

February 2025

DETAILED
FINDINGS

From The Benchmark Report:

SAP S/4HANA Migration 2025

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RESEARCH PARTNER

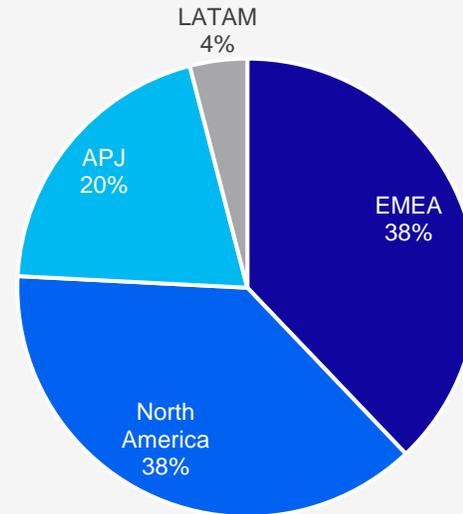


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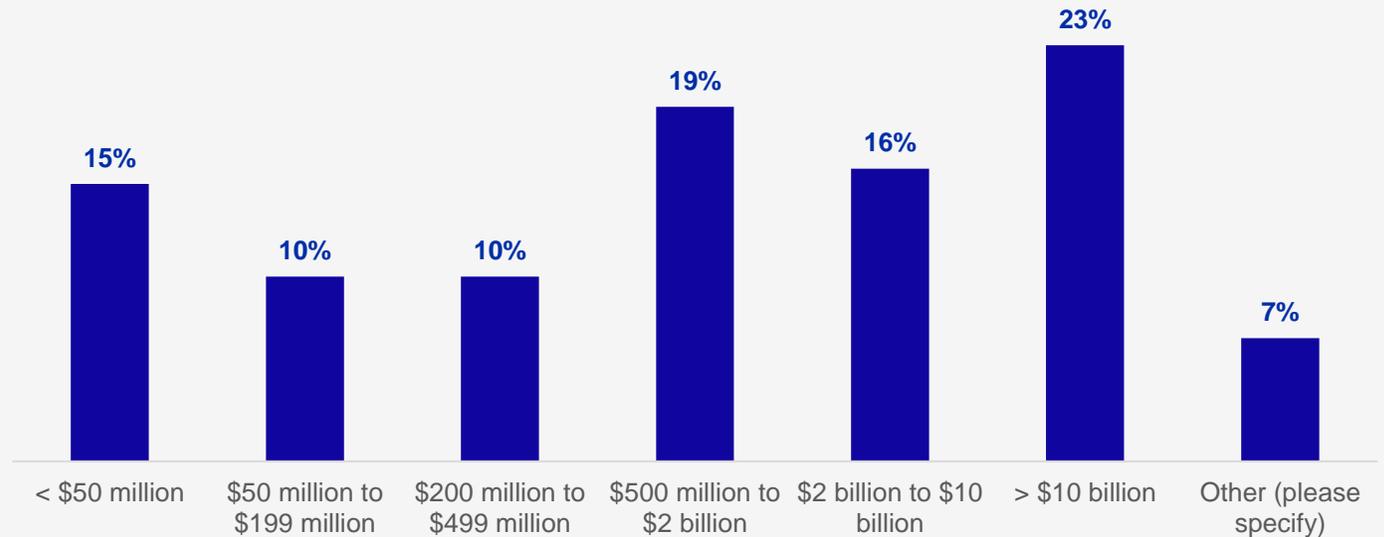


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Between December 2024 and February 2025, SAPinsider surveyed 170 community members to gain deeper insights into SAP S/4HANA adoption trends. The survey explored the versions organizations are deploying, the challenges they face during migration, and the tangible benefits realized by those who have already transitioned to SAP S/4HANA.



Revenue

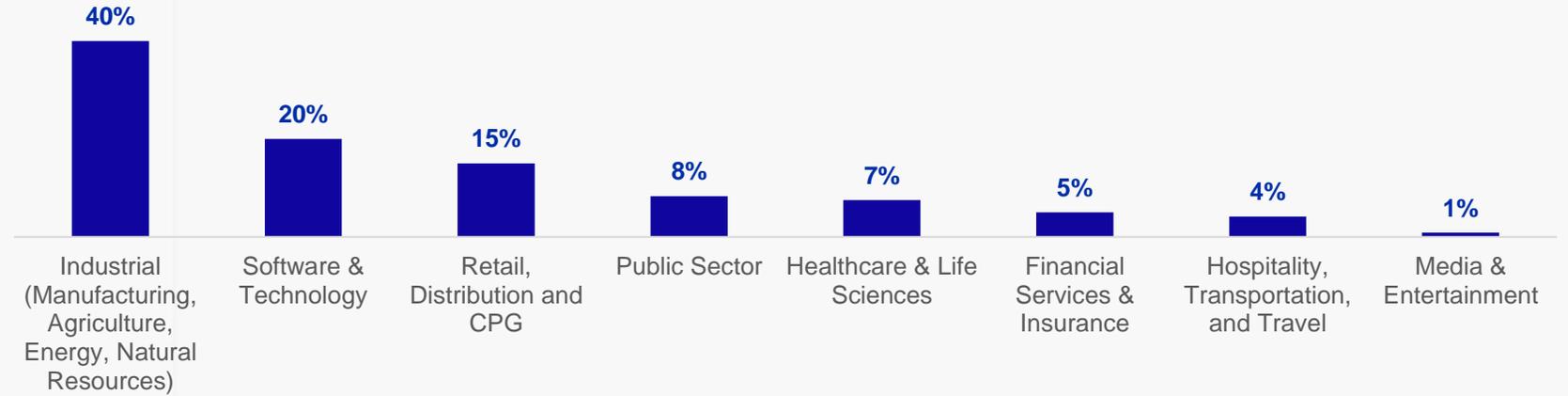


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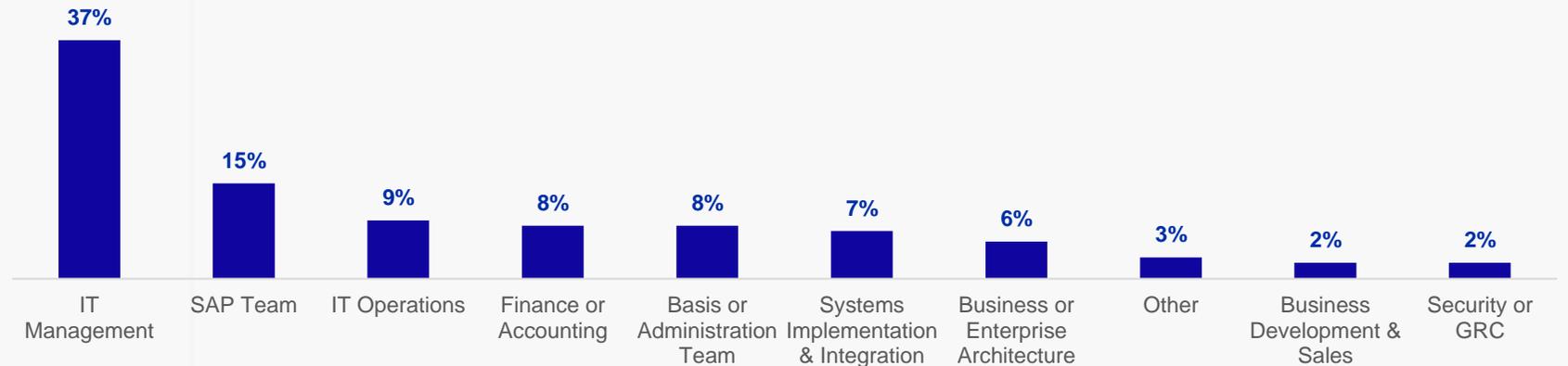
The participants were asked about the SAP S/4HANA strategies being implemented in their organizations.

