

SAP Infrastructure and Landscape Trends

DETAILED FINDINGS FROM
THE BENCHMARK REPORT
By Robert Holland **February 2024**

DETAILED FINDINGS



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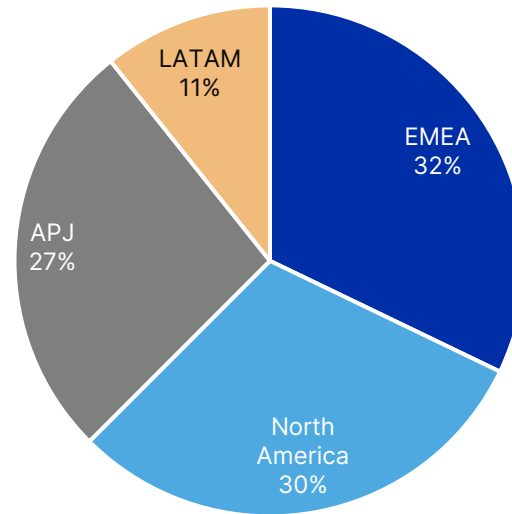
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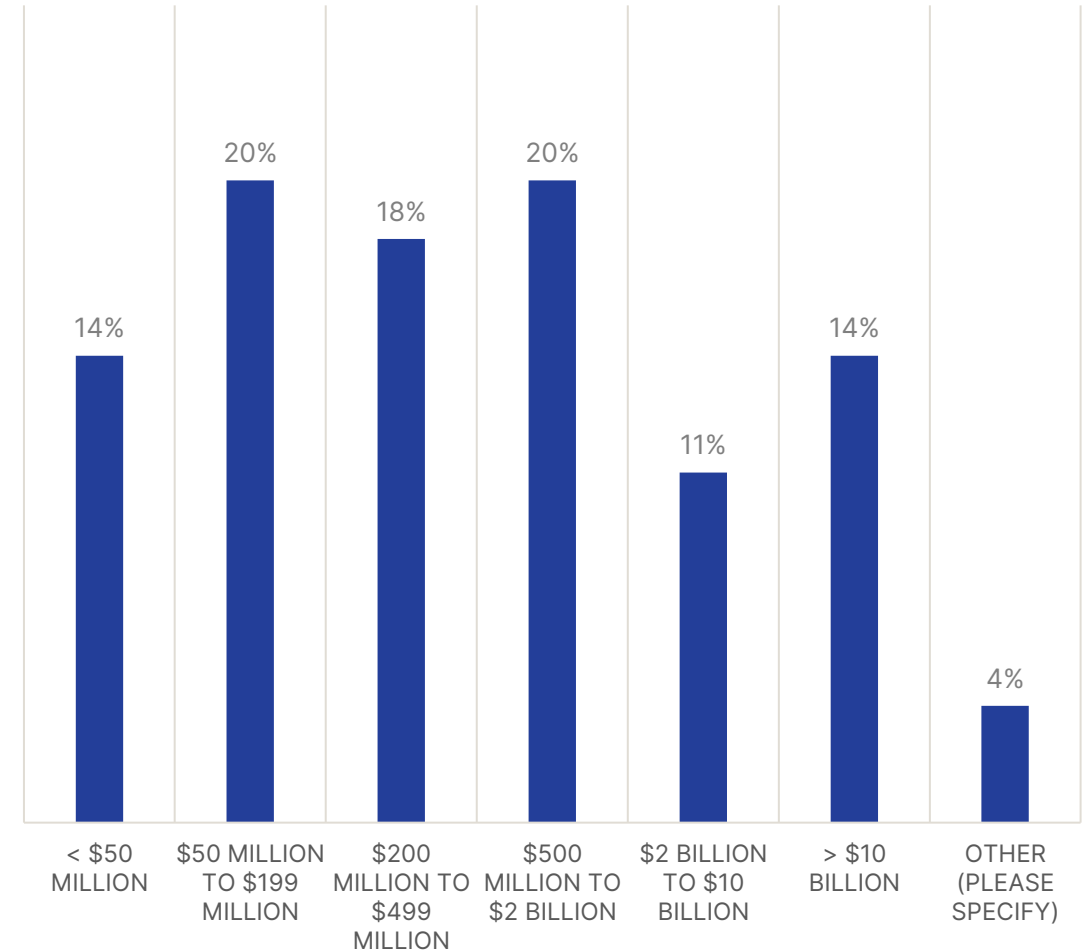
Between December 2023 and February 2024, SAPinsider surveyed 176 members of its community.

Survey participants from various geographical regions worldwide represented diverse organization sizes, contributing to a comprehensive dataset.

The primary objective of the survey was to gather insights from professionals who play a pivotal role in making infrastructure decisions within their respective organizations.



Revenue



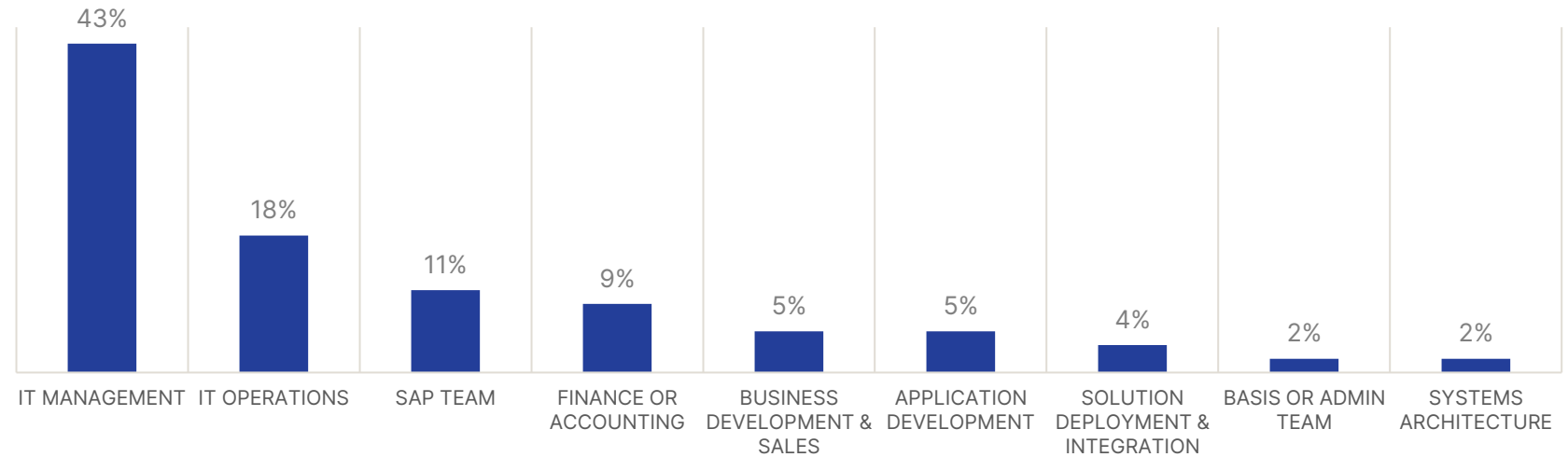
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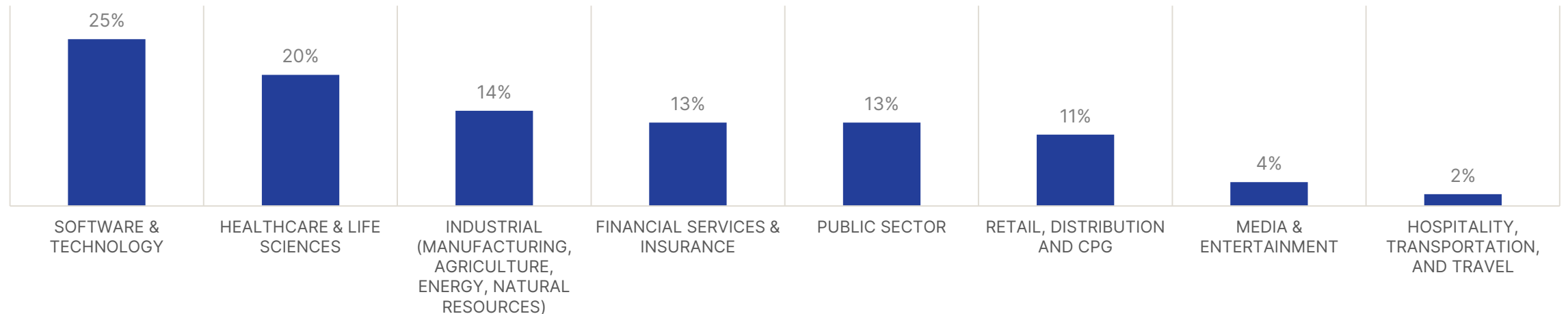
The participants were asked about their infrastructure priorities, and the strategies being implemented in their organizations.

They were also asked about their organizational roles and the market sector in which their organizations operated.

