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[Virtual DSAG Technology Days 2021](#)

Differentiation factor: Cloud

Walldorf, Germany, 02.03.2021 – This year's virtual DSAG Technology Days, held February 3–4, 2021, will focus on the topic "Hyperchange – IT in the new reality". In times of great change or uncertainty like these, it's especially important to have a clear view of the market, of customer and demand-related behavior, and of supply chains, profitability, and more. This allows companies to identify potential room for improvement and lay the foundation for crucial decisions around innovation and investments. In this new reality, IT is therefore synonymous with the ability to change – and all the challenges that come with that for both companies and SAP. This year's Technology Days event will highlight potential paths forward and offer solutions for mastering this "hyperchange".

Companies must continuously adapt and react to changes, whether they're caused by technology trends, shifts in the market or competition, or new customer or demand-related behavior. Crises like the current pandemic act as catalysts, reinforcing the development of trends and intensifying and/or accelerating change. To exist in these new dynamics and react appropriately to the post-COVID-19 environment, companies have to strike the right balance between optimization and efficiency increases on the one hand, and innovation and adaptability on the other hand. Three aspects in particular are crucial:

- Analytics and reporting
- The cloud and its opportunities and obstacles
- Differentiation through development

Analytics and reporting

In times of upheaval, information needs to be available consistently, in high quality, and in near real time. The analytics market offers a range of innovative solutions that allow companies to better understand and use their data. And SAP is a key provider with Analytics Cloud. "SAP Analytics Cloud as a front-end analytics solution has seen very positive development and is suitable for the relevant application



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scenarios, like enterprise reporting or data analysis using artificial intelligence," explains Steffen Pietsch. Additionally, SAP Analytics Cloud will soon be a standard front-end solution in SAP applications, generating synergy. The growing popularity of Analytics Cloud was underlined in the DSAG Investment Report 2021, which found that 14 percent of survey respondents are planning large or medium-sized investments in the cloud solution.

The situation looks somewhat different for the data warehouse portfolio. SAP is offering BW/4HANA on-premise as a data warehouse solution, in addition to Data Warehouse Cloud. But for existing customers, the transition poses a few challenges. While in the past the rights of use for Business Warehouse were included in the Business Suite license, additional licenses are required for SAP Analytics Cloud, BW/4HANA, and Data Warehouse Cloud, as well as other products that may be required. For many companies, this makes it challenging to put together a viable business case – especially since the BW/4HANA road map features little innovation and the migration path is not always an easy one. "Data Warehouse Cloud definitely has the potential to become the solution of the future. But right now there are just too many areas where, on a functional level, it lags behind a true enterprise data warehouse solution; these include data management, ease of integration, and dealing with large metadata structures," summarizes Steffen Pietsch. This is where SAP needs to create the necessary clarity and a viable overall picture.

Cloud – opportunities and obstacles

Cloud software has enabled and supported the somewhat abrupt transition to remote working triggered by COVID-19. The cloud undoubtedly plays a key role in making companies more agile, both in a technological and a business sense. And the cloud encapsulates innovation. The speed at which cloud solutions are developed is simply not possible for on-premise solutions. But the path to the cloud must also be economically viable, which means that less functionality should not come with a higher price tag. "It's important that SAP provides total cost transparency and clearly illustrates the added value of these solutions. Customers need to know what they are getting and, in particular, what solution development will look like in the long term," says Steffen Pietsch.



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In addition to the uncertainty around all this, ease of integration – or lack thereof – can have a huge impact on an investment decision. Modern IT landscapes are typically highly integrated. When transitioning to the cloud, customers expect a seamless integration between SAP products. "In this respect we still have a long way to go, but there has been some major progress made by SAP. They are definitely on the right track," says Steffen Pietsch confidently, before adding, "IT landscapes consist of more than SAP. Legacy third-party systems or communication with machines can sometimes involve some renovation work on the path to the cloud." Which makes the transition even more challenging for customers.