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

Industry



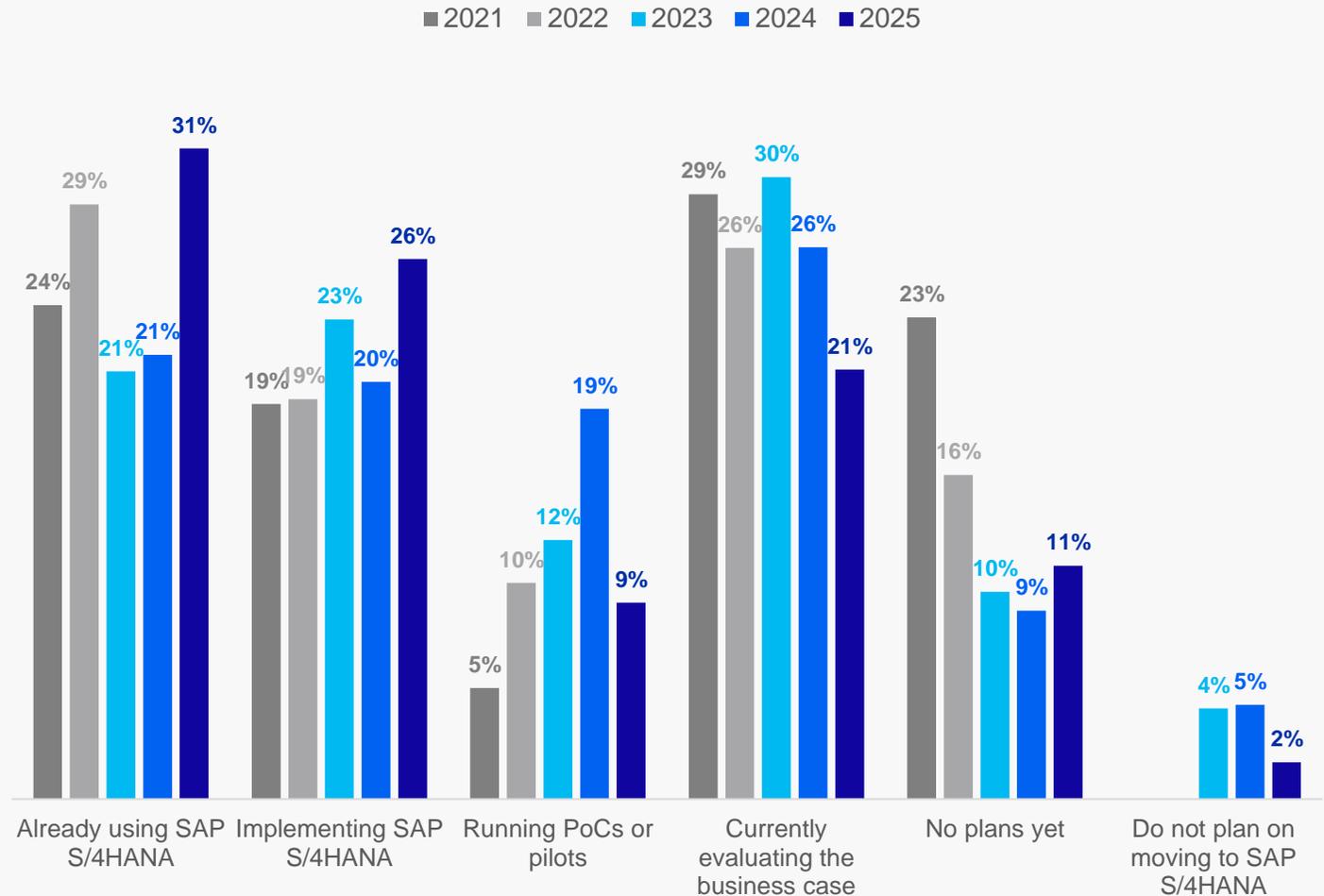
Role



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The findings indicate a dynamic landscape where organizations are progressing at different paces based on their strategic priorities, business needs, and technical preparedness. Currently, 31% of respondents reported that their organization has already transitioned to SAP S/4HANA, a 10% jump compared to 2024 but more in line with data from 2022 (29%). Meanwhile, 26% of organizations are in the implementation stage, actively working to integrate SAP S/4HANA into their IT landscape, a number that has risen from 20% from last year. However, despite this momentum, 21% of organizations remain in the evaluation phase, a drop of 5% from 2024 and 9% from 2023, still assessing their business case for SAP S/4HANA migration, reflecting the complexities and challenges that come with such a transformational shift.

Current SAP S/4HANA Adoption Status

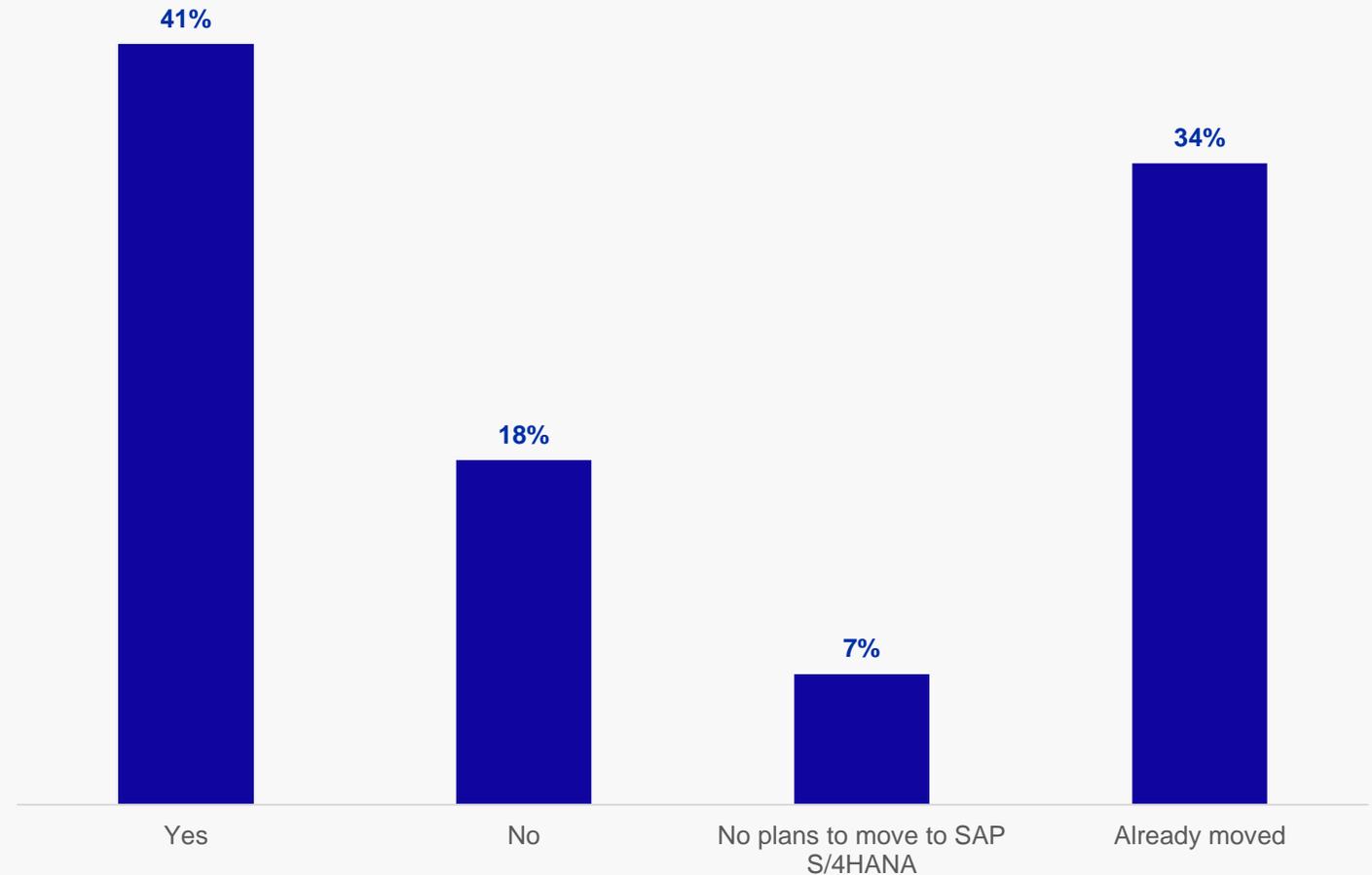


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Data indicates that the move to SAP S/4HANA is well underway, with 34% of organizations having already completed the transition. Another 41% plan to move before the 2027 deadline, signaling strong momentum toward adoption. However, 18% of respondent organizations will not complete the move before the end of 2027, and 7% currently have no plans to deploy SAP S/4HANA at all.

These findings highlight the fact that, while many organizations still intend to deploy SAP S/4HANA prior to the end of 2027, the reality is that a significant proportion will not be able to do so either due to complexity, cost, or another factor. This makes it crucial for organizations to have plans in place to maintain continuity no matter what happens.