Role



Industry



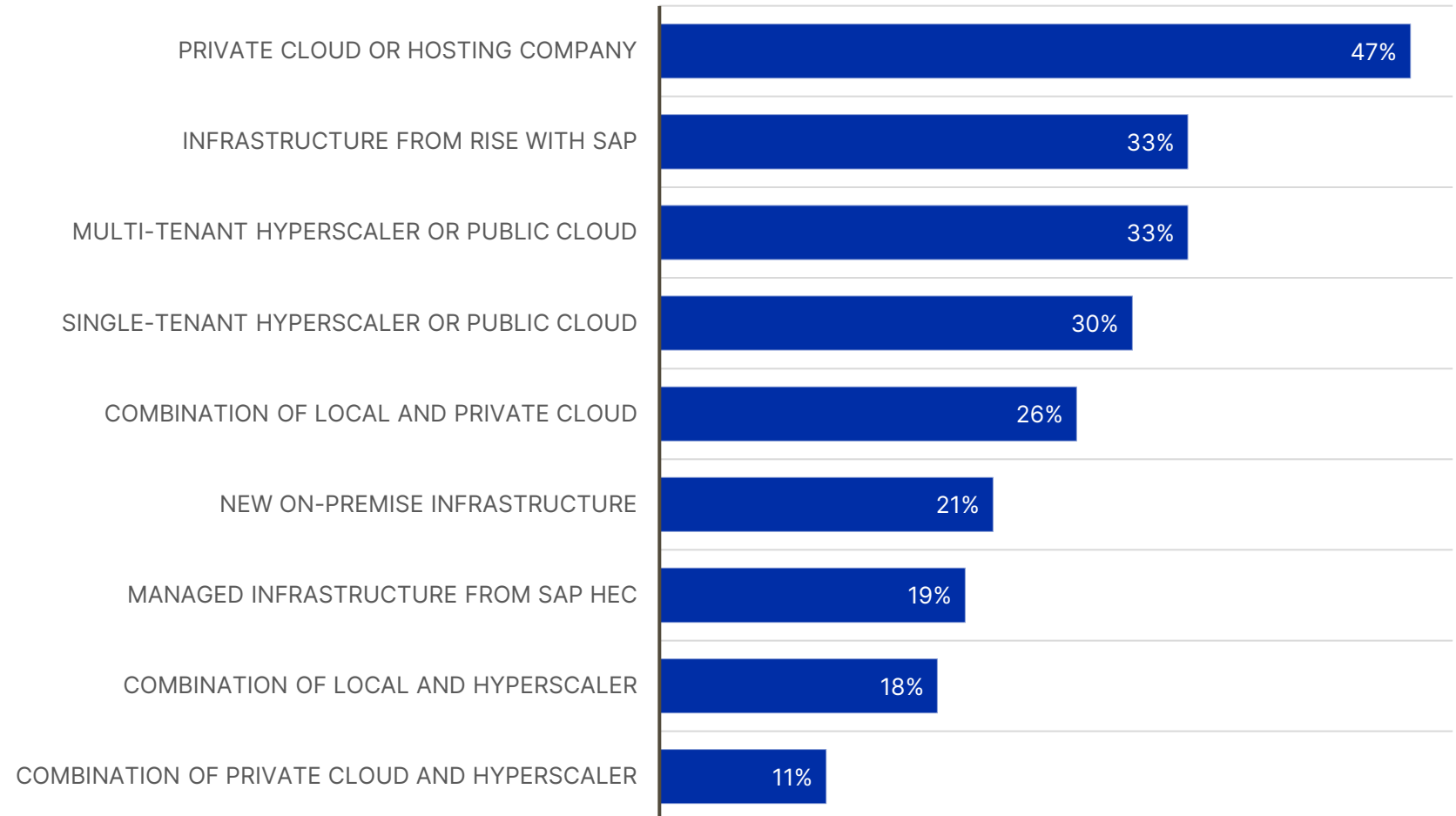
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The most likely new infrastructure to be used is that of a private cloud environment or hosting company. However, infrastructure from RISE with SAP is just as likely to be a second choice as a multi-tenant environment in a hyperscaler.

Organizations must understand both existing and new infrastructure choices as they plan for replacing legacy systems, particularly how the infrastructure options in RISE with SAP impact organizations considering that offering.

Planned Infrastructure



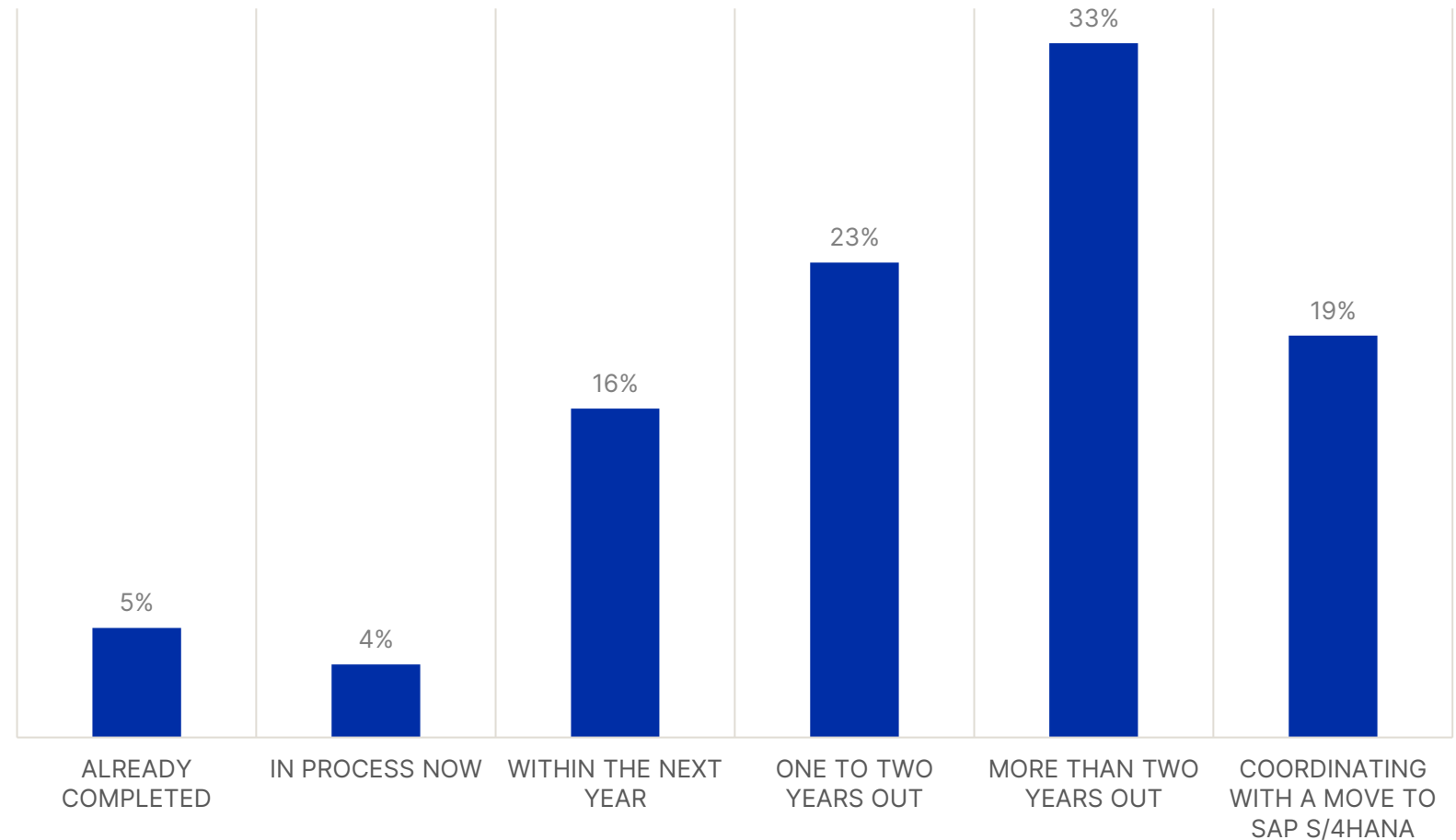
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Infrastructure change is already underway for 25% of respondents, although more than half are still planning these changes for the future and nearly one in five are trying to coordinate their infrastructure change with the move to SAP S/4HANA.

It is vital for organizations planning infrastructure change to understand the lifespan and replacement needs of existing systems so that they can effectively plan the timeline for the deployment of new infrastructure.

Timeline for Updating or Replacing Infrastructure



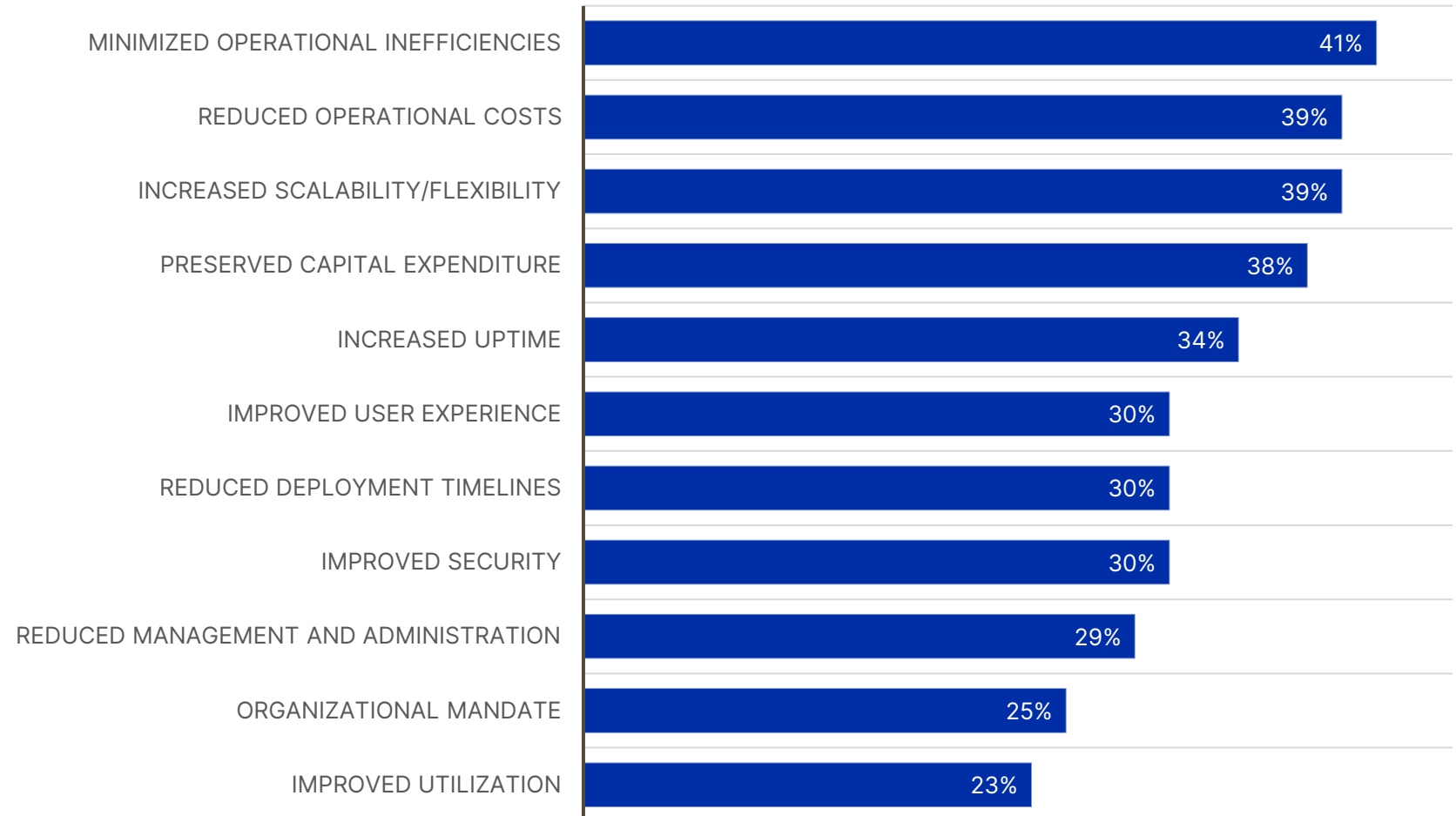
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Organizations are looking to achieve savings with any infrastructure replacement in terms of minimizing inefficiencies and reducing costs. This is just as important as ensuring increased flexibility.

Organizations planning infrastructure change should define their success criteria early in the process. Failing to do so increases the likelihood of objectives not being achieved.

