

# DATA MANAGEMENT STRATEGIES

DETAILED FINDINGS FROM THE BENCHMARK REPORT  
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# DETAILED FINDINGS



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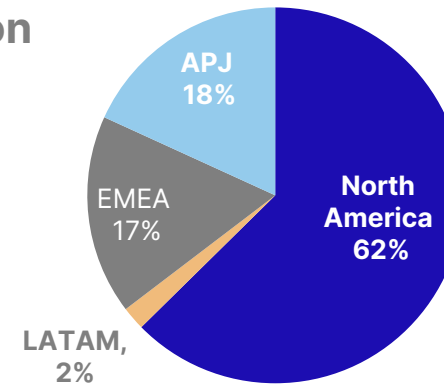
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Between January and March 2024, SAPinsider surveyed 171 members of its community on strategies, challenges and priorities around enterprise data management in the SAP ecosystem.

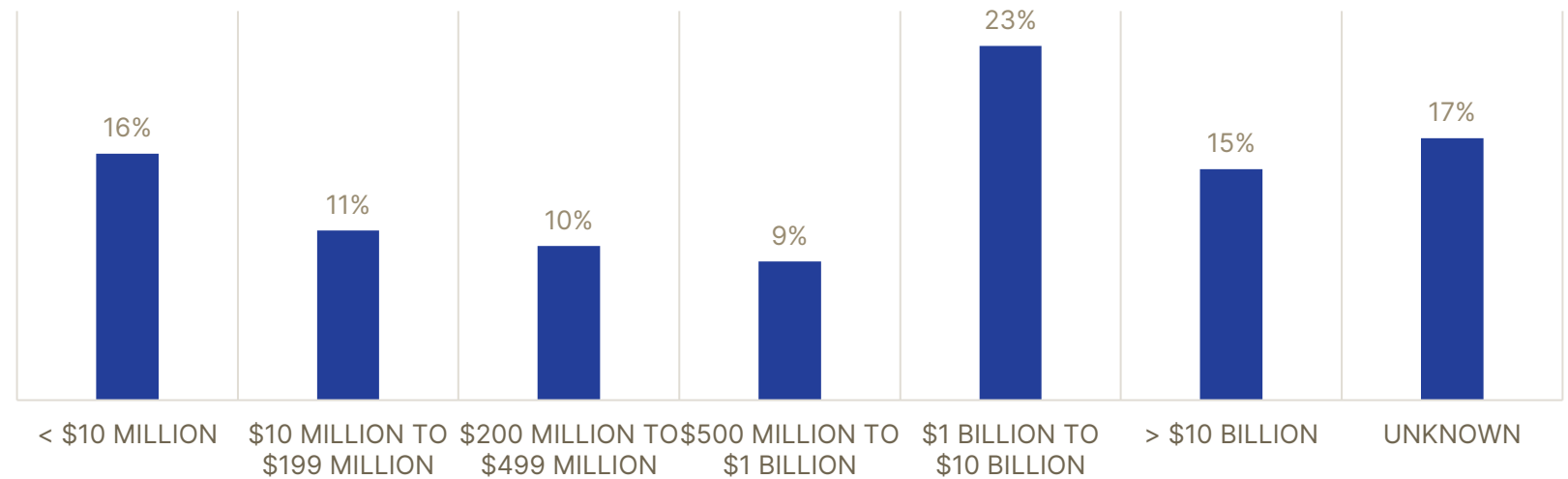
Survey participants from various geographical regions worldwide represented diverse organization sizes, contributing to a comprehensive dataset.

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

## Region



## Revenue



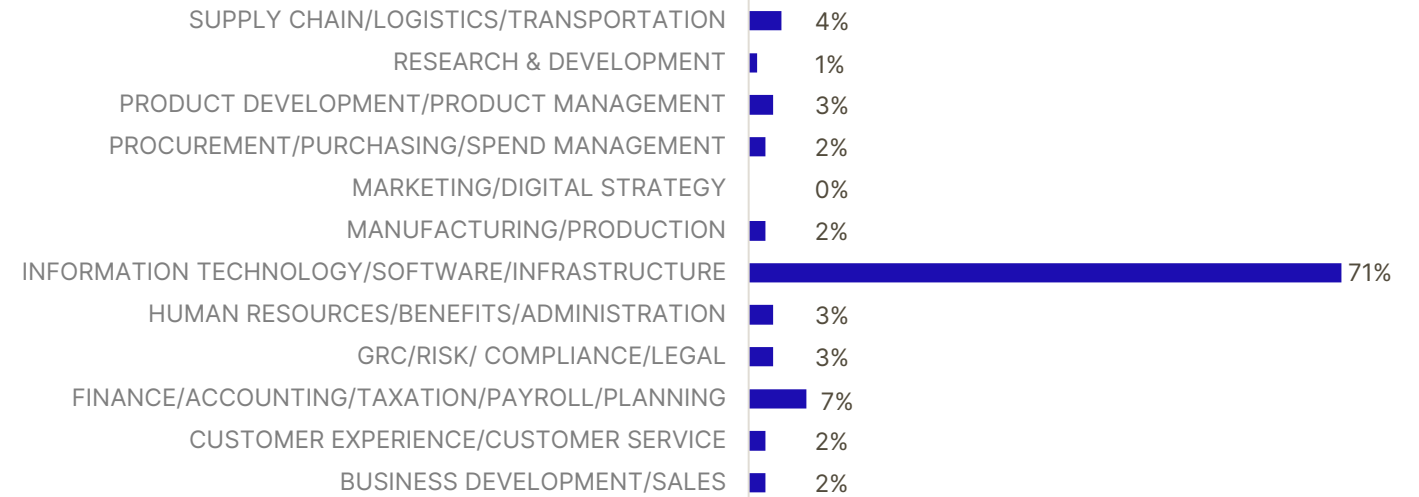
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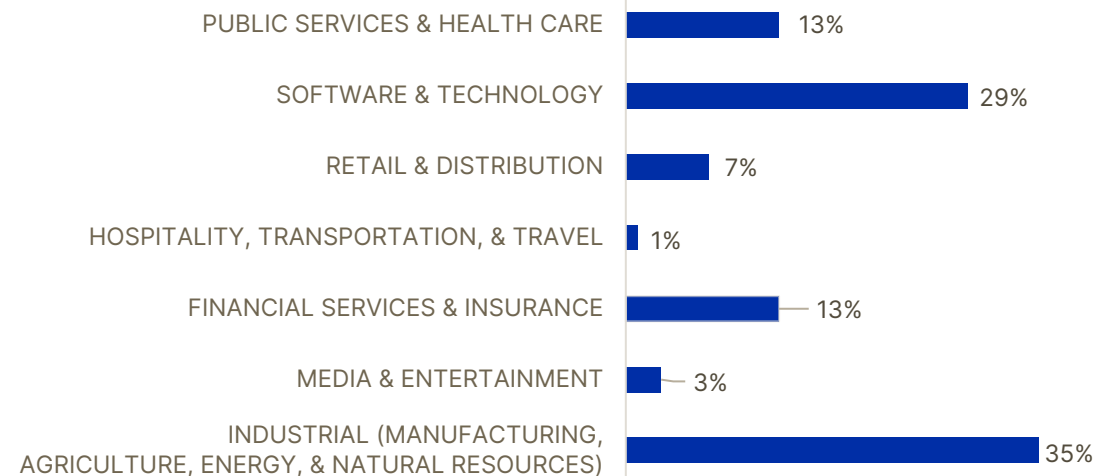
The participants were asked about their data management priorities and the strategies being implemented in their organizations.