Plans for Moving to SAP S/4HANA Before the end of 2027

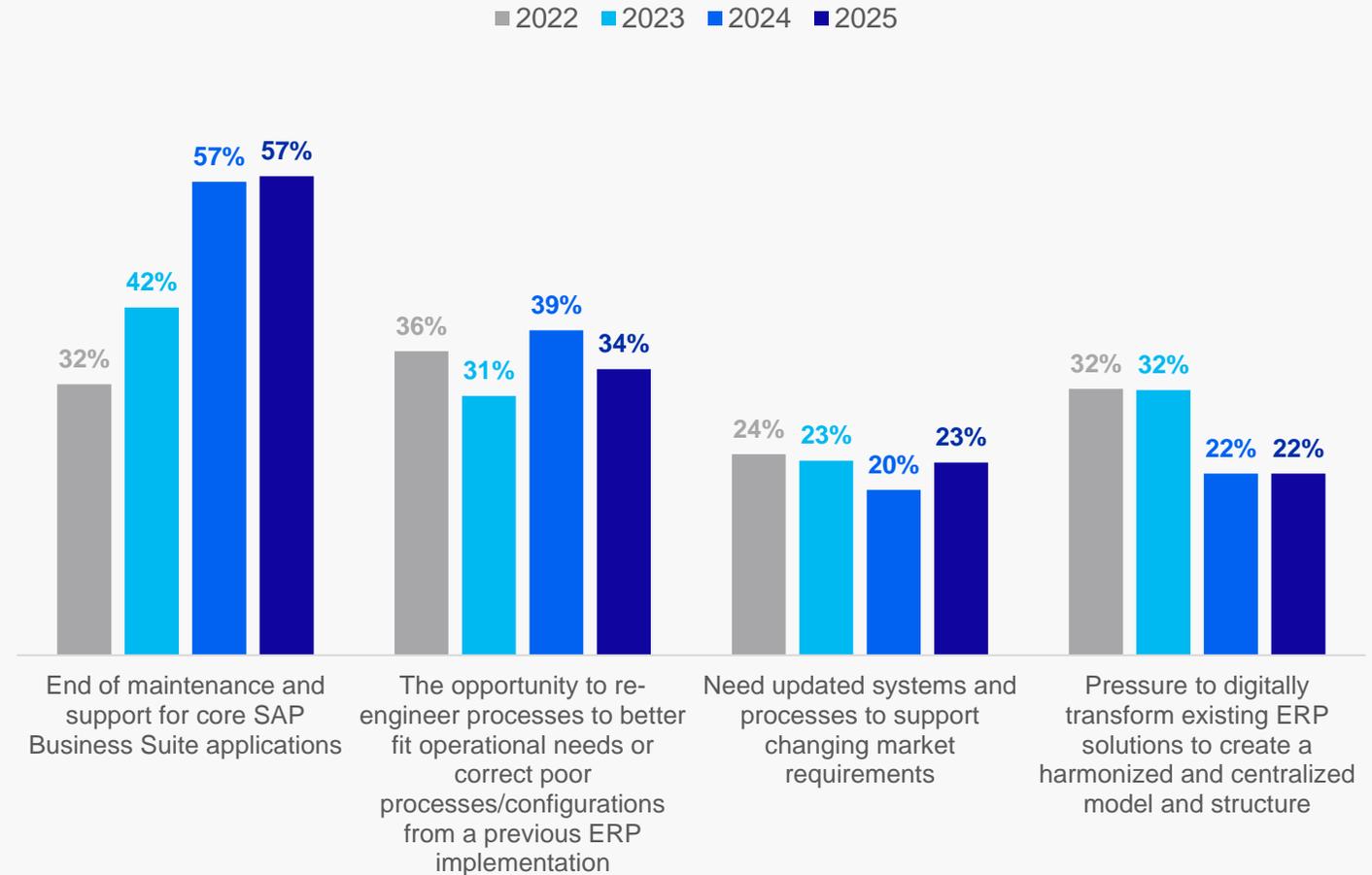


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Organizations formulating their ERP plans are driven by a combination of strategic imperatives and operational challenges, each shaping their ERP modernization approach.

The impending end of maintenance for SAP ECC and the broader SAP Business Suite (57%) remains the most significant driver for migration. This is also one of the top external factors (46%) impacting organization’s plans for SAP S/4HANA over the last 12 months.

Factors Driving ERP Strategy and Plans Including SAP S/4HANA Migration



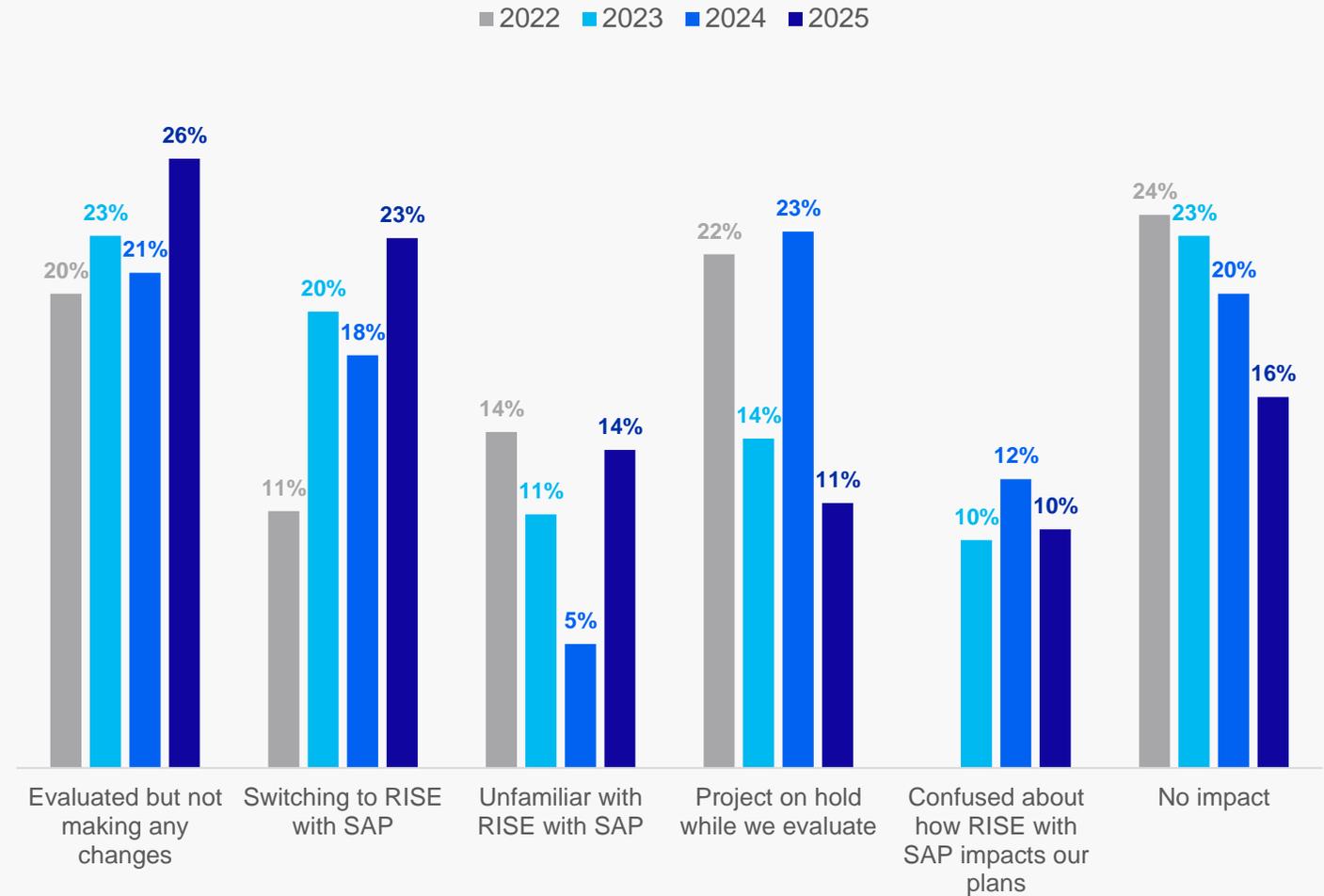
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Whether RISE with SAP is accelerating SAP S/4HANA adoption remains ambiguous. While many organizations have explored RISE with SAP, a large portion (26%) have evaluated it but decided not to make any changes.

This suggests that while the offering is on their radar, it may not currently align with their business needs, budget, or ERP strategies.

Some companies may have existing cloud strategies that do not require RISE with SAP, while others may find the flexibility of a direct SAP S/4HANA migration more suitable.