Measurement of Success for Infrastructure Initiatives



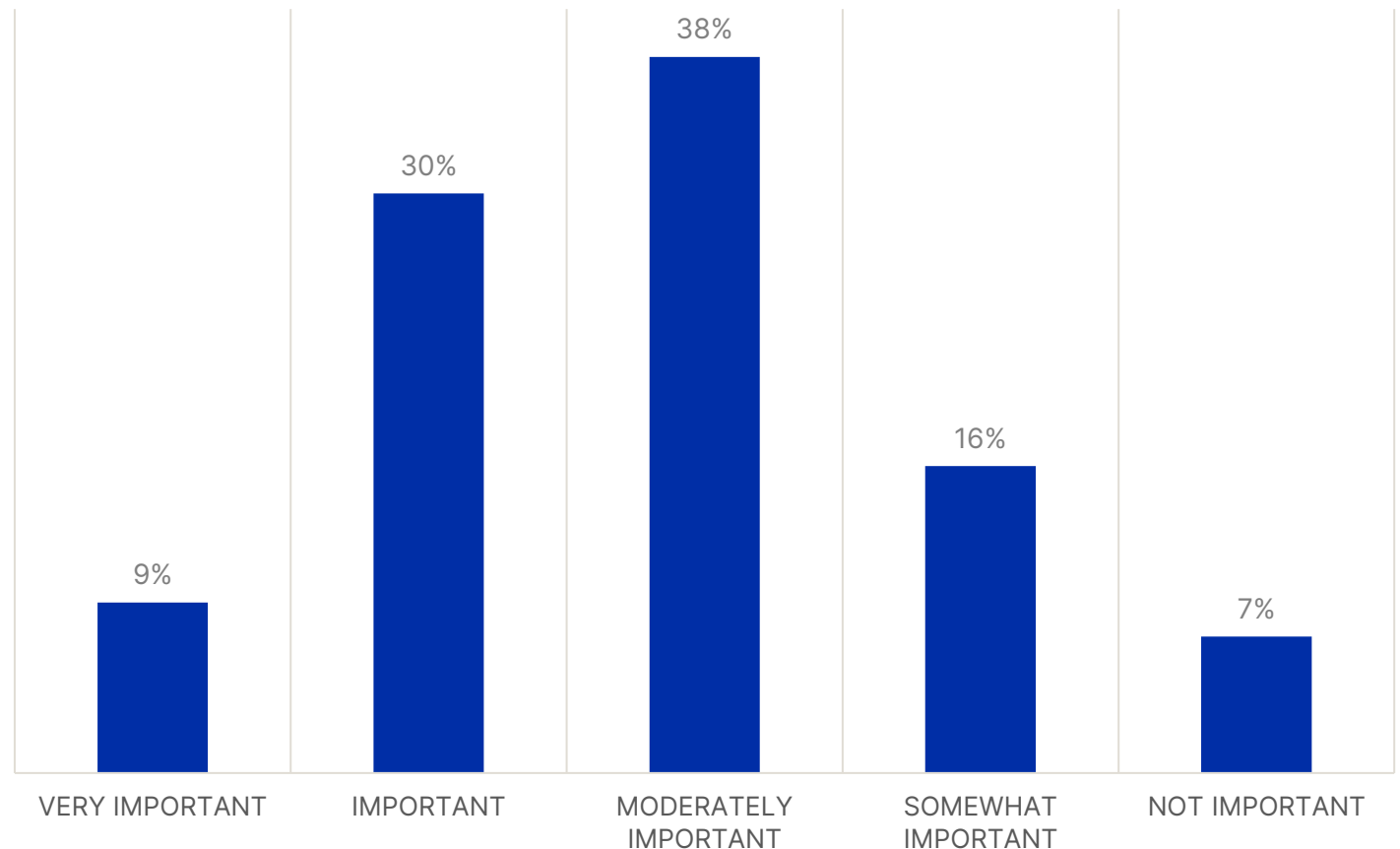
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Nearly eight of ten respondents report that creating a more sustainable infrastructure with reduced environmental impact is at least moderately important to their organization, with 39% reporting that it is important or very important.

Organizations that are not currently evaluating more sustainable infrastructure options should ensure that they are including these options in future landscape conversations.

Importance of Creating a More Sustainable Infrastructure with Reduced Environmental Impact



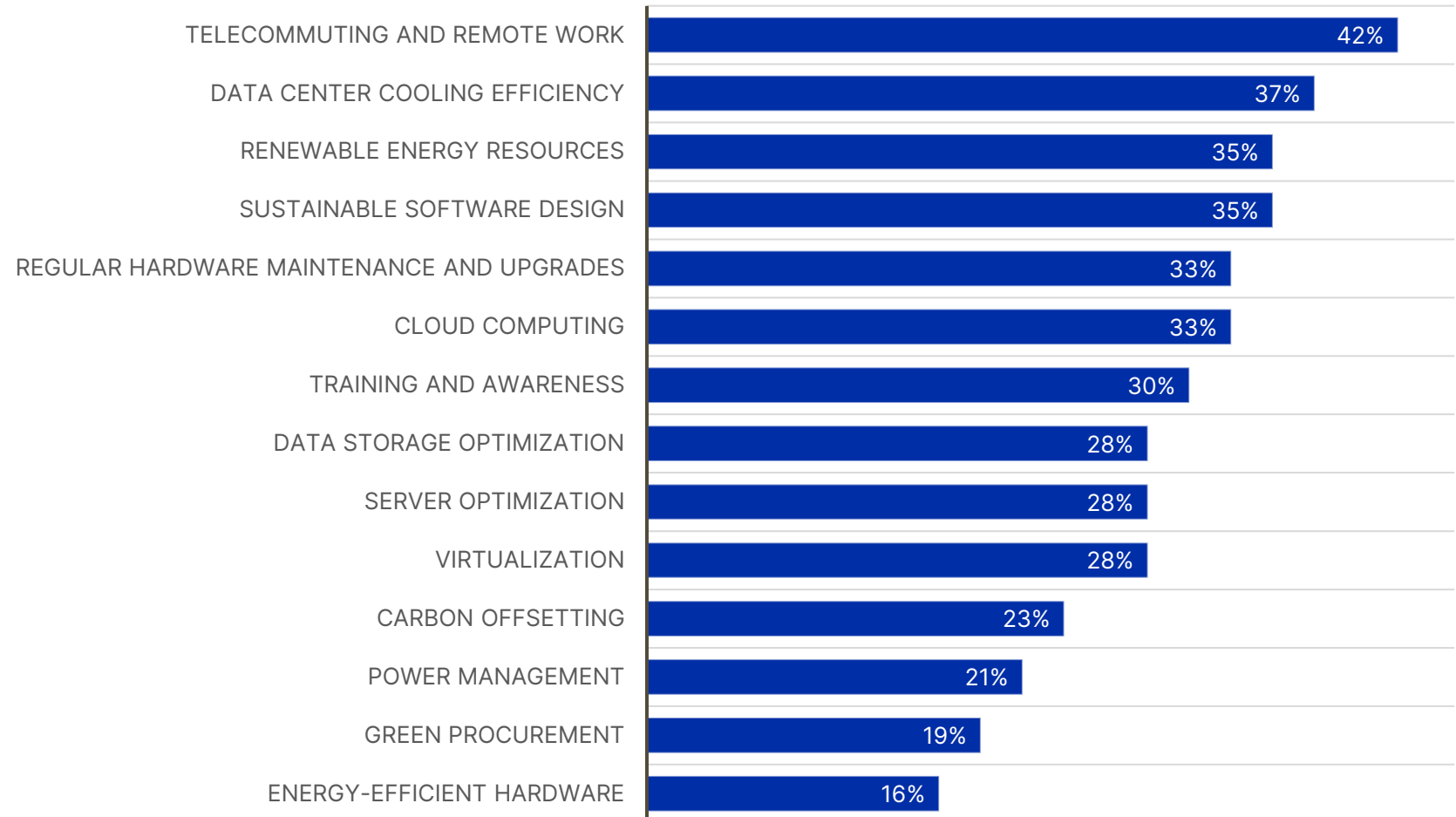
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While new infrastructure may support better sustainability characteristics than legacy hardware, creating a sustainable infrastructure can be about more than replacing aging systems.

Organizations need to explore options like renewable energy resources, more efficient cooling, sustainable software design, and reducing the need for an on-site presence when one is not required.

Actions Taken to Create More Sustainable Infrastructure



DART

MODEL FRAMEWORK

STRATEGY AND NEEDS FOR INFRASTRUCTURE AND LANDSCAPES



DRIVERS

- Requirement for cloud deployments to support digital transformation objectives (29%)
- Need more flexibility and scalability in enterprise infrastructure (29%)
- Need to implement new infrastructure that improves resilience and availability (27%)
- Pressure to modernize infrastructure to reduce costs and simplify IT (27%)



ACTIONS

- Replacing older infrastructure with updated technology in the cloud (50%)
- Redesigning IT platforms to allow for faster deployment of systems and software (47%)
- Architecting new systems to provide improved customer experience and insight on usage (33%)
- Improving infrastructure usage and efficiency by using virtualization or hyper-converged infrastructure (31%)



REQUIREMENTS

- Maximized infrastructure for minimized cost (61%)
- Flexibility to scale systems to meet increased needs (58%)
- Operating system configurations that reduce downtime (56%)
- High performing and secure infrastructure and operating systems (56%)
- Hybrid environments leveraging local and hyperscaler infrastructure (51%)



TECHNOLOGIES

- Cloud-based infrastructure (28%)
- Infrastructure-as-a-Service (25%)
- Virtualization and hyper-converged infrastructure (23%)
- High availability solutions (21%)
- Open-source platforms & operating systems (21%)
- Hardware and operating systems optimized for SAP HANA (19%)
- Containerization (19%)
- Data lakes (16%)
- Platform-as-a-Service (16%)
- Managed infrastructure solutions (14%)
- Sustainably monitoring tools (12%)
- Automated system deployment and configuration tools (7%)
- Edge systems (7%)