They were also asked about their organizational roles and the industry in which their organizations operated. IT/Software/Infrastructure was by far the most represented function, and industrial and software/technology were the most represented industries.

### Role



### Industry



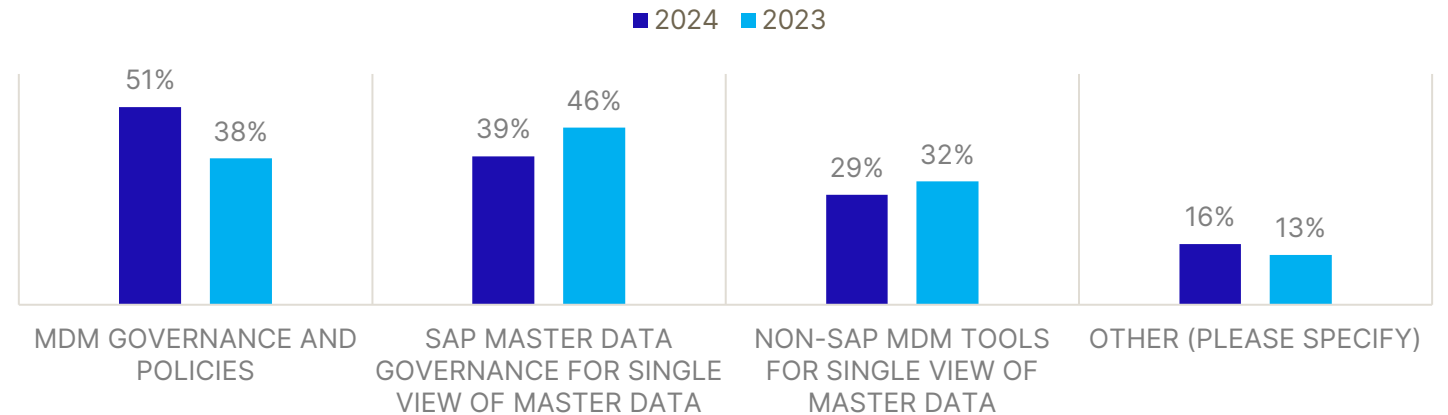
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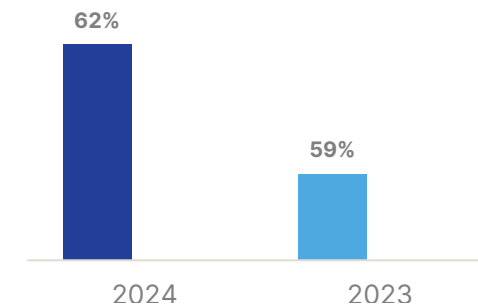
Organizations show diverse approaches to handling Master Data Management across multiple data stores, reflecting the complexity of managing master data in modern organizations with heterogeneous IT landscapes. While some organizations rely on governance and policies (51%), others leverage specialized tools, either from SAP or third-party providers, to ensure consistency and quality in master data across various systems and platforms.

Moreover, 62% reported to be satisfied with their Master Data Management strategies — a marginal increase from 59% in 2023.

