
BENCHMARK REPORT
EXECUTIVE SUMMARY
by Robert Holland May 2024

DATA, INTEGRATION, AND SAP BTP



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Insider Perspective

“The main challenge our organization is facing in implementing our plans for data, integration, and platforms is securing sponsorship and recognition from upper management. We believe that C-level sponsorship is essential in crafting a holistic data strategy, covering all topics including master data, transactional data, unstructured data, big data, analytics, and advanced analytics to machine learning and AI. We are working to raise awareness of the importance of managing our data and having a best-in-class integration capability to move the data around.”

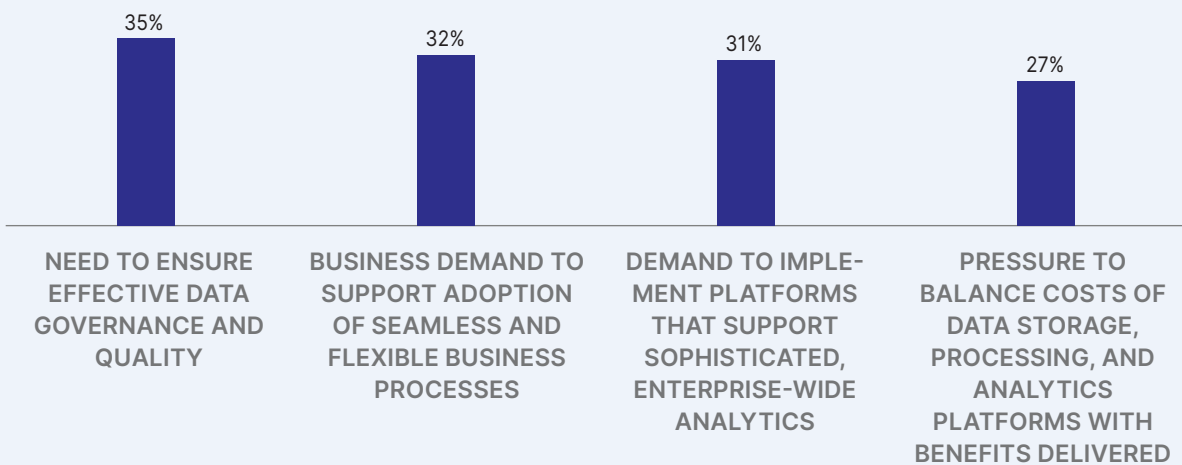
**– IT ARCHITECTURE DIRECTOR,
GLOBAL MANUFACTURER**

AS ENTERPRISE LANDSCAPES grow increasingly complex, it is crucial for organizations to ensure data movement across these landscapes meets their current and future needs. Despite many core systems still running in local environments, this recent SAPinsider research on Data, Integration and SAP BTP highlights that a significant number of workloads have already moved to the cloud with more than three quarters (78%) of respondents reporting they need to support cloud-to-on-premise integration scenarios. Additionally, designing a platform strategy becomes a critical component of a comprehensive data and integration strategy, as these platforms offer enhanced analytics, development, and artificial intelligence capabilities, including those of data and integration.

To provide insights into data strategies, integration approaches, and usage of SAP Business Technology Platform (BTP), SAPinsider surveyed 131 members of its community between February and May 2024. With the complexity of enterprise landscapes today, the research sought to identify the factors that are most responsible for driving the strategy for data, integration, and platforms (**Figure 1**). While one of the biggest challenges organizations faced over the last few years has been about managing the exponential growth in data volumes and complexity, the need to ensure effective data governance and quality (35%) was identified as the most important factor in the current research.