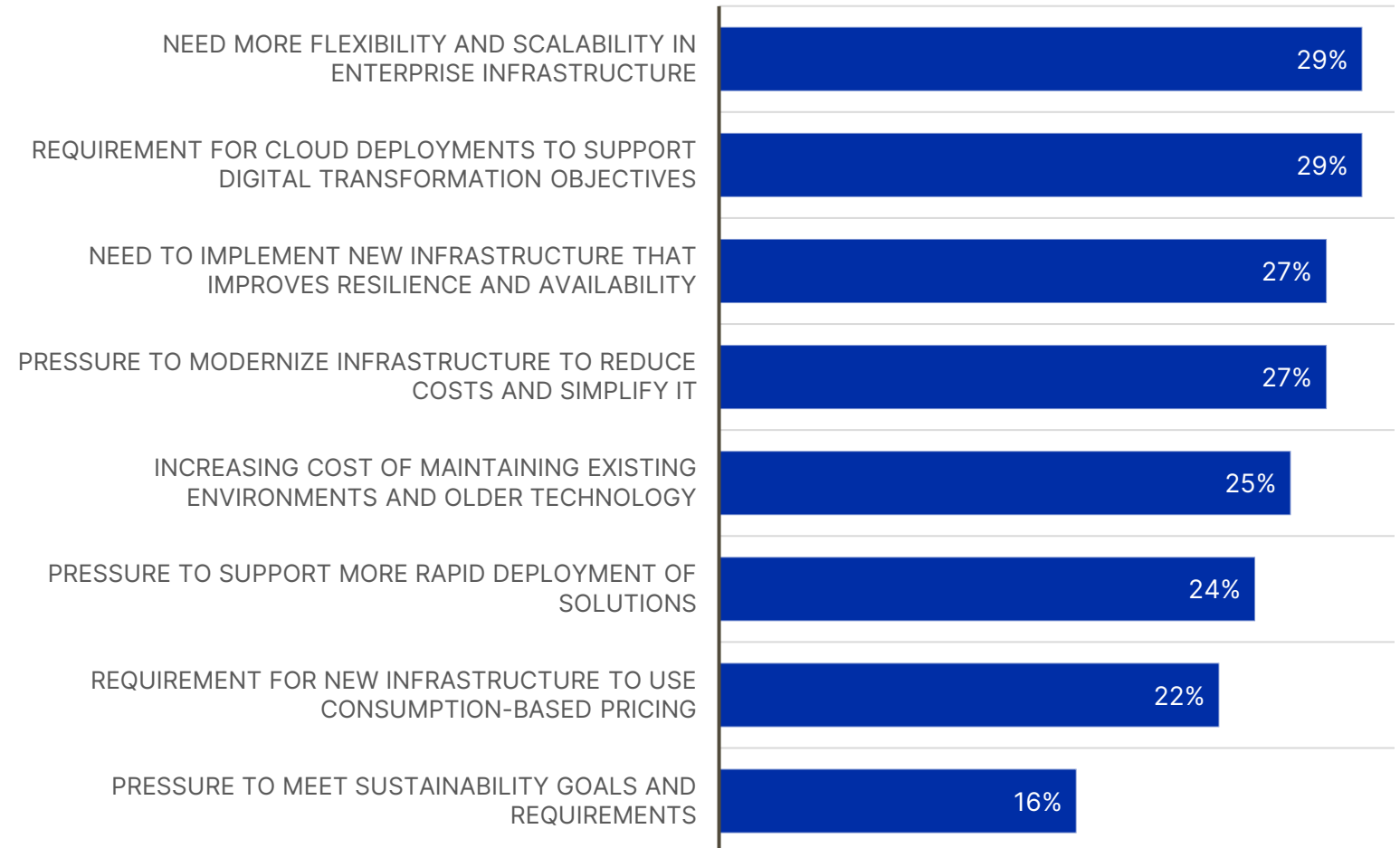
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Gaining flexibility and supporting transformation objectives are the top factors impacting infrastructure strategy. Almost as important is the need to reduce costs and improve resilience and availability. Another factor is the increasing cost of maintaining older environments.

Organizations should focus on infrastructure that allows them to reduce cost while improving resilience and flexibility, which is why many are considering cloud environments as they can help achieve these goals.

Top Factors Impacting Strategy for Infrastructure



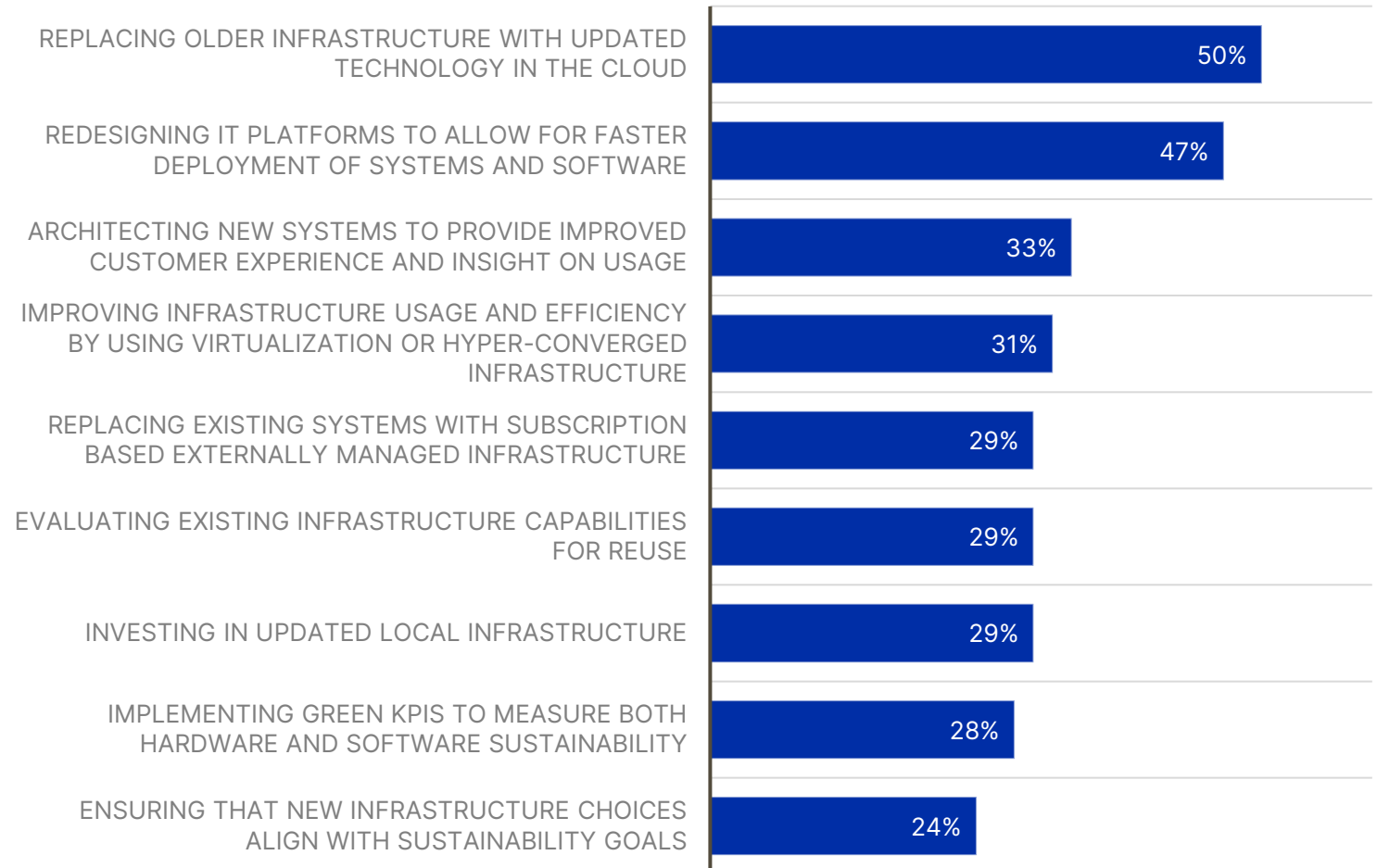
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Replacing older infrastructure with updated technology in the cloud will allow organizations to more readily support the faster deployment of systems and software, a core capability of cloud environments.

Organizations should be planning to have the capacity to rapidly deploy or roll back systems and solutions on an as needed basis. Infrastructure that will help support these capabilities is crucial to their success.

Actions Taken to Support Infrastructure Strategy



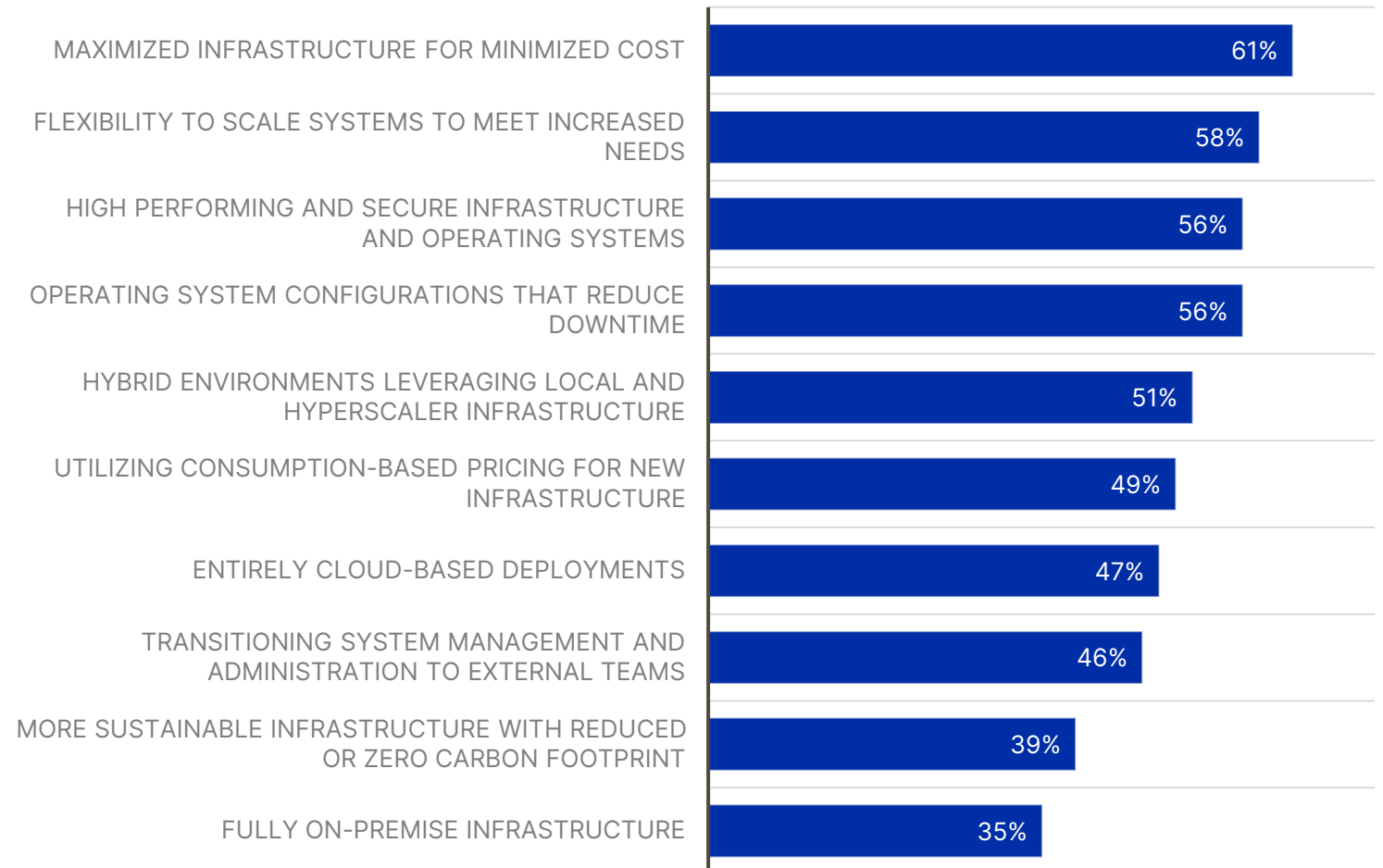
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Maximizing investment is the most important requirement for new infrastructure, but this must be balanced against supporting increased flexibility, improving resilience, and ensuring that infrastructure is highly performant.