### Master Data Management Use Across Multiple Data Stores



### How Satisfied are You with Your Master Data Management Strategy?



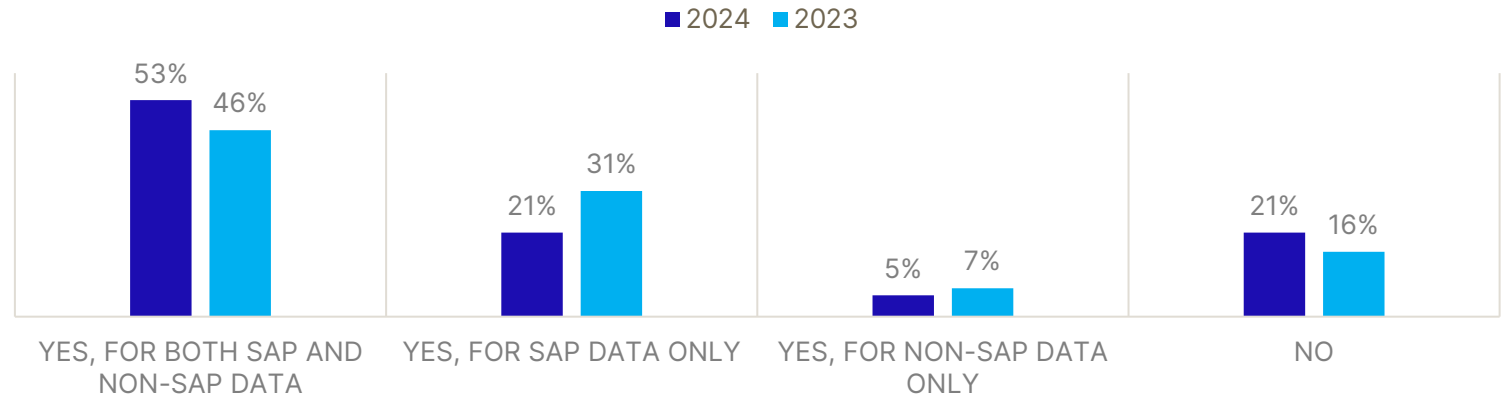
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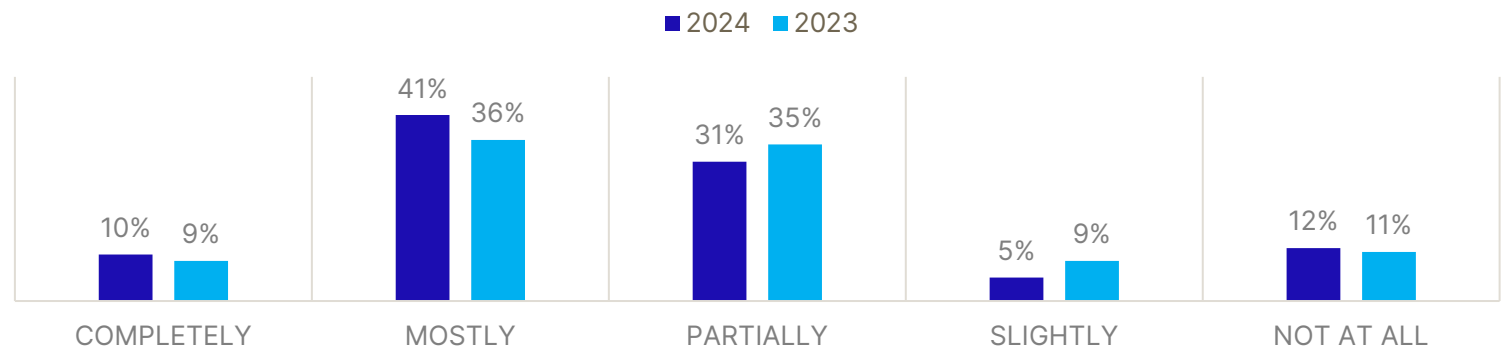
More than half of the organizations surveyed have an enterprise-wide data strategy that encompasses both SAP and non-SAP data. However, only a small percentage of respondents reported that the data strategy is completely meeting (10%) their organization's requirements.

Overall, while most organizations perceive their data strategy as mostly (41%) and partially (31%) meeting their requirements, there are still considerable opportunities for improvement. Addressing the identified gaps and challenges can help organizations enhance their data management practices and better leverage data for strategic decision-making and competitive advantage.

### Existing Enterprise-Wide Data Strategy



### Organizational Data Strategy Not Effective in Meeting Data Access, Reporting, and Intelligence Requirements



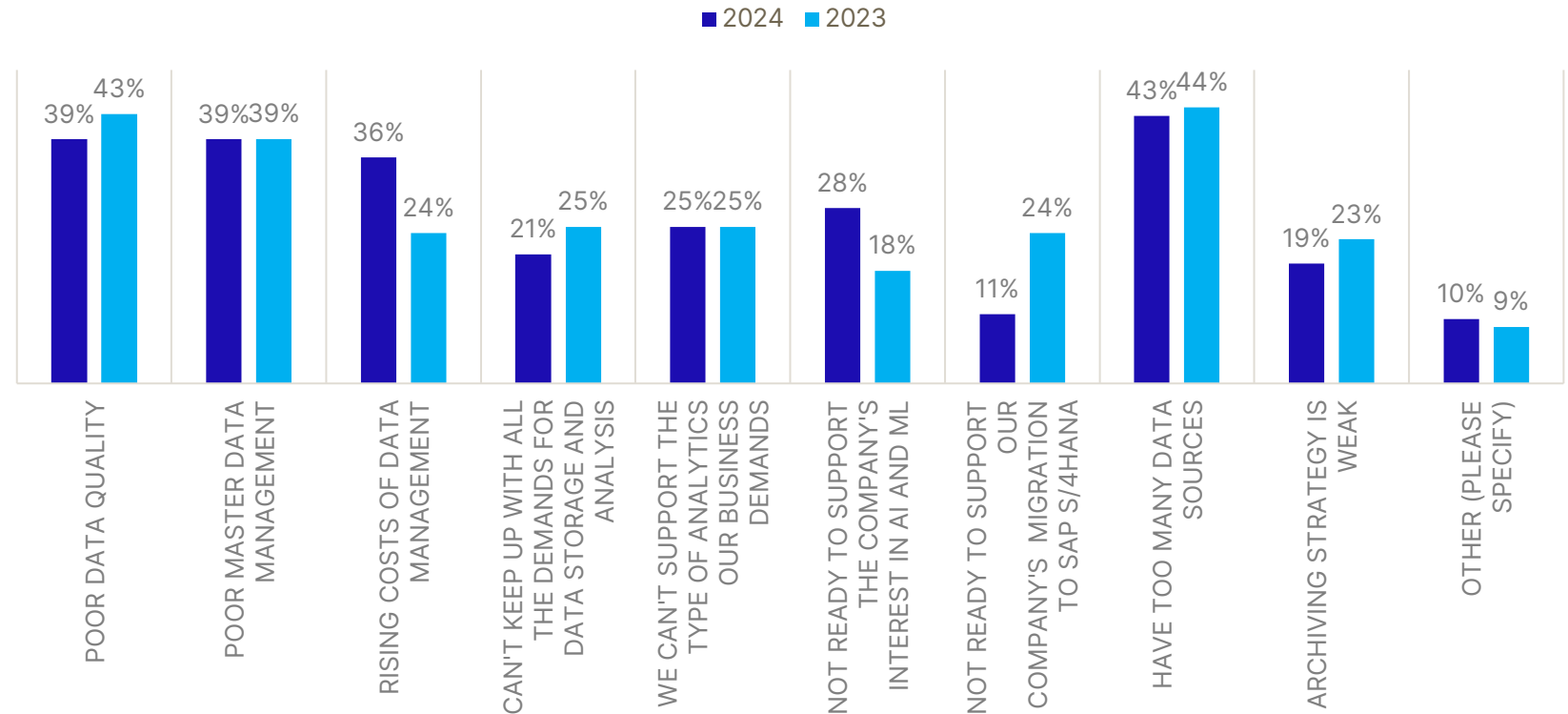
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The survey data highlights a range of significant challenges in data management. Nearly half of the respondents identified having too many data sources as a major pain point (43%), while a significant portion (39%) cited poor data quality as the most common challenge and poor master data management (39%).