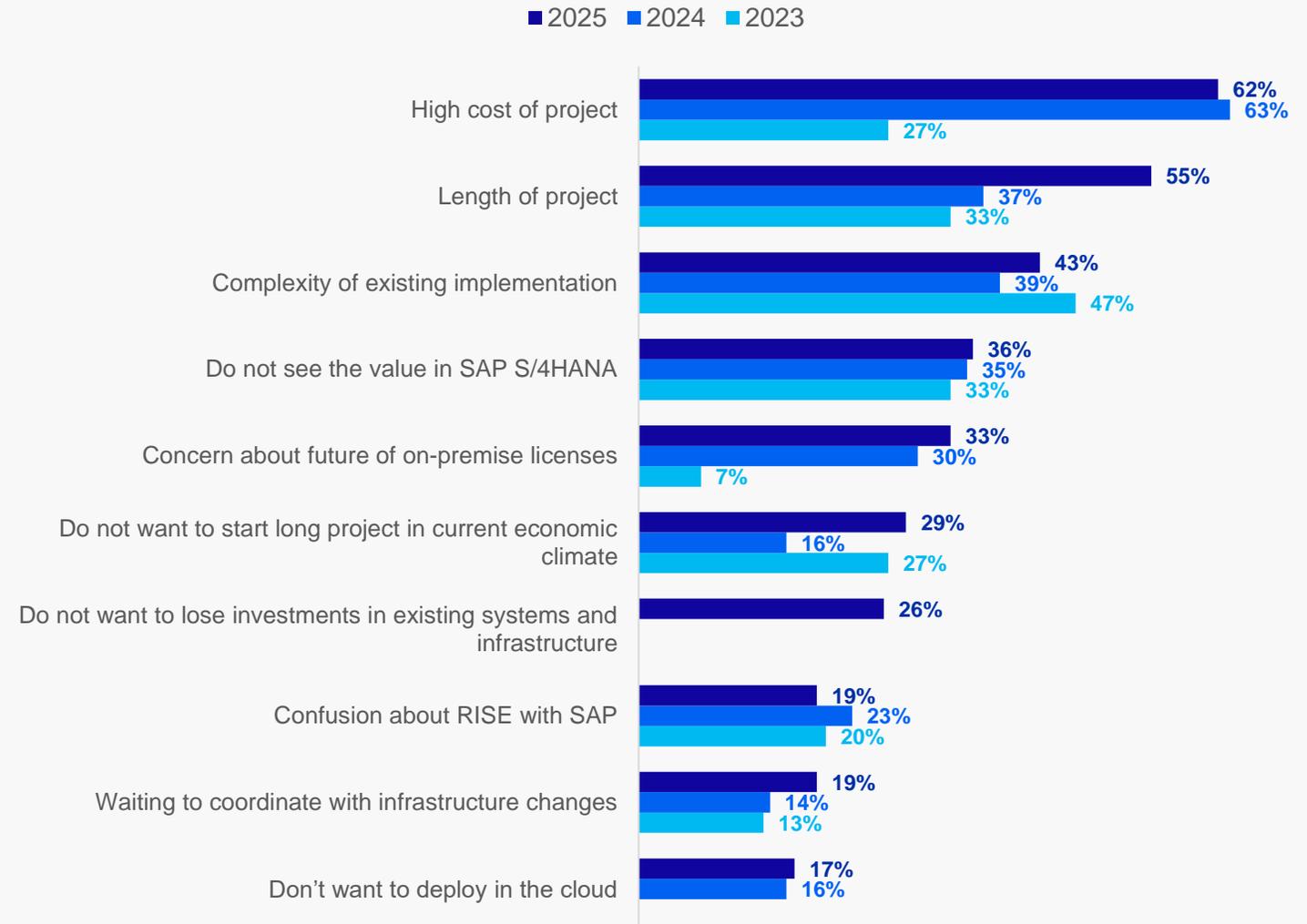
Impact of RISE with SAP on Plans for SAP S/4HANA



7

Cost remains the primary barrier for moving to SAP S/4HANA as 62% of organizations cite high project costs as a key challenge, a concern that is particularly strong when considering RISE with SAP. This indicates that, despite growing awareness of the benefits of SAP S/4HANA, cost constraints continue to be a major roadblock and that organizations may be struggling with budget allocations or waiting for more cost-effective migration strategies. There are also increased concerns about the project length as 55% cite project duration as a major concern, a significant increase from 37% in 2024. With organizations making progress in their assessment of SAP S/4HANA, the realization of extended migration timelines is becoming a more pressing challenge as the complexity of phased transitions, custom code refactoring, and business process reengineering increases.

Barriers to SAP S/4HANA Transition





ERP Strategy Including SAP S/4HANA Migration



DRIVERS

- End of maintenance and support for core SAP Business Suite applications (57%)
- The opportunity to re-engineer processes to better fit operational needs or correct poor processes or configurations from a previous ERP implementation (34%)
- Need updated systems and processes to support changing requirements (23%)
- Pressure to digitally transform existing ERP solutions to create a harmonized and centralized model and structure (22%)



ACTIONS

- Modernizing or eliminating custom processes to streamline transition and provide more agility for future updates (43%)
- Adopting best practice business process models (36%)
- Modernizing reporting and business intelligence strategies to provide faster access to business insights (30%)



REQUIREMENTS

- Minimal disruption to operations as they migrate to SAP S/4HANA (84%)
- Fully compliant ERP system that supports both global and local regulations (80%)
- Integrations between core ERP and line of business applications (78%)
- Cleansed and harmonized operational data across systems (76%)
- A partner with a proven track record implementing SAP S/4HANA (76%)



TECHNOLOGIES

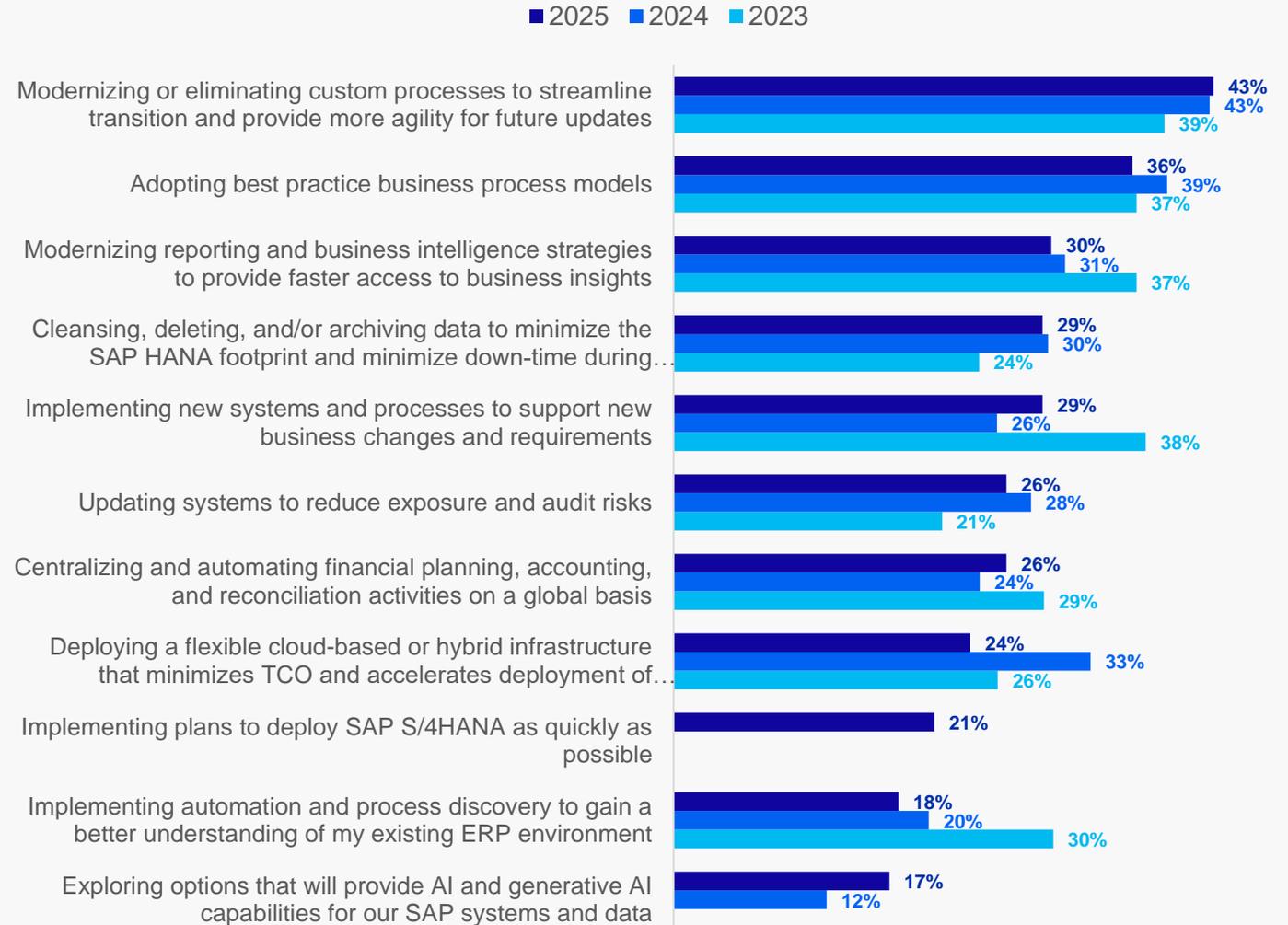
- SAP Readiness Check (50%)
- ETL Tools (43%)
- Integration tools and solutions (42%)
- SAP BTP (38%)
- Change management solutions (37%)
- Automated testing tools (28%)
- Data cleansing tools (28%)
- Process Discovery for SAP S/4HANA Transformation (26%)
- Open source technologies (25%)
- Tools for ERP Business Process Modeling (BPM) (19%)
- SAP BTP ABAP Environment (19%)
- Clean Core setup and analysis (17%)
- Custom Code Lifecycle Management (14%)

8

The percentage of organizations focusing on modernizing or eliminating custom processes to streamline ERP and SAP S/4HANA transitions remained constant at 43% in both 2024 and 2025.

The stability indicates that modernizing or eliminating custom processes remains a key focus although one that is not increasing among respondents. This could be attributed to companies achieving a level of maturity in this area, shifting their focus to other strategic aspects of ERP transformation.