Organizations need to effectively define and prioritize their requirements before starting any infrastructure projects if they are to ensure these projects are successful.

Requirements for Infrastructure Strategies



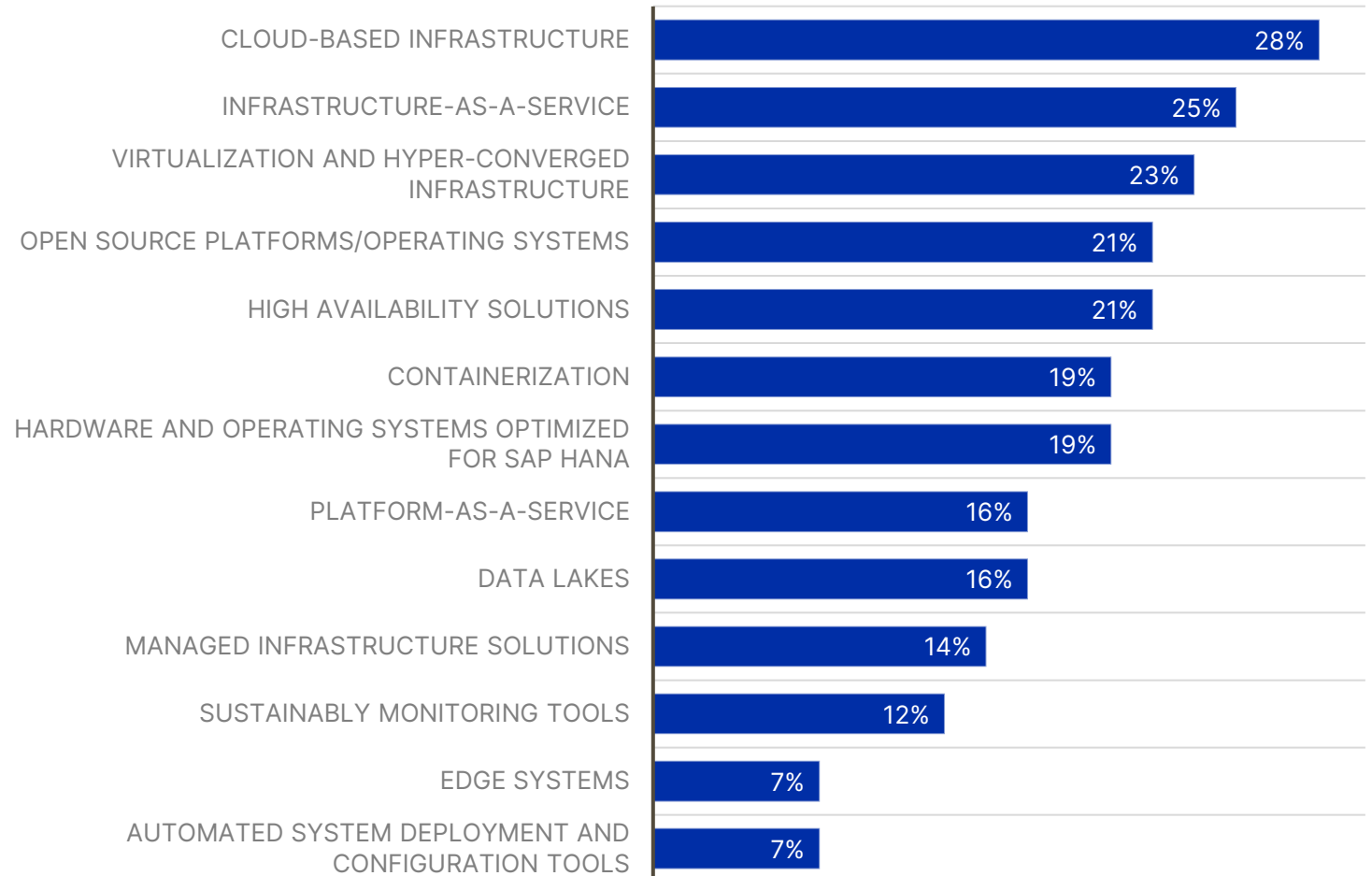
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The most used technologies today involve cloud and cloud-like capabilities, demonstrating that many organizations are already moving workloads to the cloud. Technologies in use also show that organizations are looking to leverage capabilities like virtualization and containerization that will increase flexibility while maximizing infrastructure utilization.

Organizations should understand how cloud-based environments can help meet flexibility and utilization needs.

Infrastructure Technologies Currently in Use



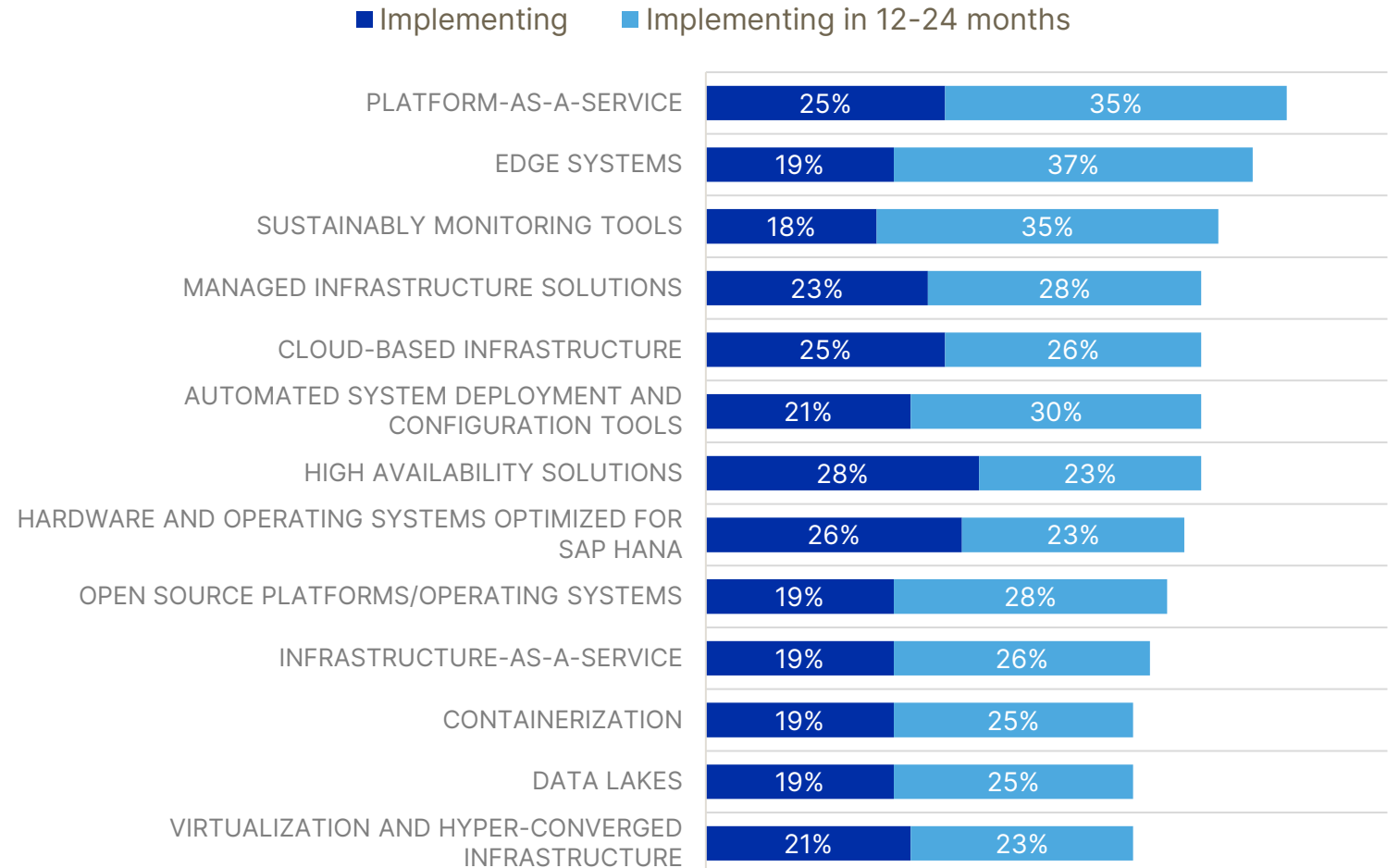
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Technologies being implemented include those that will provide more flexible capabilities, insight into usage and sustainability, and platforms that are tuned to support specific software needs.

Organizations planning infrastructure change should ensure that they are implementing technologies that will help them better monitor the sustainability of these environments but should consider landscapes that will reduce administrative overhead such as managed infrastructure environments and tuned platforms.