Addressing these pain points effectively is crucial for organizations to derive maximum value from their data assets and maintain a competitive edge in today's data-driven landscape.

### Data Management Pain Points



# DART

MODEL FRAMEWORK

## Market Drivers, Strategies and Technologies for Data Management



### DRIVERS

- Increasing demand to provide real-time data fast to internal users, partners and customers (47%)
- IT budget pressures to keep capital and operating costs until control (44%)
- Skyrocketing volumes of unstructured/semi-structured data to analyze and drive business process (23%)
- Increasingly rigorous governmental and industry regulations (18%)
- Organizational focus on cloud-first strategy to rollout new applications and infrastructure (18%)
- Increasing volumes of multi-modal data generated across supply chain (21%)
- Relentless cybercrime causing data loss, downtime and lost brand reputation (13%)
- Urgency to prepare for massive surge in data volumes due to 5G rollout and IoT growth (9%)



### ACTIONS

- Implementing a centralized master data strategy (48%)
- Deploying modern data integration, data orchestration and data migration tools (42%)
- Architecting an enterprise-wide data strategy for on-premise and cloud systems (30%)
- Eliminating and consolidating data repositories (30%)
- Migrating to cloud databases and data warehouses (30%)
- Connecting with big data systems (23%)
- Migrating existing data to a centralized data lake (21%)
- Creating new data models to support AI and ML initiatives (21%)
- Creating a data archiving strategy (21%)
- Converting and migrating data for SAP S/4HANA initiative (18%)
- Outsourcing data management, storage, archiving (10%)



### REQUIREMENTS

- Meeting governmental and industry-specific regulations (42%)
- Supporting both SAP and non-SAP data sources (39%)
- Supporting both transactional and non-transactional data (38%)
- Reduction in cost of IT (35%)
- Ease of data integration with various analytics tools (34%)
- Enterprise-wide system of record (28%)
- Data archiving policy and procedures (23%)
- Support predictive and advanced analytics (22%)
- Supporting AI and Machine Learning capabilities (20%)
- Streamlined access to data from any device (18%)



### TECHNOLOGIES

- On-premise databases (47%)
- Cloud Database (41%)
- Data integration and orchestration tools (33%)
- Cloud-based Data Warehouse (31%)
- Cloud-based ETL (Extract, Transform, Load) tools (30%)
- Data lakes (29%)
- Data archiving tools (25%)
- Master Data governance platforms and tools (25%)
- Data management automation 19%
- Data hubs (18%)
- Unstructured data platforms (16%)
- Containerization solutions (ex, Kubernetes) (14%)

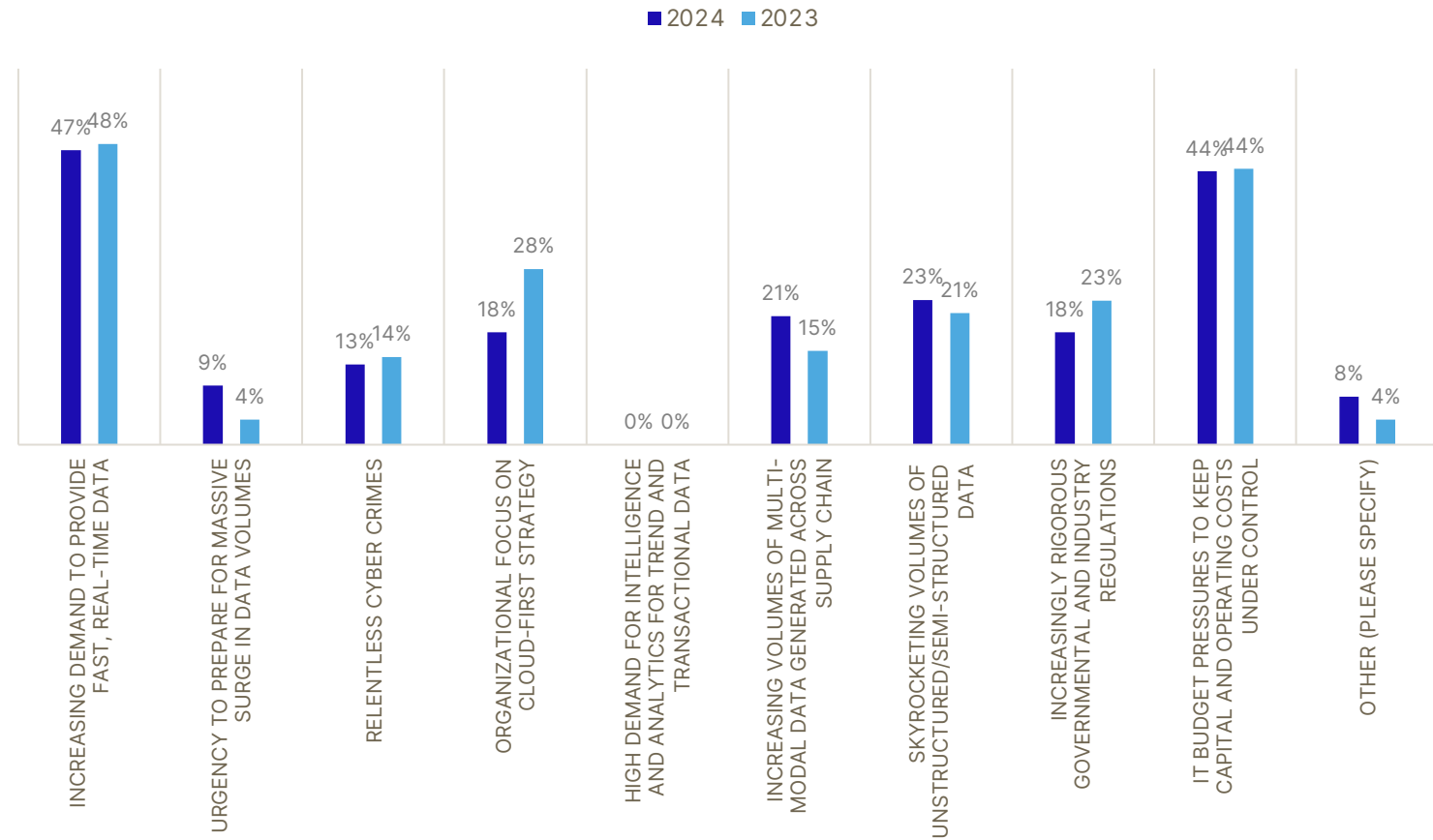
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Increasing demand to provide fast, real-time data (47%) emerged as the top driving factor, while almost 44% cited IT budget pressures to keep capital and operating costs under control as a significant driver. This suggests a growing emphasis on agility and responsiveness in leveraging data for decision-making, and also indicates how budget constraints influence decisions regarding technology investments, including adoption of solutions like SAP Datasphere.