Strategies Used to Support ERP and SAP S/4HANA Needs

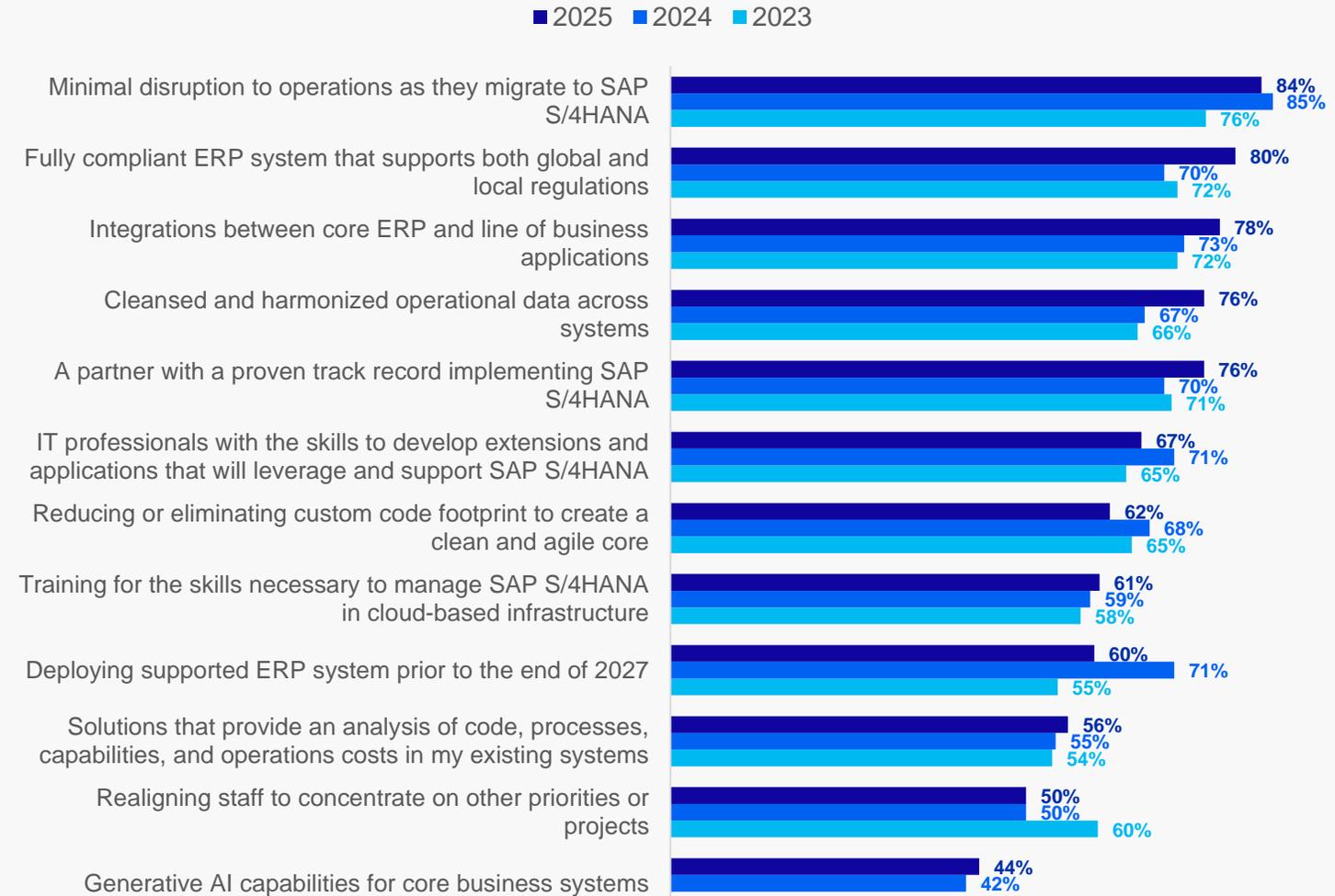


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For organizations, the most significant concern with the move to SAP S/4HANA is in ensuring minimal disruption to operations, with 84% of respondents stating that a smooth transition was important or very important to their planning. This underscores the challenge of migrating a mission-critical system while maintaining business continuity.

Another major focus area is ensuring compliance and seamless integration across business applications. A fully compliant ERP system (80%) and integrations between core ERP and business applications (78%) reflect the need for a system that not only meets regulatory requirements but also connects efficiently with existing operational tools. Data harmonization (76%) also emerges as another key requirement, reinforcing the importance of clean and unified data across systems—especially as organizations plan for future AI usage.

Requirements for ERP and SAP S/4HANA Plans



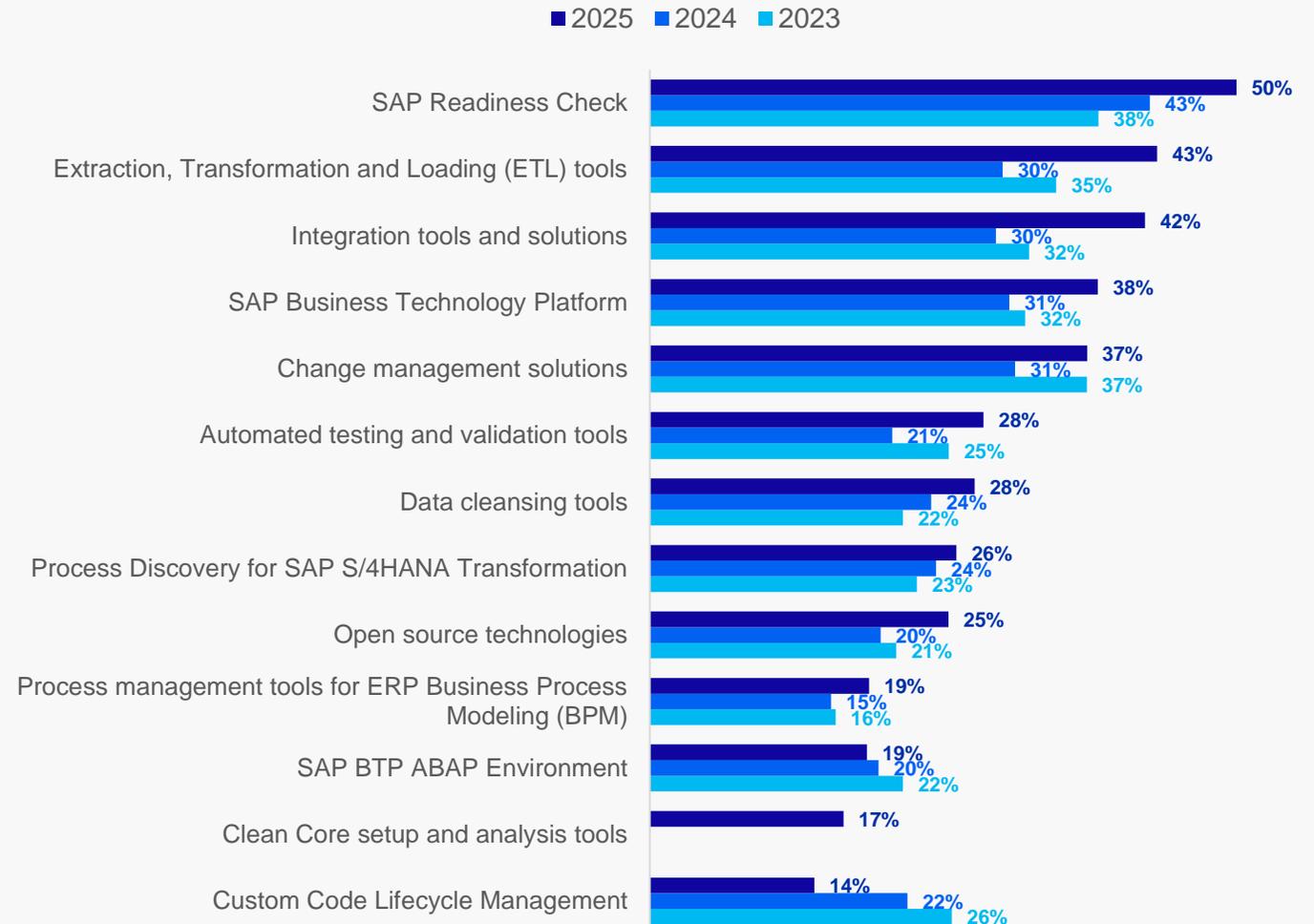
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SAP Readiness Check is the benchmark for organizations looking to determine if their existing ERP system is ready to move to SAP S/4HANA. With 50% of respondents now reporting that they are using SAP Readiness Check, this demonstrates the growing number of organizations in the process of evaluating or deploying SAP S/4HANA.

Growing significantly in usage this year were ETL tools (43%) and integration tools and solutions (42%). Given that organizations need to both archive data from existing systems that they are not moving into SAP S/4HANA as well as moving data into new SAP S/4HANA deployments, it is no surprise that ETL and integration tools are seeing increased usage.

Also growing is SAP BTP, which 38% of organizations reporting that they are now using the platform to support their move to SAP S/4HANA.