Infrastructure Technologies Being Implemented

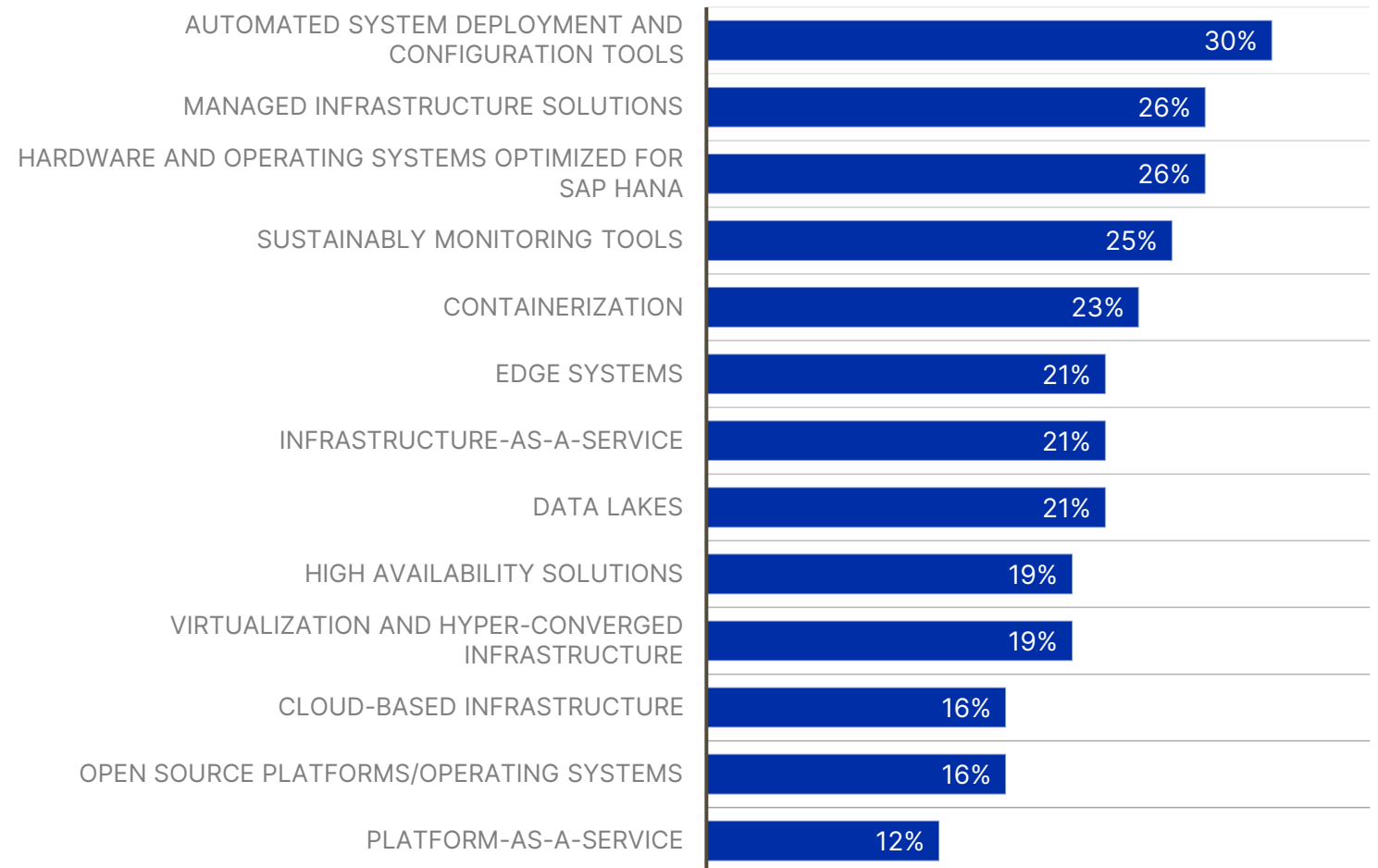


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Automation is a key technology being evaluated thanks to the benefits it provides for system administration and management, but respondent organizations are also evaluating infrastructure that is optimized for SAP HANA. Since SAP HANA is the data layer for all SAP offerings, ensuring that new infrastructure investments leverage hardware and operating systems designed for SAP HANA will be crucial to supporting highly performant environments.

Infrastructure Technologies Being Evaluated

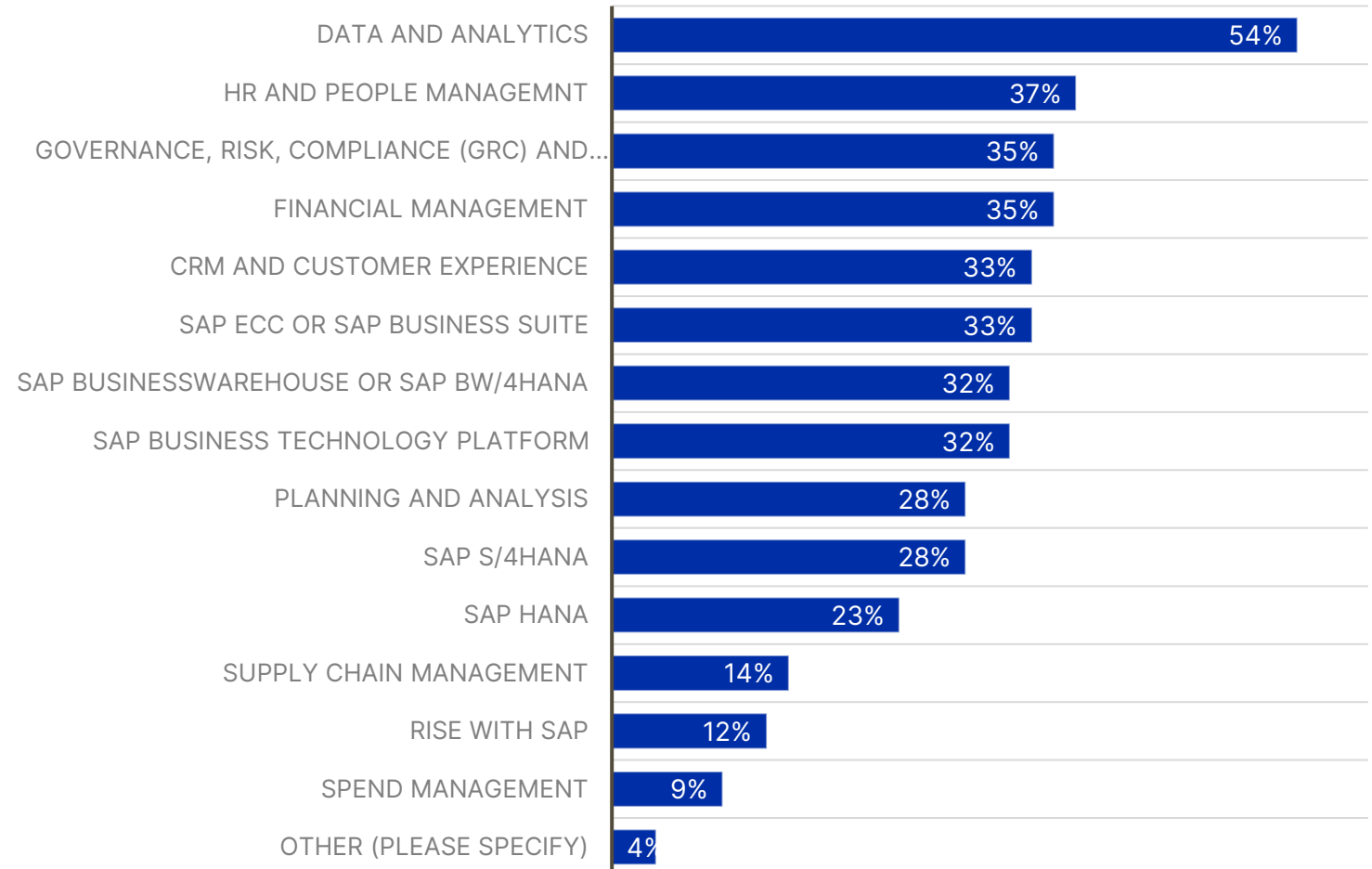


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More than half the respondents to this research indicated that they were leveraging SAP tools for data and analytics, a key capability for organizations today. A significant proportion are leveraging HR solutions, GRC and cybersecurity, financial management, ERP systems and platforms such as SAP Business Warehouse or SAP Business Technology Platform.

SAP Workloads in Use or Implementing



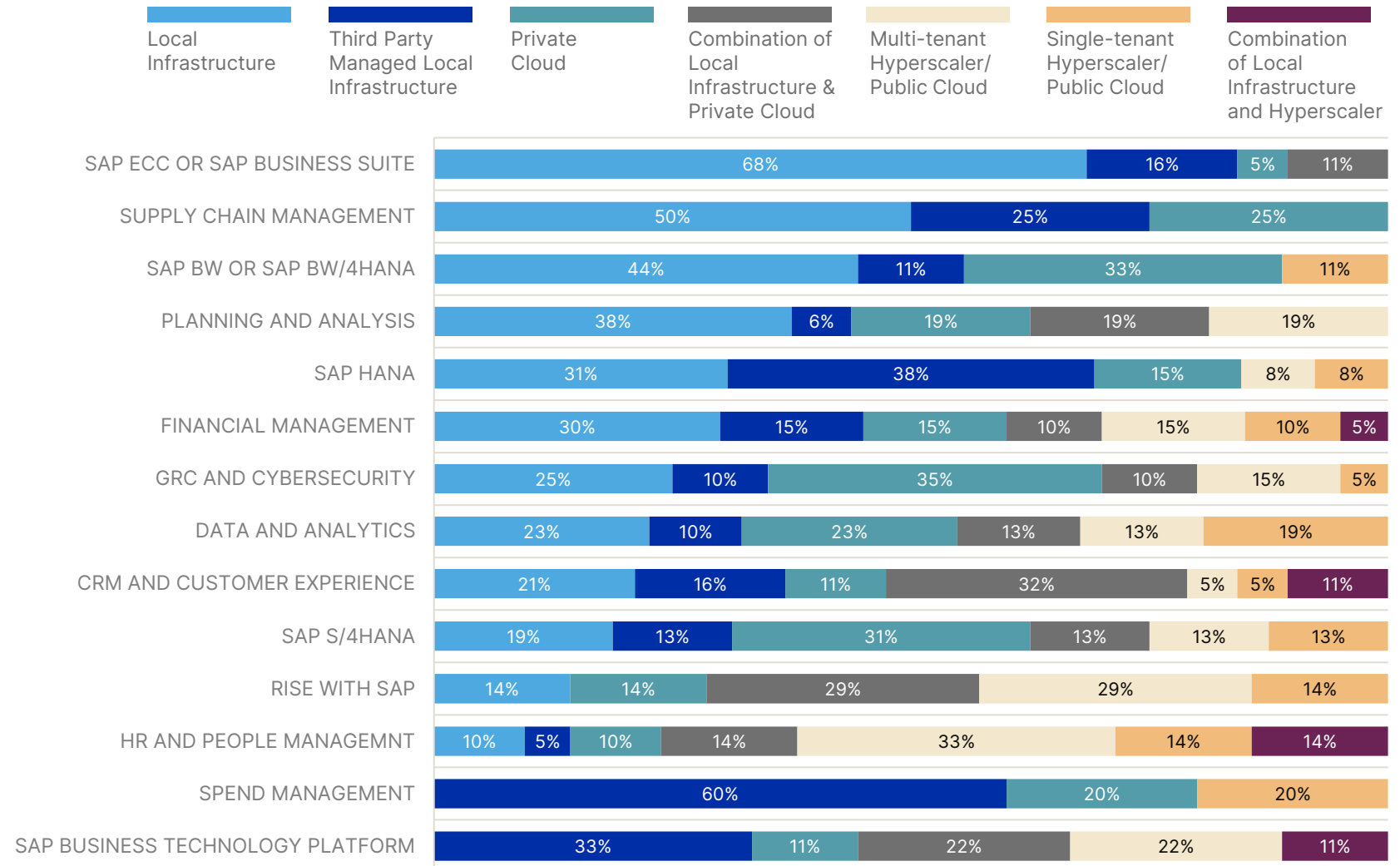
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The most likely workloads to be running on-premise are ERP systems, where more than two thirds are on local infrastructure, supply chain solutions, data warehousing solutions, or planning and analysis tools.