While factors such as organizational focus on cloud-first strategy, relentless cyber crimes, and increasing volumes of multi-modal data across the supply chain also received notable percentages, they were not as strongly emphasized as the top two drivers.

## Top Factors Driving Data Management Strategies



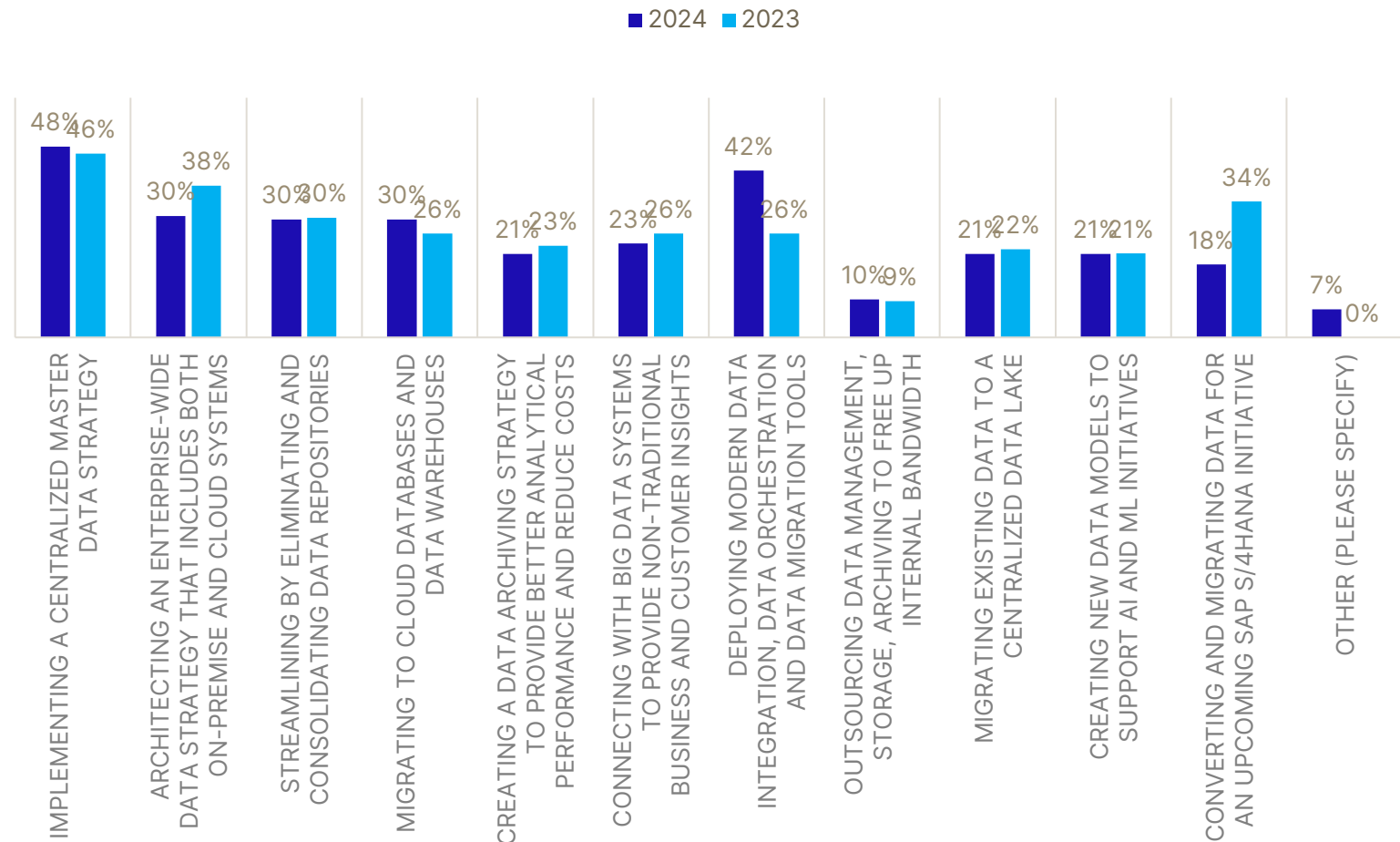


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Organizations prioritize strategies that enhance data governance, integration, agility, and scalability to effectively address their data management drivers and support their broader business objectives. Organizations implementing a centralized master data strategy (48%) emerged as the top strategy, indicating that organizations recognize the importance of establishing centralized approaches to manage master data effectively. This was followed by deploying modern data integration, data orchestration, and data migration tools (42%) underscoring organizations' preparations for transitioning to the Cloud and representing a 16 percentage point increase over 2023.