Technologies Used to Support the Move to SAP S/4HANA



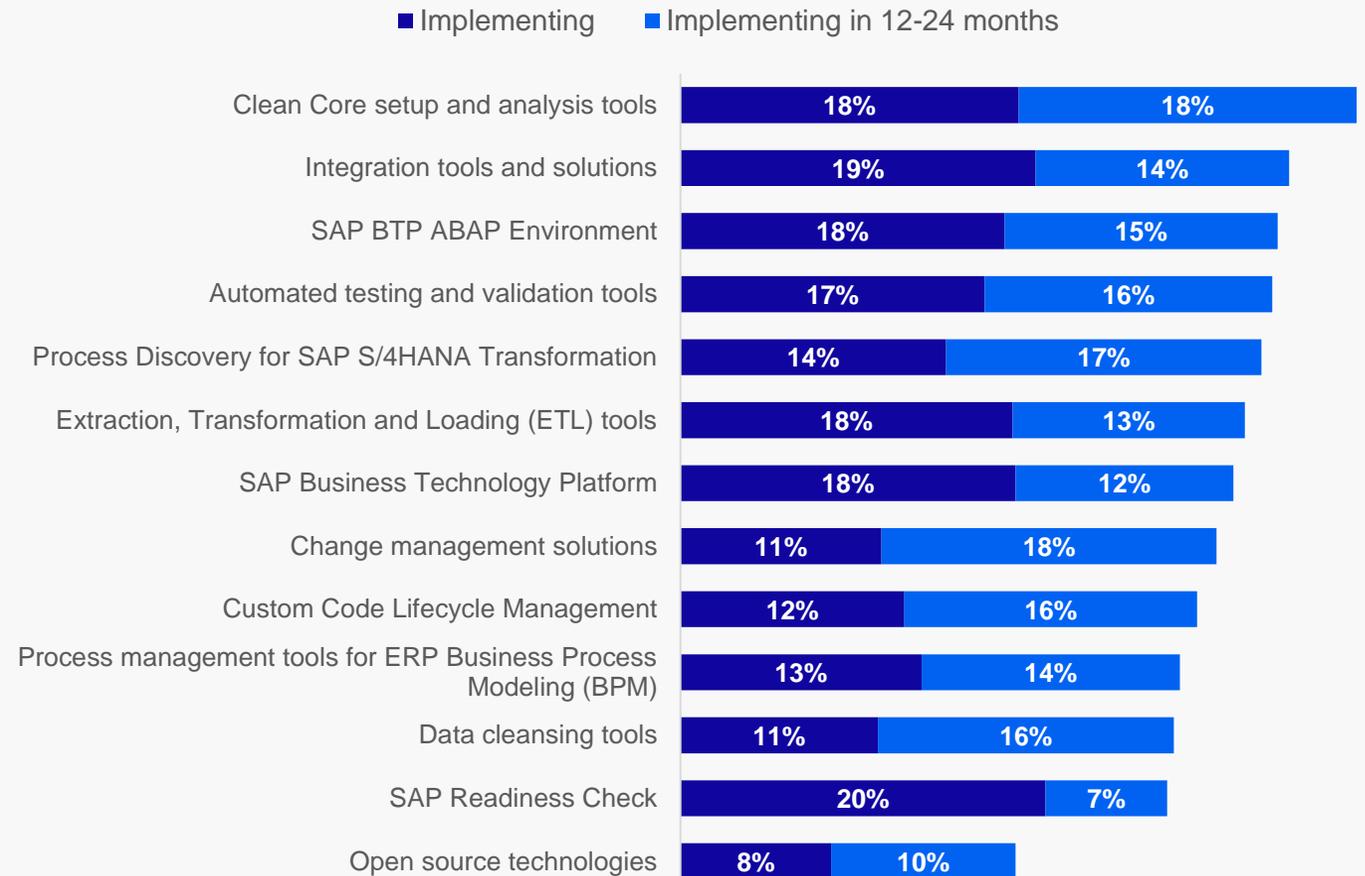
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Over the next year, more organizations are implementing SAP Readiness Check than any other technology, demonstrating the increasing need for organizations to prepare for the move to SAP S/4HANA.

Over the next 12-24 months, clean core setup and analysis tools will be the most deployed technologies. Given that SAP has shifted to requiring certified SAP S/4HANA extensions be clean core compliant, it is important that organizations are set up to support clean core in parallel with their SAP S/4HANA deployments.

Beyond a continued need for integration tools and solution, respondent organizations are implementing the SAP BTP ABAP Environment and automated testing and validation tools. These will help them develop applications using clean core standards and streamline testing processes during deployment.

Technologies Being Implemented to Support the Move to SAP S/4HANA

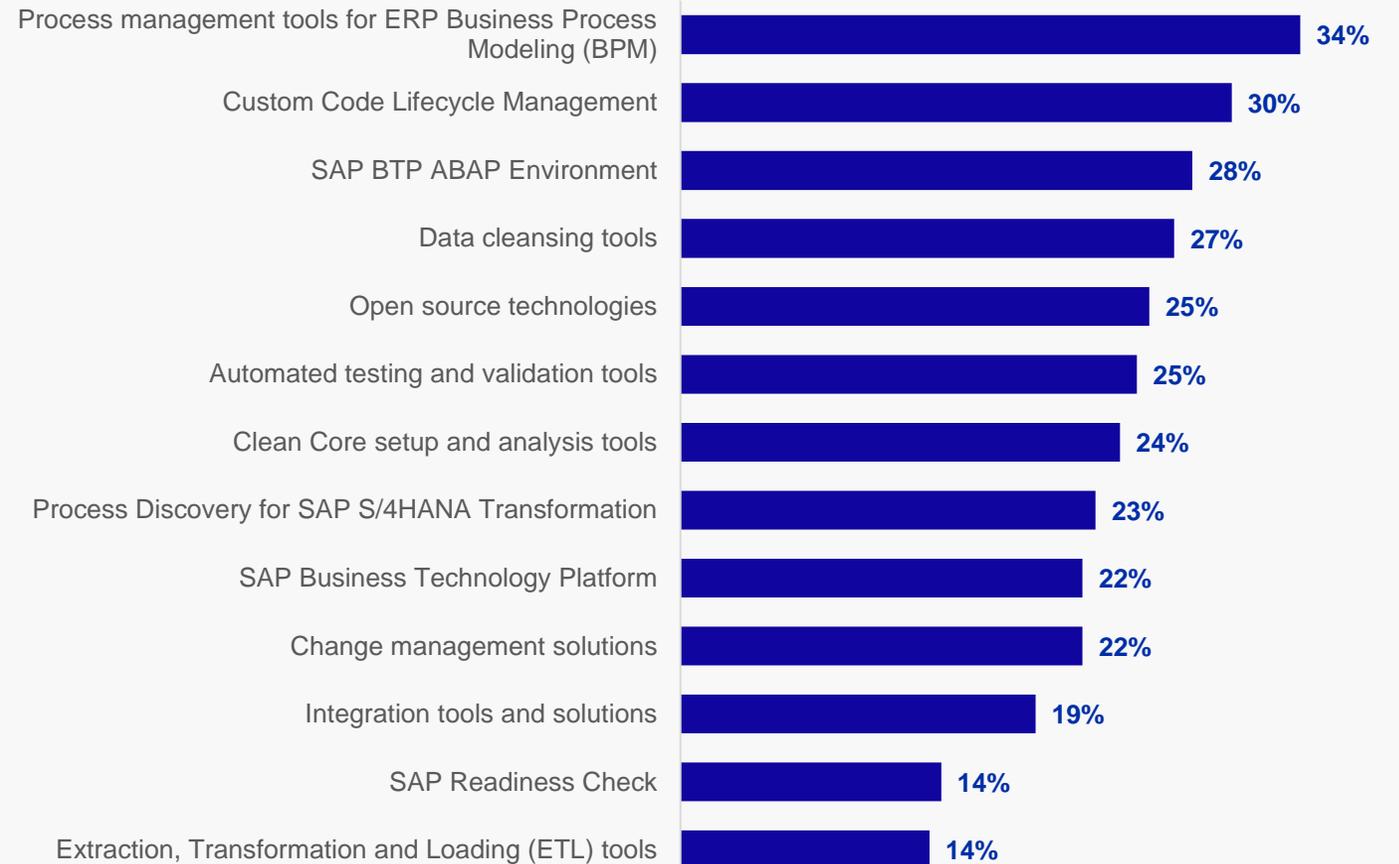


12

As organizations move to SAP S/4HANA, or are further with their ERP planning, they continue to explore technologies that will help them prepare for the future. This includes process management tools for business process modeling as well as custom code lifecycle management tools.

Data cleansing tools and open source technologies are also being evaluated for use in the future, both potentially connecting to organizations creating a platform for the future use of AI. Data cleansing tools are also required for organizations to ensure that they are making the best use of the data in their SAP S/4HANA systems.