Ensuring data governance and quality is a crucial requirement, especially for organizations looking to leverage artificial intelligence (AI) in any capacity. Although AI capabilities offer many benefits to organizations especially as more business-focused use cases emerge, the value derived from these is dependent on the data quality used. While achieving high level of data quality and effective data governance capabilities has been the goal of

Figure 1: Factors Most Responsible for Strategy for Data, Integration, and Platforms



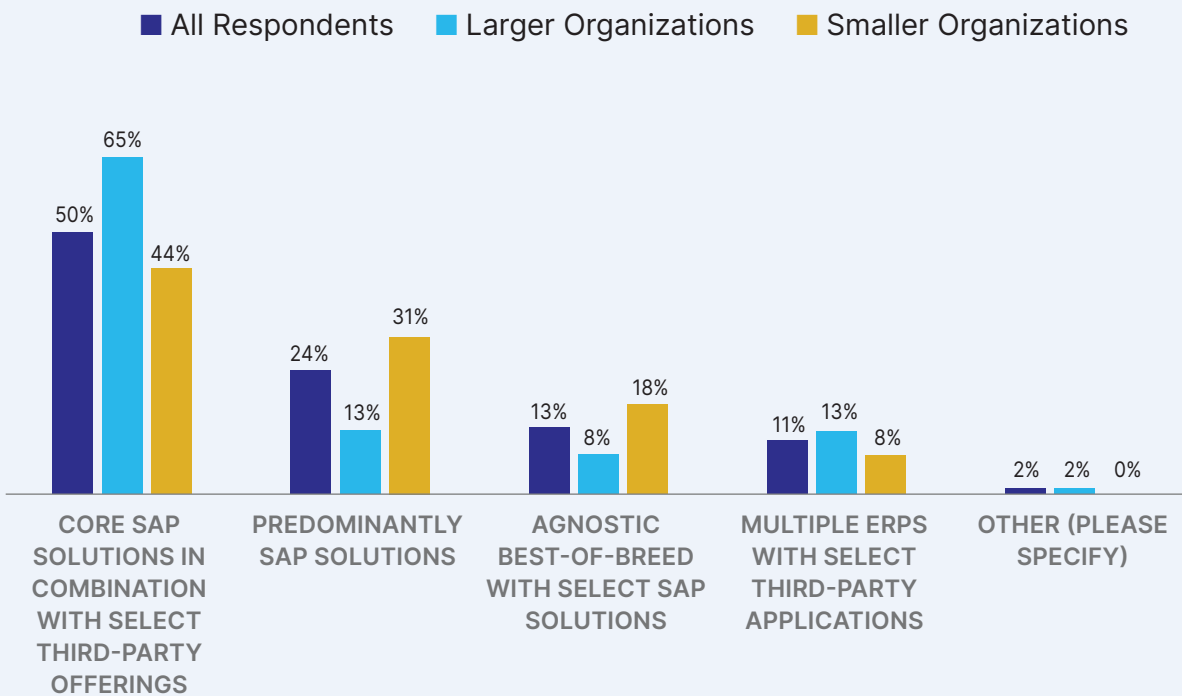
organizations for many years, this is now driving data, integration, and platforms strategy for a significant number of respondents. Business demand to support adoption of seamless and flexible business processes (32%) and the demand to implement platforms that support sophisticated, enterprise-wide analytics (31%) are only slightly less important factors driving data, integration, and platform strategy.

Over the last four years, organizations have discovered that being able to react to changes in business processes is essential. With businesses and business models changing rapidly, tools that empower organizations to adapt to changing requirements are key to future business success. Additionally, having advanced, enterprise-wide analytics is essential for gaining insights to the day-to-day performance of the organization, and provides the data to make decisions on how to adapt to the changes in the business ecosystem.

The factor least influencing strategy for data, integration, and platforms relates to balancing the cost of data storage, processing, and analytics platforms with the benefits delivered (27%). Despite the need to have platforms that secure data governance and quality, provide flexibility, and support enterprise-wide analytics, organizations must also balance the capabilities that have costs involved. While managing costs features in the top four factors driving strategy for all respondents, this is the second most important factor (29%) for organizations with revenues over \$2 billion annually. For those with revenues under \$2 billion annually, it was the fourth most important factor (27%).