### Data Strategies to Support Data Management Drivers

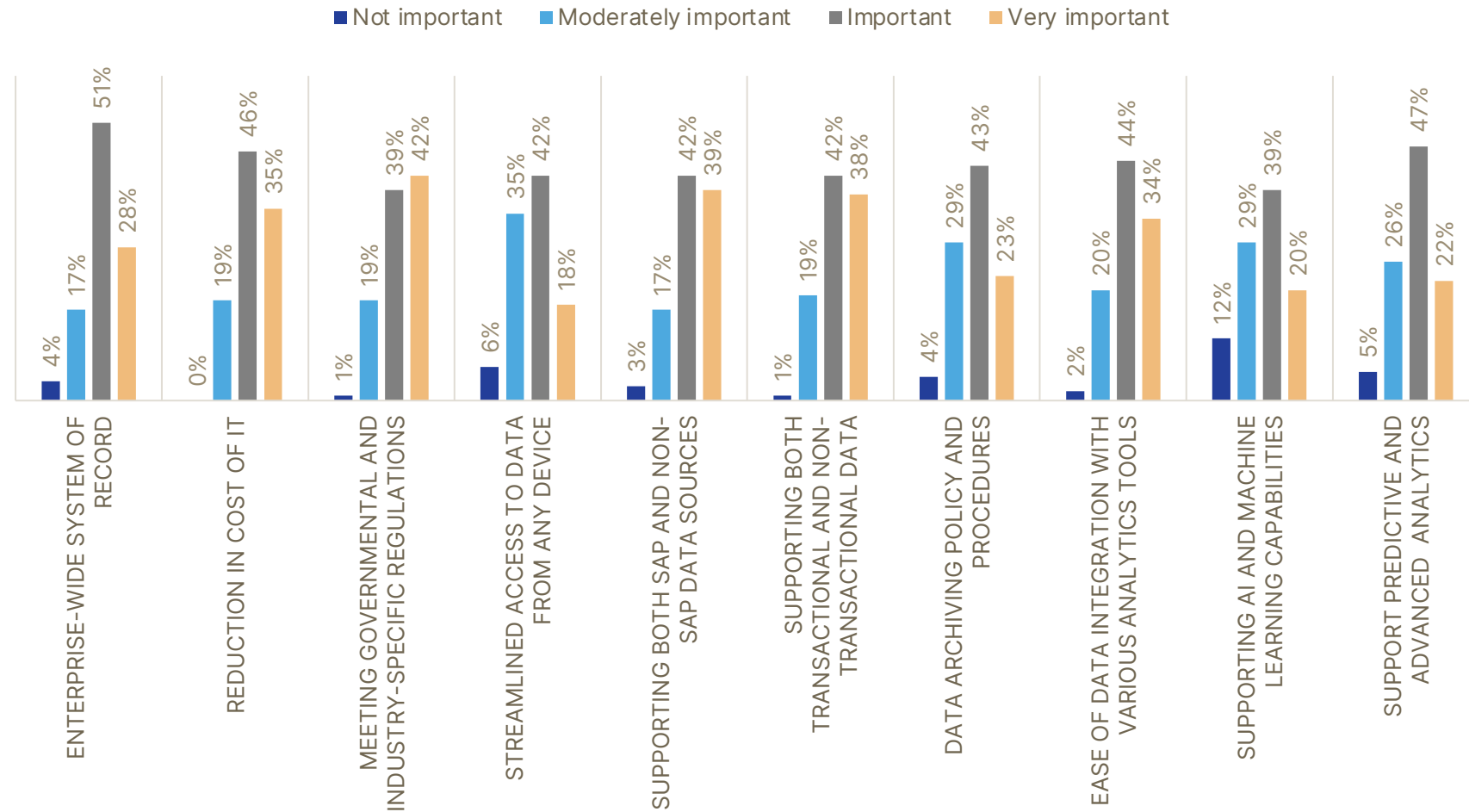


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Data suggests that while certain aspects like enterprise-wide system of record, support for predictive and advanced data analytics, IT cost reduction, compliance with regulations, and supporting diverse data sources are widely recognized as important or very important, others such as accessibility across devices and advanced analytics capabilities are seen as important by fewer respondents.

## What is Important for an Organization's Data Management Strategies



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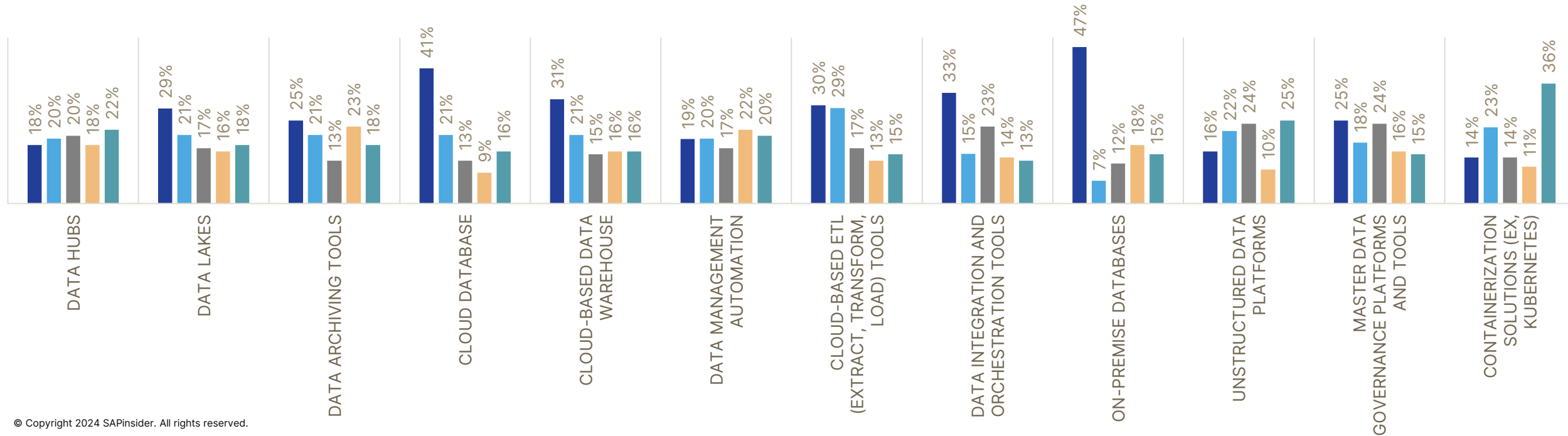
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Data reflects a diverse landscape of technologies being adopted or considered by companies to support their data management strategies, with a notable emphasis on cloud-based solutions, data integration tools, and modern data warehouse architectures.

Despite the growing popularity of cloud-based solutions, a significant percentage of companies (47%) still use or plan to use on-premise databases, while cloud database is being currently used by 41% of the respondent companies.