Technologies Being Evaluated to Support the Move to SAP S/4HANA

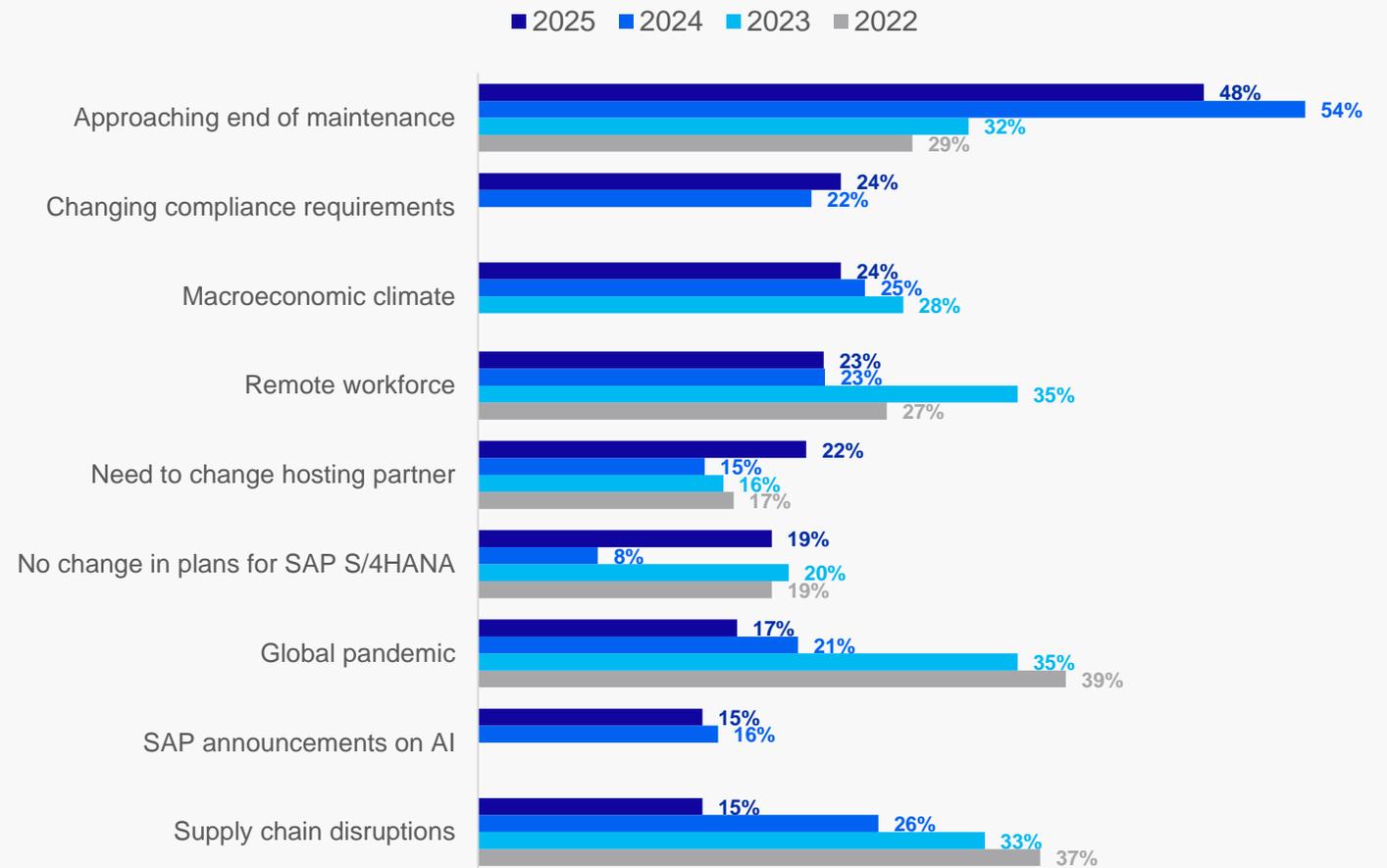


13

Data highlights the evolving external factors influencing SAP S/4HANA transitions, with the approaching end of maintenance remaining the most significant driver, impacting 48% of organizations in 2025.

A factor worth monitoring is the current macroeconomic climate. While only 24% of respondents cited this as something currently impacting their plans for SAP S/4HANA, respondents in EMEA (26%) and APAC (33%) were more affected than those in North America (16%). In addition, 35% of respondents from organizations with annual revenue over \$2 billion also highlighted the economic climate as a concern. Since an SAP S/4HANA or RISE with SAP project can be both long and expensive, economic instability may have an increased impact as the year progresses.

External Factors Impacting SAP S/4HANA Plans Over the Last 12 Months

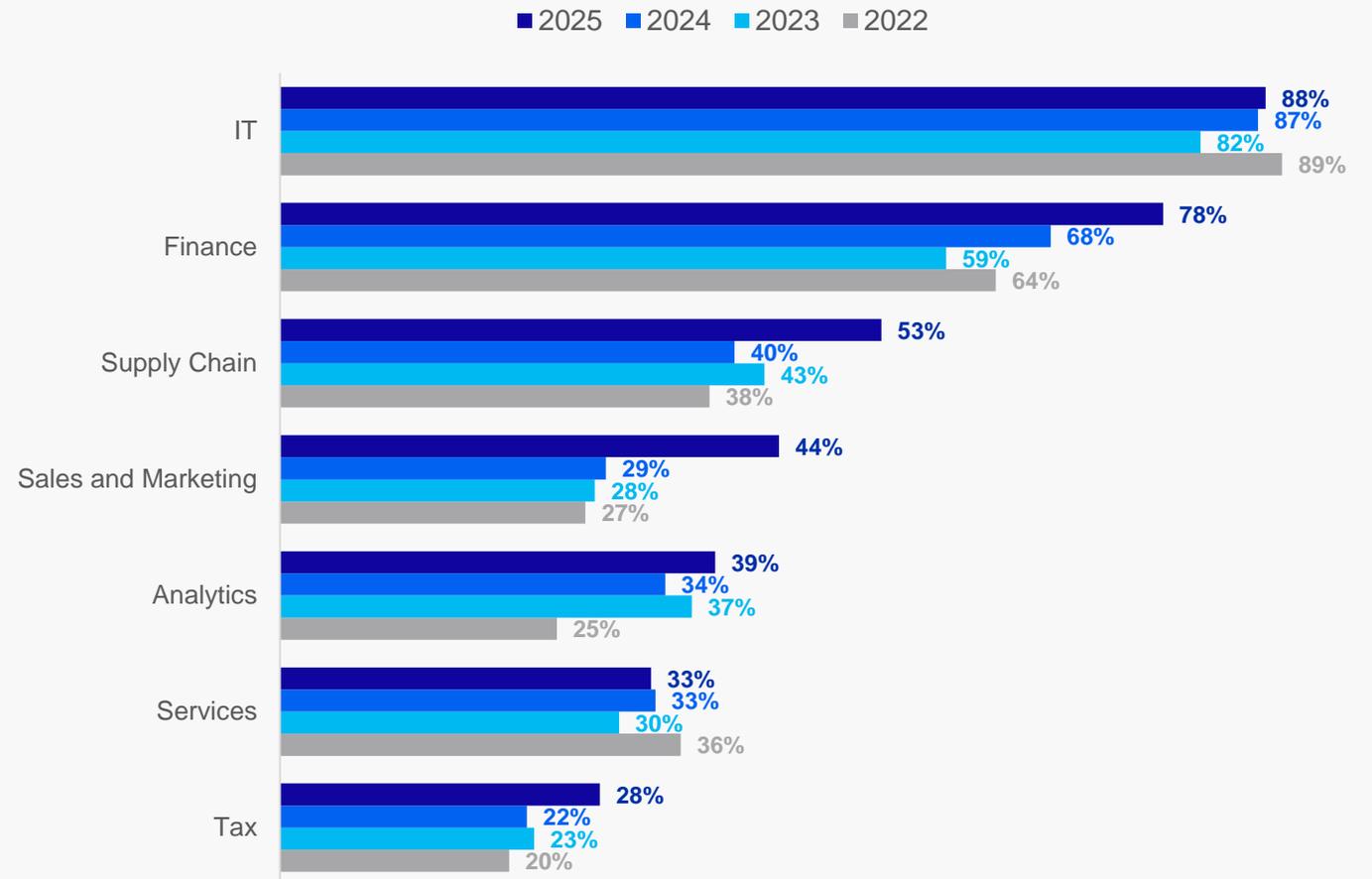


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SAP S/4HANA transition remains a primarily IT-led initiative, with IT decision-makers continuing to dominate at 88% in 2025. However, this year saw a greater impact from business teams across the enterprise with finance, supply chain, and sales and marketing teams all having a larger impact on the decision of whether to move to SAP S/4HANA.

One notable factor is that business teams are much more involved in the process in EMEA. While IT is still involved in 97% of decisions, in EMEA finance teams are involved 94% of the time, supply chain 68% of the time, and sales and marketing 48% of the time. In North America (82%) and APAC (80%), there was a lower involvement of IT teams, but business teams were also less involved in decisions regarding SAP S/4HANA.