Those most likely to be on the cloud are HR solutions, RISE with SAP, and SAP Business Technology Platform. Others are in the process of moving to cloud or hybrid infrastructure.

Infrastructure In Use for SAP Workloads



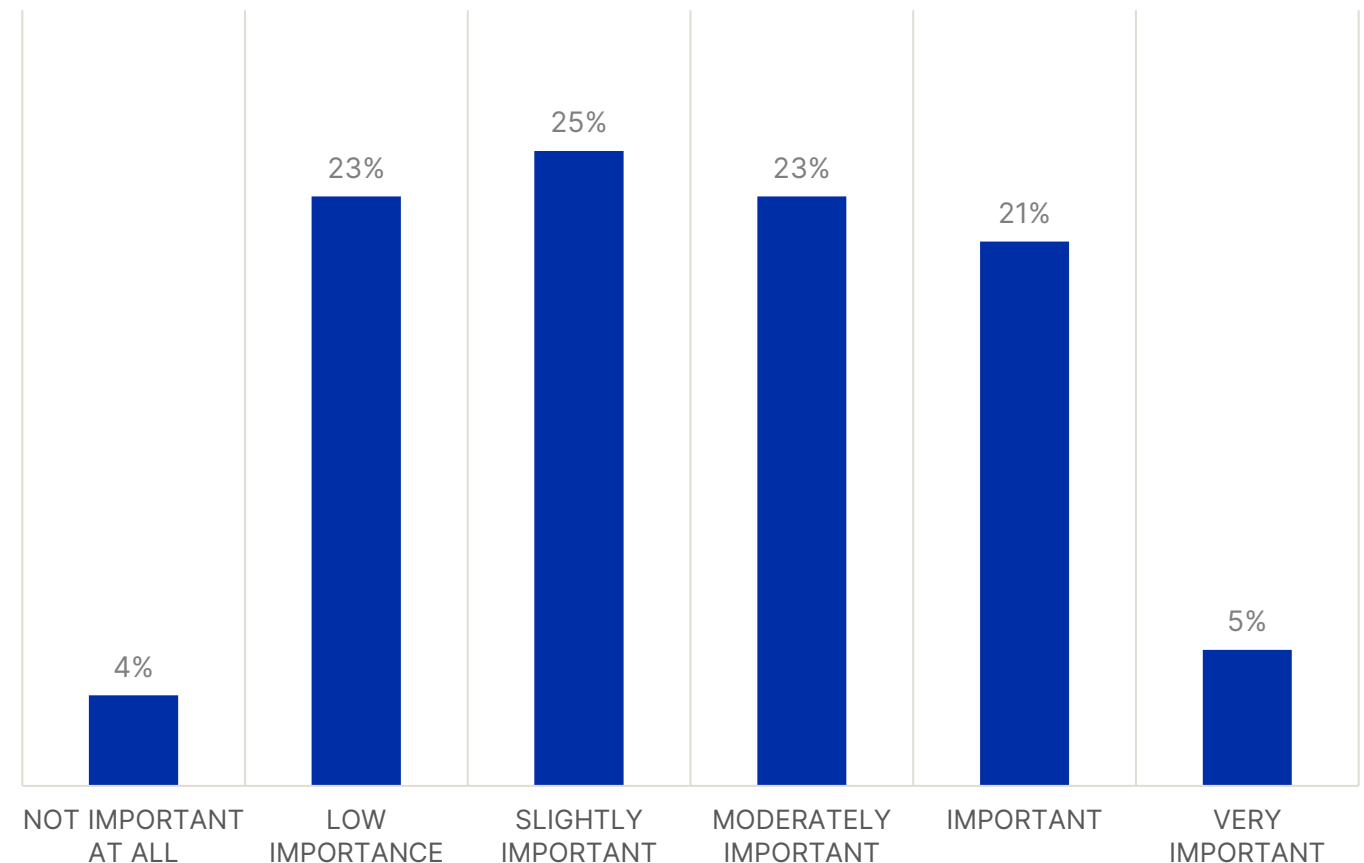
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SAP Intelligent Enterprise, now called SAP Intelligent Sustainable Enterprise, is SAP's solution framework that includes an underlying platform, cloud ERP, HCM, spend and supply chain management, and CRM solutions in an interconnected offering.

Given that many organizations are opting to use best in class offerings, not all are embracing SAP's vision for the enterprise. This is shown in that respondents are split on how these offerings are impacting their infrastructure planning.

Importance of SAP Intelligent Enterprise or SAP Intelligent Sustainable Enterprise to Infrastructure Planning

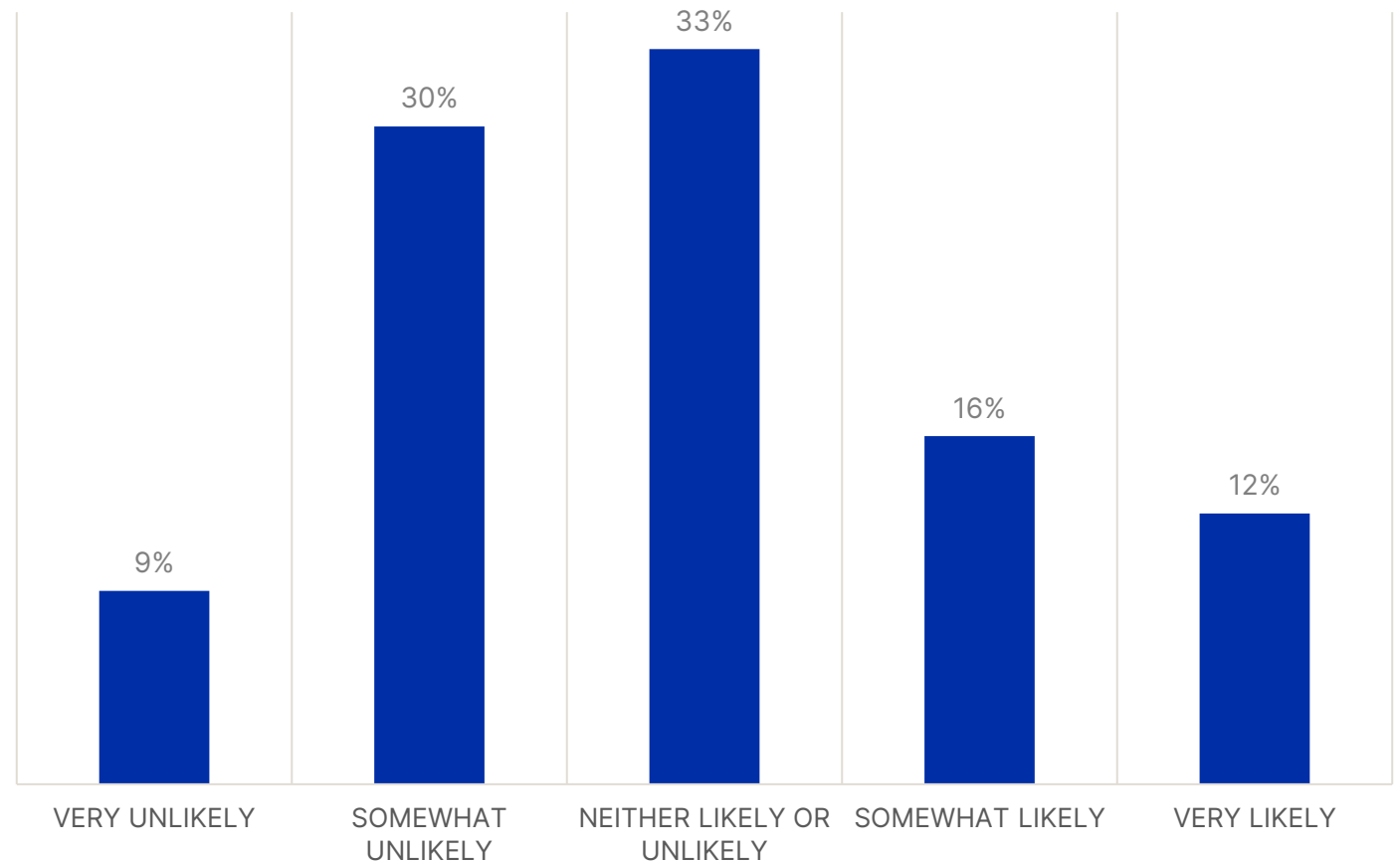


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Some organizations remain tied to internally managed landscapes for compliance reasons, but others do not see benefits in moving to cloud-based infrastructure. Respondents are thus looking for infrastructure that meets their needs and provides flexibility over a committed intent to move to a specific environment.

Likelihood of Moving SAP Workloads Off Internally Managed Infrastructure as Landscapes are Updated