## Technology Companies Currently Use or Plan to Use for Data Management

■ Currently using or have used ■ Evaluating ■ Currently implementing ■ Implementing in 12-24 months ■ No plans



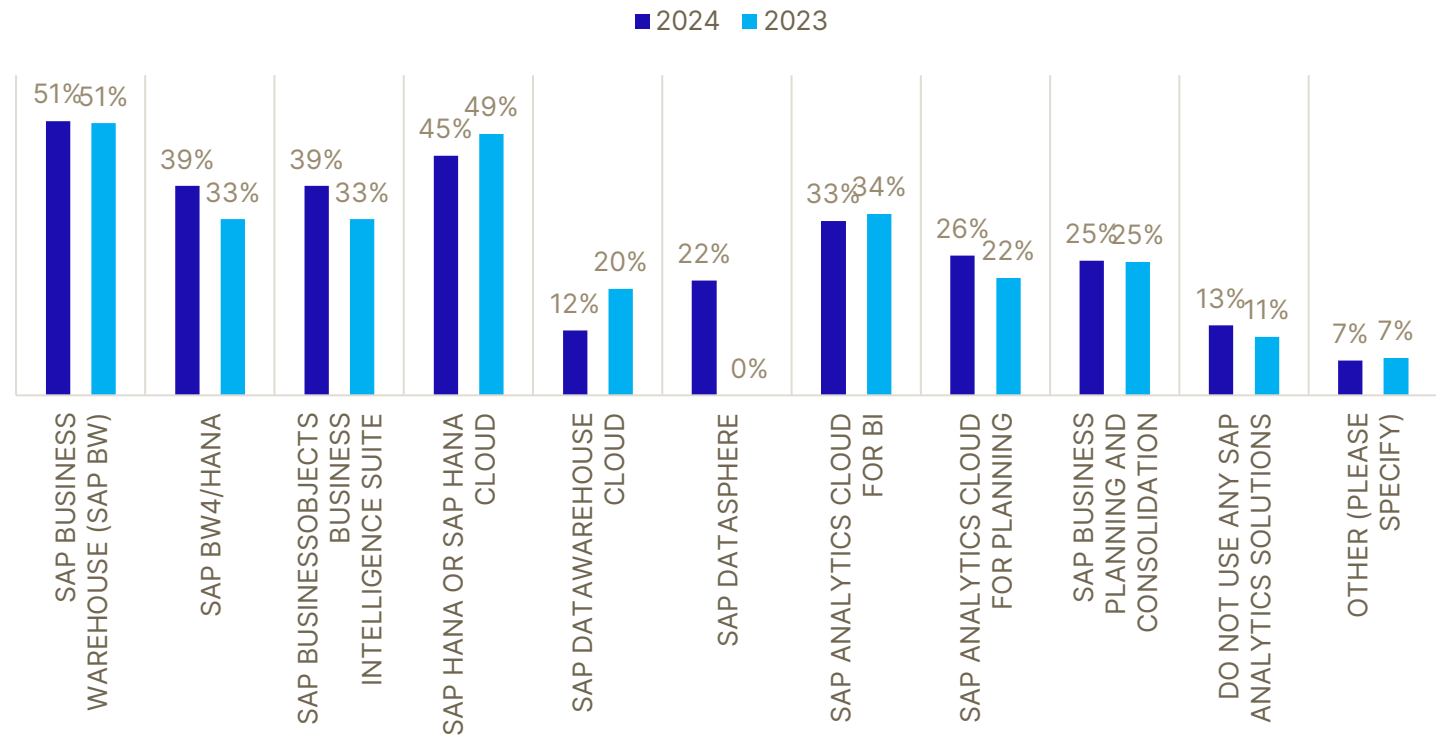
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Data illustrates the widespread adoption of various SAP analytics products/tools, with a notable emphasis on solutions such as SAP BW (51%), SAP HANA or SAP HANA Cloud (45%), SAP BW4/HANA (39%), and SAP BusinessObjects Business Intelligence Suite (39%) for supporting data management and analytics initiatives within organizations.

SAP BW is evolving to meet the demands of modern data warehousing and analytics, with a focus on cloud adoption, simplification, agility, and innovation. SAP Data Warehouse Cloud (DWC) is SAP's next-generation cloud data warehouse solution. SAP BW is being integrated with DWC to offer a seamless transition path for existing BW customers and to provide a modern, cloud-native data warehousing solution.

## SAP Analytics Product/Tools Companies Currently Using or Planning to Use



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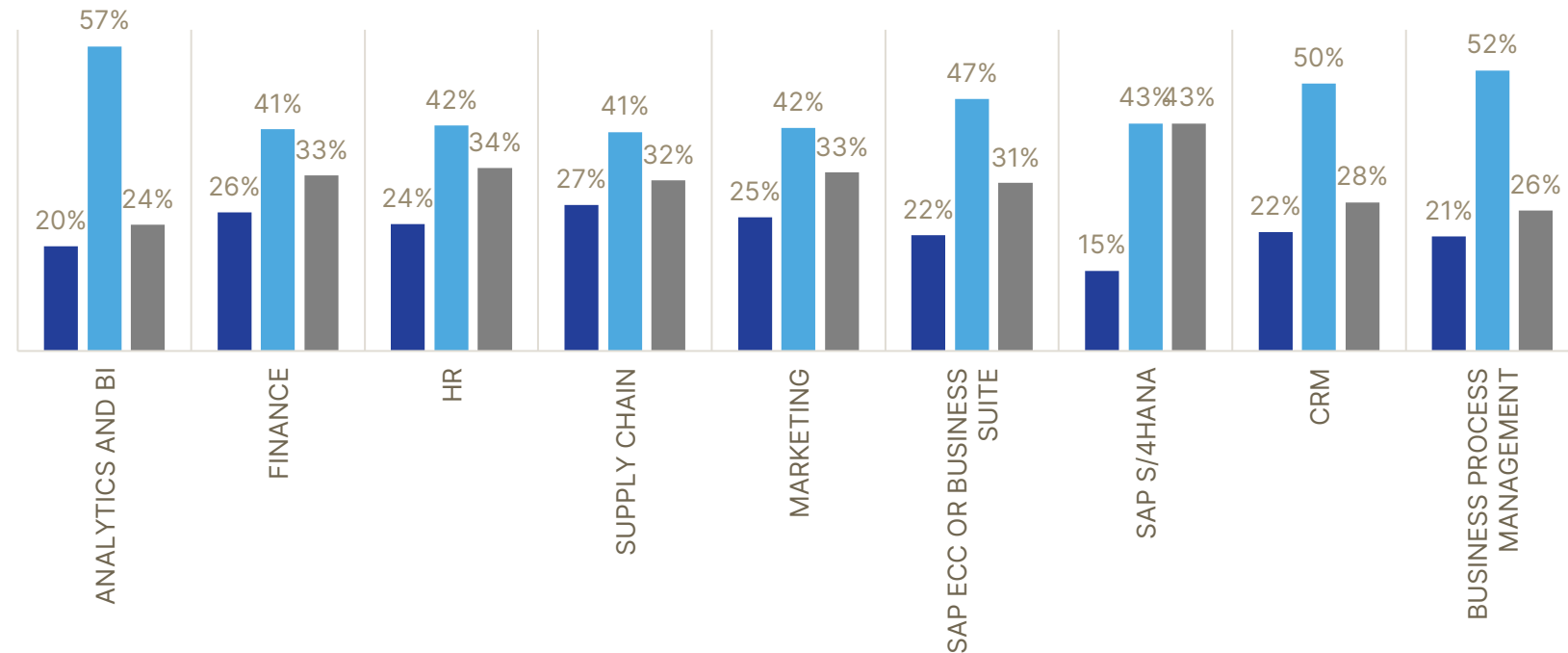
Data suggests varying degrees of readiness and uncertainty across different business functions in migrating data storage or data management solutions to the cloud within the specified time frame.

