for classic planning scenarios (such as occasional users) in the SAP Analytics Cloud in the near future, this would be a great success both in terms of content and commercially," continues Sebastian Westphal.

BTP as a central element of the integration architecture of hybrid scenarios

DSAG and SAP agree that the Business Technology Platform is the central foundation of SAP's strategy. The DSAG investment survey 2023* clearly showed that the BTP has found its place in the project budgets of user companies. There was a clear focus on the area of data and analytics, i.e., on products that have already



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been components of the portfolio for years. The proportion of respondents who have licensed BTP but are not yet actively using it is also striking. This means that the development of BTP must be positioned even more clearly for its use as a central component of hybrid architectures.

Against the background of the three- and four-tier landscapes developed jointly with SAP over the past 50 years, a central point here is the corresponding, multi-level provision of BTP, including central administration of the environments for all business services and the integration suite. However, an associated test and transport system is not yet uniformly considered in many cloud platforms and slows down the adaptation of the new products and services accordingly. Since the SAP strategy is increasingly replacing the formerly central and powerful SAP system with a modular system landscape, the complexity of implementing, integrating and also licensing these systems is increasing. This was already corrected for the S/4HANA public cloud as a basic requirement for use in hybrid landscapes at the end of last year and should be just as self-evident for the business services on the BTP as it is across all lines-of-business in order to further increase the adaptation rates.

Reliability of the SAP portfolio

SAP has announced the end of maintenance for important solutions in 2027. A clear perspective and corresponding migration scenarios are needed as quickly as possible. This applies in particular to SAP Solution Manager and SAP Process Orchestration. "The replacement of Solution Manager as the central element of today's SAP architectures requires a cloud application lifecycle management product with an identical scope of services and a reliable roadmap as well as corresponding migration paths. The same applies to the migration from Process Orchestration to SAP Integration Suite. Here, the recent launch of the migration assessment app and the migration tool can already be highlighted in a positive light," says Sebastian Westphal. To sum up, the inevitable move towards the cloud must be as equivalent as possible to existing solutions, preferably by the end of 2023. Customers



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will then still have four years to successfully convert their systems from the investment application to the migration.

Cost and licensing situation

From DSAG's point of view, the lack of concepts or solutions for development and test systems on the BTP leads to considerable costs, since - in order to achieve multi-level capability according to the current status - a service sometimes has to be licensed several times. There is no official distinction as to whether a service is used productively or only for test purposes. "SAP must address the cost and licensing situation," says Thomas Henzler, DSAG Board Member for Licenses, Service & Support. The increasing modularization of solutions that were included in Enterprise Resource Planning (ERP) and are now increasingly marketed via BTP, for example, is also increasing the complexity of licensing and administration. In the end, user companies have to talk and negotiate with many different SAP lines of business in order to obtain a fully comprehensive ERP solution as in ECC times. In addition, there are many different licensing metrics. As a result, the cost of SAP architectures will rise sharply. From DSAG's point of view, there is therefore a need for holistic pricing strategies in the cloud with associated licensing models that can also be scaled down. Once again, the Technology Days motto "Work in Progress" is evident here.

DSAG is looking forward to tackling these and other topics together with SAP. All with the goal of showing ways to change the status from "in progress" to "completed" for the benefit of the more than 3,800 DSAG member companies.

DSAG core messages to SAP

- Binding commitments to innovations and further developments are also needed in S/4HANA private cloud and on-premise editions.



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- User companies need a reliable SAP portfolio and a perspective for all products that will be phased out by 2027 as well as viable migration scenarios - especially for Solution Manager and Process In-tegration/Process Orchestration (PI/PO).
- With regard to SAP Datasphere for processing and analyzing business-critical information, DSAG expects SAP to continue on the path of evolution in a targeted manner, combining simple products with attractive licensing models and rapid development progress.
- Due to today's multi-level SAP landscapes, SAP cloud solutions and the Business Technology Platform, including its business services, also require a uniform test and transport system as well as comprehensive operating and monitoring processes.
- The costs for the general operation of the Business Technology Platform, the development, the quality assurance and the use of the services without productive reference should be reduced or a technical and commercial solution for this requirement must be found.
- There is a need for holistic pricing strategies in the cloud with associated licensing models that can also be scaled down.

* Further results of this year's investment survey will be presented by DSAG on 27.04.2023 in its press conference on the DSAG Investment Report 2023.

DSAG Technology Days 2023

DSAG welcomes 2,600 participants to the Technology Days in Mannheim. Keynote sessions with DSAG board members Sebastian Westphal and Thomas Henzler as well as SAP board member Jürgen Müller are on the agenda. Numerous themed sessions by DSAG committees with 110 presentations will ensure a varied program on both days of the event. TED talks, expert and live influencing sessions by SAP as well as five SAP hands-on workshops with a limited number of participants, 16 partner presentations and a trade exhibition with 40 partners round off the event.
www.dsag.de/techtage



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About DSAG

The German-speaking SAP User Group (Deutschsprachige SAP-Anwendergruppe e. V., DSAG) is one of the most influential SAP user groups in the world. Its strong network comprises more than 60,000 members from over 3,800 companies, ranging from medium-sized businesses to DAX corporations, and representing all industries in Germany, Austria, and Switzerland. This gives the group unparalleled insights into the digital challenges facing companies in these markets. DSAG uses this knowledge to represent the interests of SAP users and to support members on their paths to digitalization. Further information is available at:

www.dsag.de, www.dsag.at, www.dsag-ev.ch

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