Figure 2: View of Overall IT Landscape



Organizations are managing complex landscapes. On average, respondents reported that they are integrating 33 different applications with their SAP solutions today, with that number increasing to 43 for larger organizations. While this may seem like a large number of integrations to support, what adds to that complexity is organizations use 19 different integration tools to support these scenarios. Interestingly, larger organizations, despite the greater number of applications that they are integrating with their SAP systems, use only 15 integration tools on average, suggesting that there is at least some standardization in place in these companies.

Although many of these enterprise landscapes may have featured predominantly SAP solutions in the past, making it easier to leverage integration tools like SAP Process Integration (PI) or SAP Process Orchestration (PO), today's landscape is more complex (**Figure 2**). Half the respondents (50%) report that the core of their enterprise landscape consists of SAP solutions used in conjunction with select third-party offerings. This proportion increases to 65% when looking at larger organizations. Smaller organizations are more likely to be running predominantly SAP solutions (31%) as they have fewer enterprise solutions in general. However, smaller organizations are also more likely to be running an agnostic landscape using best of breed solutions with select SAP offerings (18%), something that less than half as many (8%) larger organizations are doing.

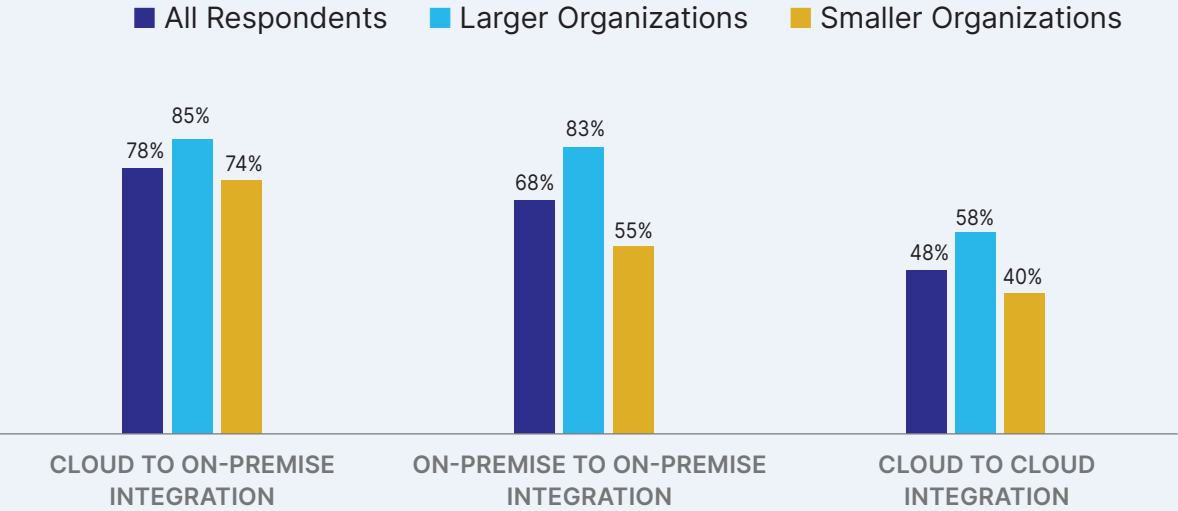
This landscape complexity is reflected in the type of integration that respondent organizations need to support. The fact that very few organizations are supporting predominantly SAP landscapes means that the most likely integration scenario being supported is that of SAP to non-SAP integration (82%). This scenario is even more likely to be supported in organizations with revenues over \$2 billion annually where 96% of respondents reported a need to support SAP to non-SAP integration. This reflects that larger organizations have a greater number of both SAP and non-SAP applications in their landscape, and just 13% are running predominantly SAP environments. Smaller organizations also support SAP to non-SAP integration scenarios, though this is at a lower rate with just 75% of respondents reporting that this is the case.