While some show a stronger inclination towards migration, others are more hesitant or have made a firm decision not to migrate.

It appears supply chain and finance are where the most respondents have definitive plans to move data solutions to the cloud within 12 months.

## Organizations Planning to Move Data Storage or Data Management Solutions to the Cloud

■ Yes, within 12 months   ■ Yes, not sure when   ■ No



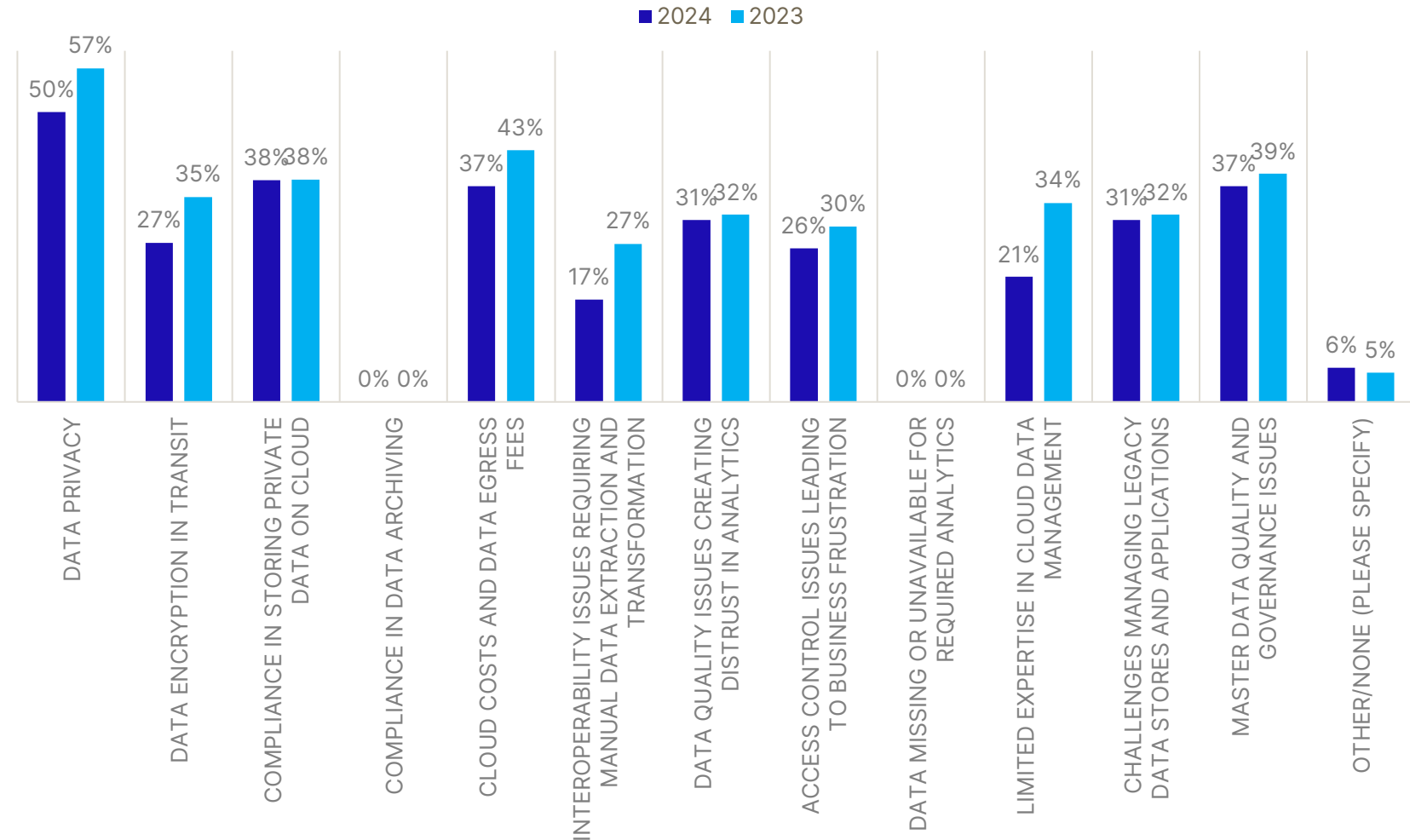
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Despite SAP Datasphere and its open data ecosystem, organizations highlight a range of concerns when it comes to storing and managing data in the cloud. These relate to data privacy (50%), compliance in storing private data on cloud (38%), cloud costs and data egress fees (37%), and master data quality and governance issues (37%).

Addressing these concerns effectively is essential for organizations to leverage the benefits of cloud computing while mitigating associated risks and challenges.

## Organization's Biggest Concerns with Storing and Managing Data in the Cloud



# THANK YOU

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