Last week saw the unveiling of the [RISE with SAP](#) initiative, which aims to support companies on their own unique path to the cloud. For Steffen Pietsch, it's an interesting and exciting approach that is welcome and that may help businesses overcome some of the hurdles associated with switching to S/4HANA and the cloud. But to take advantage, a company must be aiming for a true transformation and not simply a "lift and shift" of its existing systems to the cloud.

When it comes to the cloud, the SAP Business Technology Platform (BTP) is a key component for integrating and expanding hybrid SAP system landscapes. To avoid any architectural mistakes, customers clearly need a lot more guidance, e.g. in the form of reference architectures. Furthermore, given the rapid development of this technology, there must be more investment security and greater trust in the platform. BTP can both co-exist or compete with other platforms on the market. "With the business services of BTP, SAP has a huge opportunity to further differentiate itself and expand the platform's strengths," comments Steffen Pietsch.

Differentiation through development

Standard software plays an important role in optimizing processes and making companies more efficient. To be successful on the market, companies have to stand out from the competition. But the opportunities to configure standard software are of course limited. To fulfill customer-specific requirements, SAP needs to provide strong development tools and a suitable development platform. In the past,



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with on-premise solutions, this was possible with the ABAP programming language and its related tools. With increasing cloud use, ABAP remains extremely important for developing SAP systems, but is supplemented by the Business Technology Platform and its opportunities for cloud-native development. To allow companies to use ABAP in the cloud, SAP has established the ABAP RESTful application programming model, which eliminates the previously uncontrolled development in ABAP. "This doesn't mean that 20-year-old ABAP code or copied Z reports can be executed in the cloud without changes, but it allows companies to continue to leverage that extensive ABAP know-how. I'd highly recommend all ABAP developers get to grips with the model," says Steffen Pietsch.

Conclusion

To successfully master the hyperchange, companies need the right tools. A strong analytics portfolio provides a clear view of all the key performance indicators in a company and enables data-based decision-making. The cloud offers a good basis for accelerating change and boosting innovation. And to support companies' transition to the cloud, economic viability matters. Licensing models and the cost and effort of the migration must be consistent with the desired added value. SAP needs to create more clarity here so that customers can make informed decisions based on product visions and road maps. This is the only way to ensure the SAP portfolio evolves in harmony with IT strategies. Despite the popularity of the cloud, on-premise solutions remain relevant in the medium term because not all customers can or want to switch to the cloud. DSAG is therefore in favor of a "cloud first" approach, not "cloud only".

DSAG's key messages to SAP at a glance

Analytics and reporting

- Appropriate migration paths must be defined to minimize cost and effort and simplify use.
- Licensing models must be revised.
- There must be a clear road map for a holistic overall picture.
- Data Warehouse Cloud must be clearly positioned.



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Cloud – opportunities and obstacles

- The path to the cloud, particularly switching over existing products, must be presented with its added value and shown to be economically viable.
- There must be absolute cost transparency on the part of SAP.
- Less functionality should not come with a higher price tag.
- Customers must be able to integrate SAP applications "out of the box".

Differentiation through development

- SAP must provide decision-making aids and reference architectures.
- There must be investment security for rapidly developing technologies in the cloud and open source environment.
- Technological development requires an appropriate transition road map.

DSAG Technology Days 2021

The two-day virtual event hosted by the German-speaking SAP User Group (DSAG) takes place on February 3–4, 2021. This year's topic is "Hyperchange – IT in the new reality". The event consists of three keynotes, more than 50 presentations, several hands-on sessions, and 20 partner presentations, as well as a virtual exhibition. dsag.de/techtage

About DSAG

The German-speaking SAP User Group (DSAG) is one of the most influential user groups in the world. Its extensive network is made up of more than 60,000 members from over 3,700 companies, ranging from mid-size firms to DAX-listed corporations, and representing every major industry in Germany, Austria, and Switzerland. Thanks to its extraordinary reach, the group has unparalleled insight into the digital challenges facing companies in these markets. DSAG uses this knowledge to represent the interests of SAP users and help pave the way for its members to a digital future.

Find out more at:

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

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