Other types of integration scenarios being supported include SAP to SAP integration (60%) and non-SAP to non-SAP integration (50%). In both instances, respondents from larger organizations are supporting these scenarios at a higher frequency, with 75% of organizations supporting SAP to SAP integration and 67% supporting non-SAP to non-SAP integration. Given the complexity of their landscapes, it is no surprise that a much higher proportion of respondents are supporting these scenarios.

Data location is another challenge faced by organizations developing data, integration, and platforms strategies. Organizations are not only facing challenges with managing data from multiple vendors, but data is also located in both cloud and on-premise environments (**Figure 3**). While a significant proportion of SAP ERP systems continue to run on-premise, new systems are often implemented in the cloud. This implies that organizations must integrate data from cloud-based systems with data running on-premise in core SAP solutions. For organizations that have moved their ERP systems to the cloud may still have historical data repositories on-premise, or other core applications from which data must be integrated.

Similarly, larger organizations are more likely to require support for data repositories in multiple locations. For example, while 78% of all respondents must support cloud to on-premise scenarios, 85% of respondents from organizations with revenues over \$2 billion must support these scenarios. This is compared to 74% of smaller organizations. Large organizations must also continue to support on-premise to on-premise data scenarios, with 83% of respondent organizations reporting they are still supporting this scenario compared to 55% of respondents from smaller organizations.

Figure 3: Types of Data Storage Scenarios Being Supported



The importance of data and integration to platform plans is obvious from the services that are in use by respondents running SAP BTP (**Figure 4**). SAP Integration Suite (63%) is the most used service by respondents by more than 10 percent points. Two of the other top four services in use are SAP Analytics Cloud (47%) and SAP HANA Cloud (41%) which relate to either data storage or data analysis. While only 44% of all respondents reported their organization currently using SAP BTP, these numbers demonstrate organizations leading their SAP BTP implementations with data and integration-focused services.

Beyond services related to data and integration, the most likely used services relate to application development. This includes the ABAP environment (51%), SAP Build (35%), and SAP Build Code (20%), although these services are more likely to be used by smaller organizations. Interestingly, Extended Planning and Analysis is more likely to be used by respondents from smaller organizations than larger ones. This may suggest that smaller organizations are more likely to need these capabilities while larger organizations may already have separate capabilities for planning, forecasting, advanced analytics, and performance monitoring.

This year's survey also revealed the following trends:

- Although respondents are evenly split when it comes to their organizations using SAP BTP with 44% reporting its use and 42% reporting that they do not use it, there is a much greater discrepancy when factoring organization size. For example, 58% of respondents from larger organizations report using SAP BTP compared to 34% of respondents from smaller organizations.
- The most important SAP BTP capability for respondents is integration with other SAP applications (71%). This is the most important capability for organizations irrespective of their size, with more than eight in ten (83%) respondents from larger organizations and two-thirds (66%) of respondents from smaller organizations stating its importance.
- Seven in ten (70%) respondents report that they are using a combination of SAP and non-SAP integration tools to meet their integration needs, a number that increases to 85% for larger organizations reflecting the complexity of these landscapes.