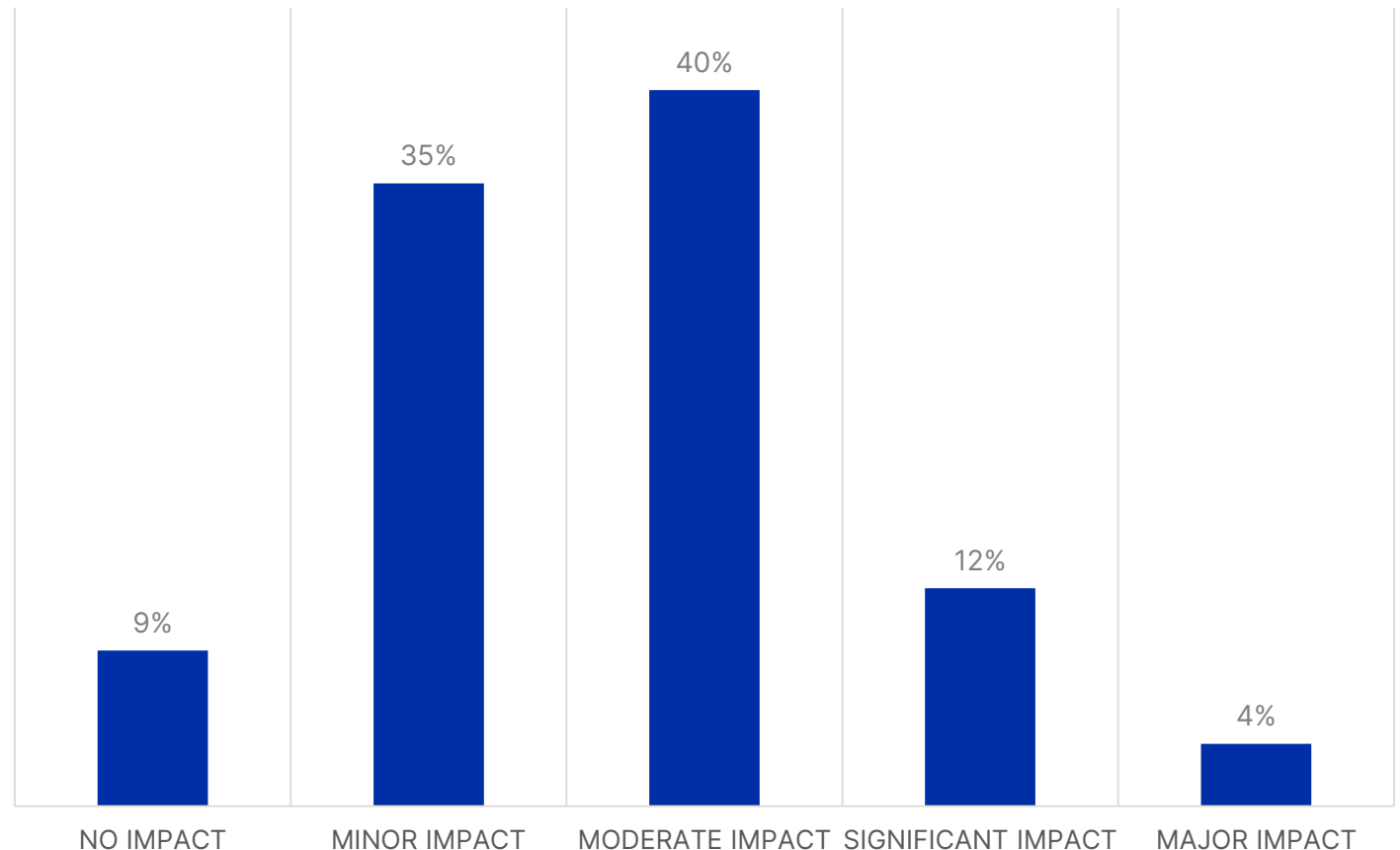
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Despite a significant number of respondents indicating that they intend to use infrastructure services from RISE with SAP as they update and replace existing systems, 44% of respondents report the offering has little to no impact on their infrastructure plans. Two in five report it is having a moderate impact, while just 16% report it has had a significant or major impact on their infrastructure plans.

It is imperative that organizations understand where RISE with SAP fits in future plans to fully understand how it will impact infrastructure choices.

Impact of RISE with SAP on Plans for Infrastructure Replacement



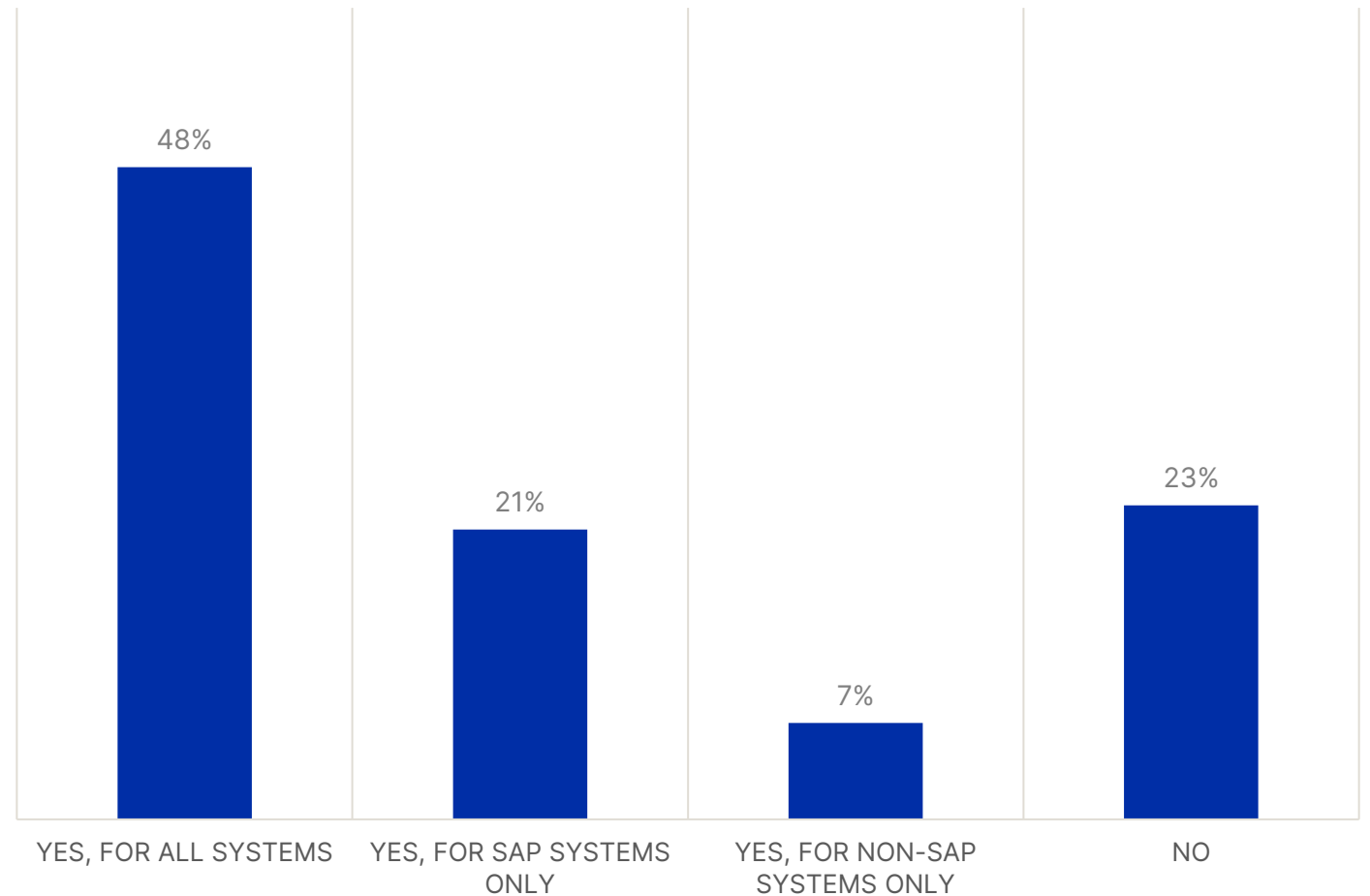
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Three in four respondents report that they are implementing sustainability KPIs for at least some of their systems. This shows that it is become increasingly important to be able to measure sustainability in IT as much as in other parts of the organization.

It is important that organizations start planning to support sustainability in IT as it is likely to become a reporting metric in the future.

Are Organizations Implementing Sustainability KPIs?

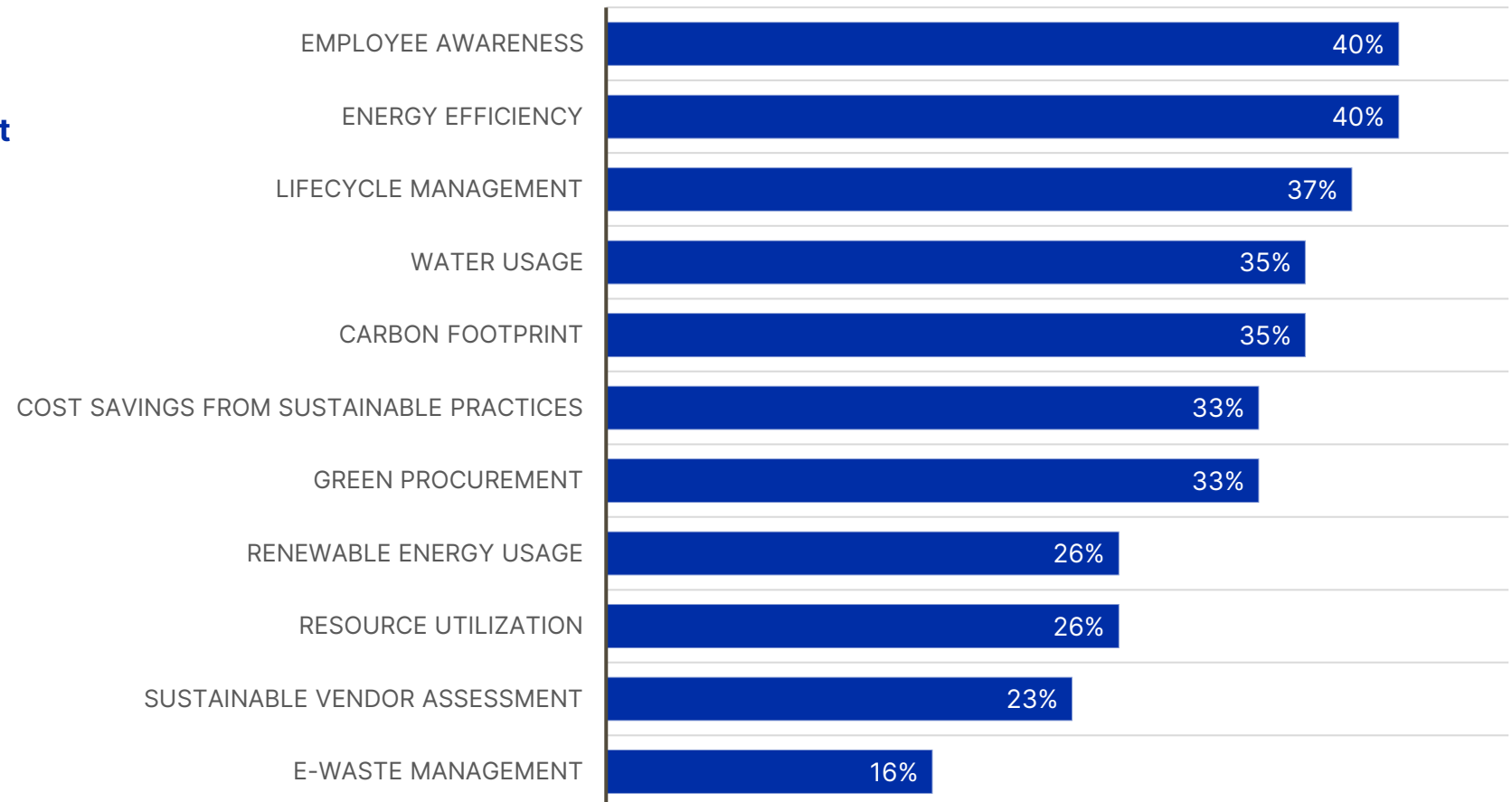


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Organizations are taking multiple approaches to achieve sustainability in their IT landscapes, but they are measuring the success of these initiatives in different ways. The most important are employee awareness and energy efficiency, crucial starting points for ensuring that IT landscapes become more sustainable over time. While some metrics are less important now, all these measures will eventually become part of standard reporting practices.

Metrics Used to Measure the Success of Sustainability Initiatives



THANK YOU

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