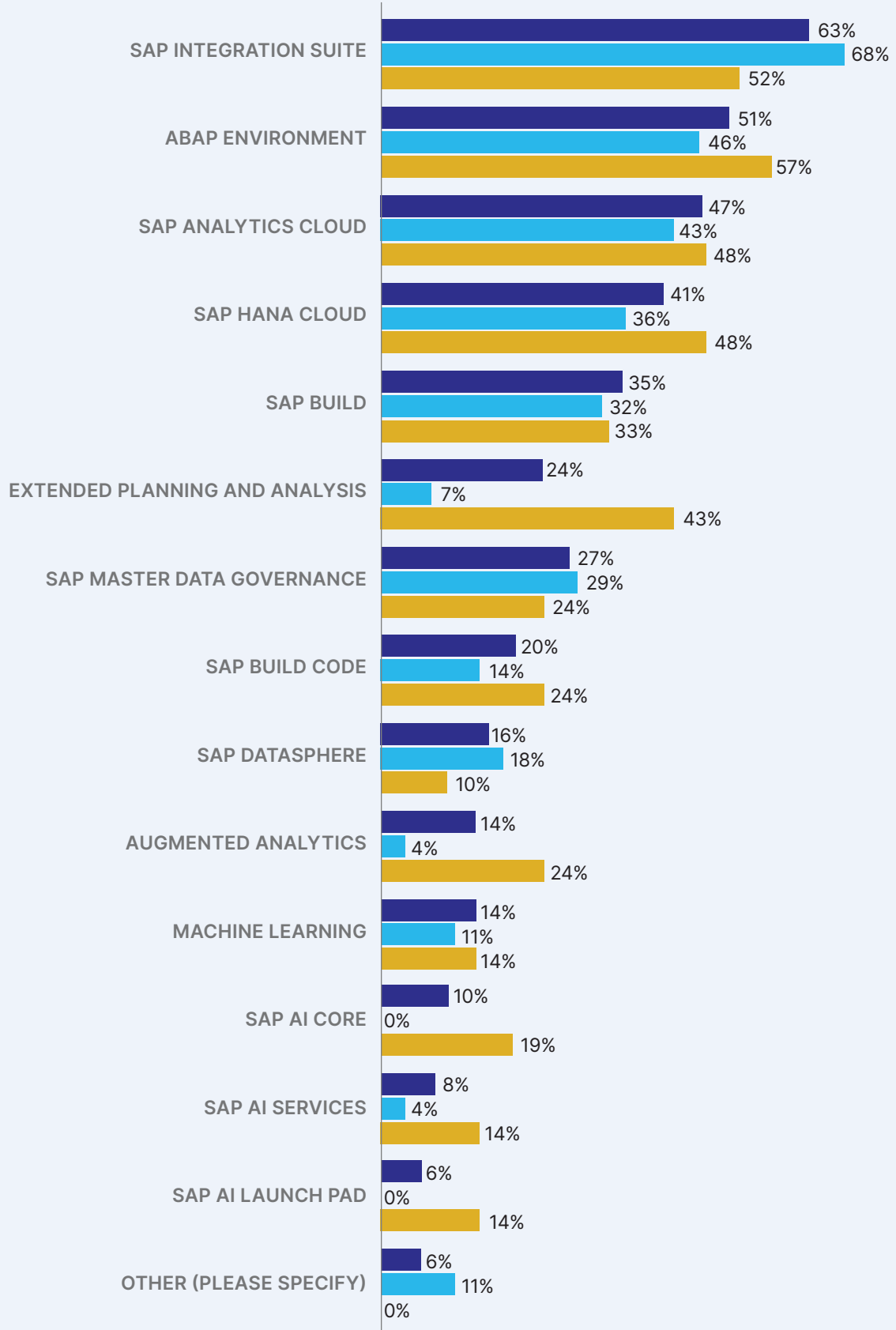
Insider Perspective

“In order to implement our data and integration plans we need to effectively manage cost. This includes the cost of the technologies we are implementing in addition to finding an experienced partner to help with our implementation.”

**– PRODUCT MANAGER,
PHARMACEUTICAL
COMPANY**

Figure 4: SAP BTP Services Currently Being Used

■ All Respondents ■ Larger Organizations ■ Smaller Organizations



Insider Perspective

“We like the unified and integrated nature of SAP BTP that enables us to integrate data from various sources and become a data driven business. That most valuable feature of SAP BTP is that it helps us drive analytics and data to make optimal business decisions.”

– QA MANAGER, TECHNOLOGY SERVICES COMPAN

REQUIRED ACTIONS

Based on the survey responses, organizations should consider the following when making their plans for data, integration, and platforms:

- **Dedicate time to understanding how data and integration requirements will change as the enterprise landscape changes.** Most organizations have enterprise architects to help manage their overall landscape, which is particularly true for SAP landscapes. However, these enterprise maps do not always track how data moves across the landscape, and which business processes require access to specific data. It is crucial for organizations to spend time understanding how enterprise applications, such as moving to the cloud, will impact data requirements. This will ensure that right decisions about integration capabilities are made before those capabilities are adopted.
- **Build support for data governance and quality into data, integration, and platforms strategy from the beginning.** The most important factor driving strategy for data, integration, and platforms is the need to ensure effective data governance and quality. Given its importance to respondent organizations, it is vital that support for these capabilities be part of any data, integration, and platforms strategy from the beginning. Integrating data governance and quality early to any data and integration strategy allows organizations to start effective data cleansing and maintenance sooner. This is crucial for organizations as they prepare their data for future AI use.
- **Ensure that platforms are a part of any broader data and integration strategy.** Platforms like SAP BTP offer capabilities beyond data and integration, even if these are the primary engagement points for respondents to this research. With hundreds of services offering capabilities around AI, automation, application development, data and analytics, and integration, there is much that a platform can offer to organizations looking for common data and security models, interoperability between components, and integration with other SAP applications. Given the capabilities that platforms offer, it is important to look beyond a single integration tool or data repository to understand the value that including them in a broader data and integration strategy will bring. Whether this is SAP BTP or a platform from another vendor, taking the time to analyze and understand how this will help organizations achieve their data and integration plans is crucial.



DRIVERS

- Need to ensure effective data governance and quality (35%)
- Business demand to support adoption of seamless and flexible business processes (32%)
- Demand to implement platforms that support sophisticated, enterprise-wide analytics (31%)
- Pressure to balance costs of data storage, processing, and analytics platforms with benefits delivered (27%)



ACTIONS

- Implementing integration strategies across cloud and on-premise SAP and non-SAP systems (54%)
- Implementing enterprise-wide data consolidation solutions (38%)
- Focusing on cost management for data storage, processing, integration, and analytics platforms (36%)
- Prioritizing technology that will more effectively secure and protect data and integration capabilities (35%)



REQUIREMENTS

- Integration of SAP and non-SAP solutions (84%)
- Platforms that better support connected data and integration capabilities (82%)
- Information security and security in transit (82%)
- Strong governance and monitoring (79%)
- Platforms with integrated security and compliance capabilities (79%)
- Integration of cloud-based and on-premise systems (77%)



TECHNOLOGIES

- APIs and microservices (34%)
- SAP Business Technology Platform (30%)
- Cloud-based data lakes (27%)
- Customer data platforms (26%)
- Integration testing and end-to-end testing tools (23%)
- Unified data and integration platforms (23%)
- Real-time data synchronization (22%)
- DevOps and automation tools (22%)
- Self-service or low-code/no-code integration platform (17%)
- Big data processing frameworks (16%)
- Edge computing technologies (12%)
- AI and generative AI frameworks (11%)

Appendix: The Dart™ Methodology

SAPinsider has rewritten the rules of research to provide actionable deliverables from its fact-based approach. The DART methodology serves as the very foundation on which SAPinsider educates end users to act, creates market awareness, drives demand, empowers sales forces, and validates return on investments. It is no wonder that organizations worldwide turn to SAPinsider for research with results.

THE DART METHODOLOGY PROVIDES PRACTICAL INSIGHTS, INCLUDING:

DRIVERS These are macro-level events that are affecting an organization. They can be both external and internal, and they require the implementation of strategic plans, people, processes, and systems.

ACTIONS These are strategies that companies can implement to address the effects of drivers on the business. These are the integration of people, processes, and technology. These should be business-based actions first, but they should fully leverage technology-enabled solutions to be relevant for our focus.

REQUIREMENTS These are business and process-level requirements that support the strategies. These tend to be end-to-end for a business process.

TECHNOLOGY These are technology and systems-related requirements that enable the business requirements and support the company's overall strategies. The requirements must consider the current technology architecture and provide for the adoption of new and innovative technology-enabled capabilities.

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