Internal Teams Involved in Decisions Regarding SAP S/4HANA

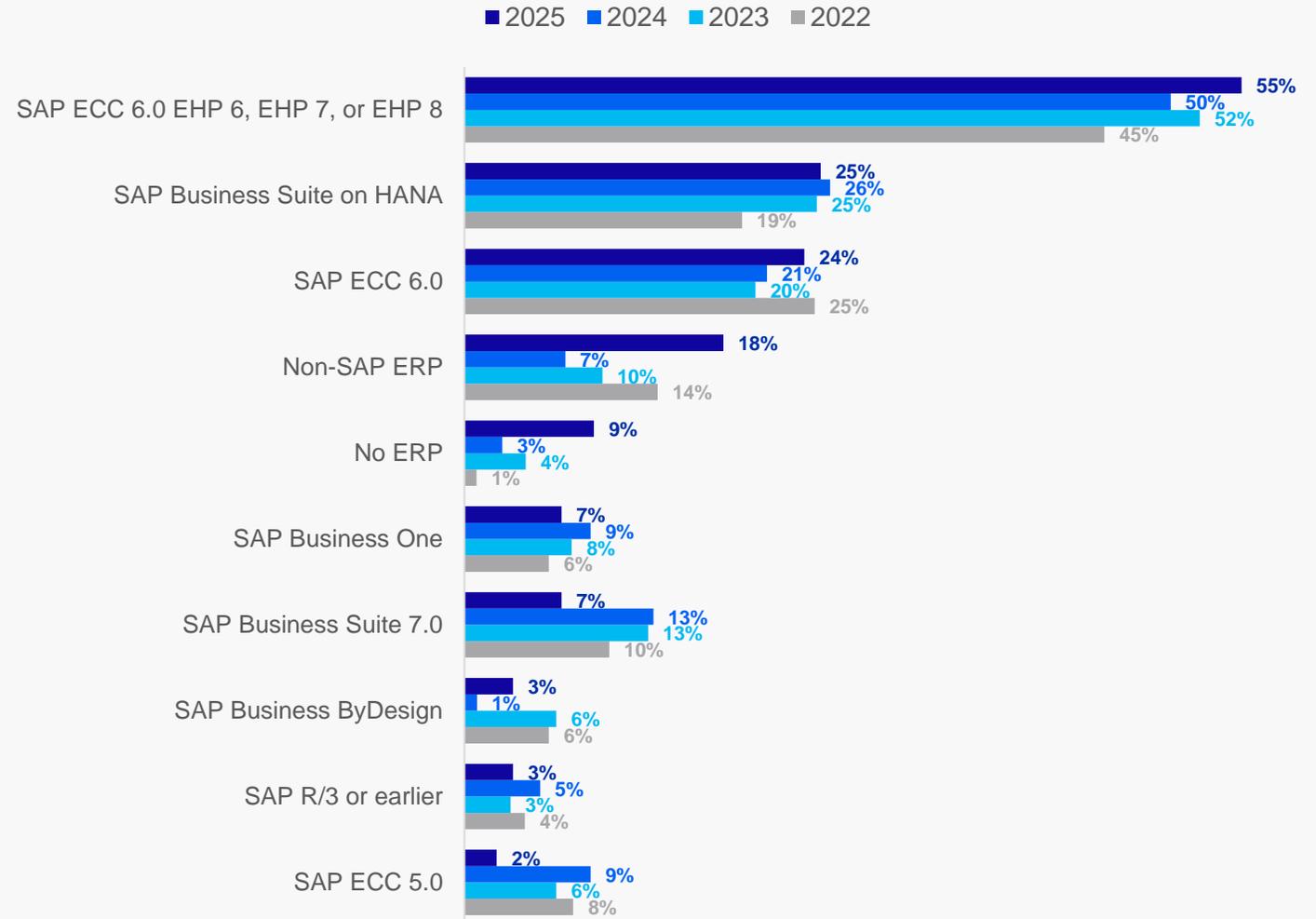


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Of the organizations not currently running SAP S/HANA, the most likely ERP system currently in use was SAP ECC 6.0 with enhancement packages 6, 7, or 8. Given that there were around 45,000 ERP customers before the launch of SAP S/4HANA, it is no surprise that so many organizations continue to run one version of SAP ECC or another.

Respondents in EMEA (65%) were much more likely to be running SAP ECC 6.0 EHP 6-8 than those from North America (55%) or APAC (33%). This suggests that those in EMEA have been slower to adopt SAP S/4HANA, but also that the customer base is larger in the region. Additionally, those in EMEA (29%) were much more likely to be running a non-SAP ERP system than either North America (13%) or APAC (13%).

ERP Systems Currently In Use

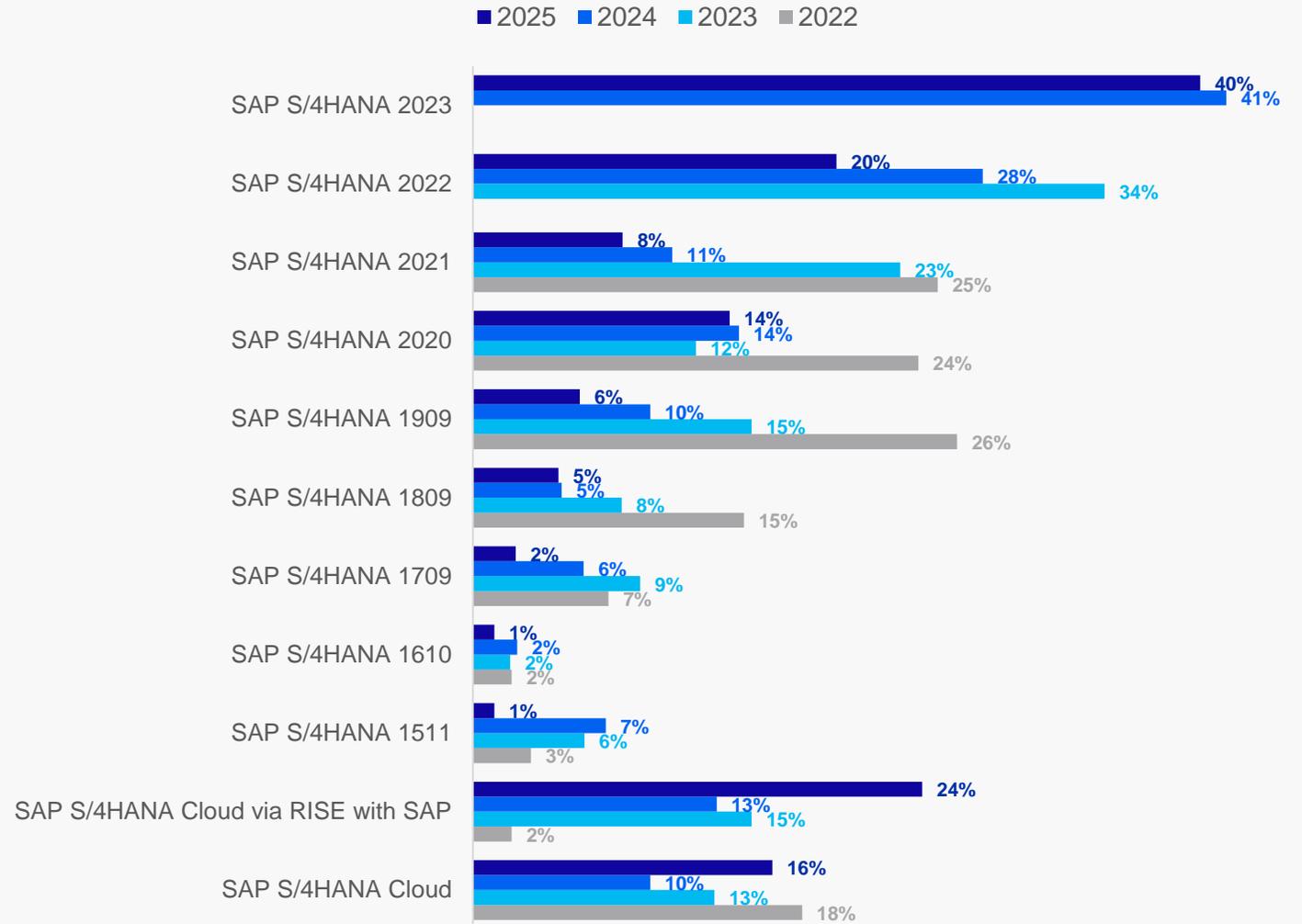


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Organizations running SAP S/4HANA largely fall into two categories—those that deployed a version and are still running that version, and those that are on two- or three-year upgrade cycles. Given that versions of SAP S/4HANA older than 2020 have already moved to extended maintenance, this makes it important for organizations to consider their upgrade strategy.

What is notable this year is the growth in the number of respondent organizations running SAP S/4HANA Cloud via RISE with SAP, a number that nearly doubled over the past year. Smaller organizations in EMEA were more likely to fall into this category than those in North America or APAC, suggesting that there is a growing adoption of SAP S/4HANA Cloud in that region.

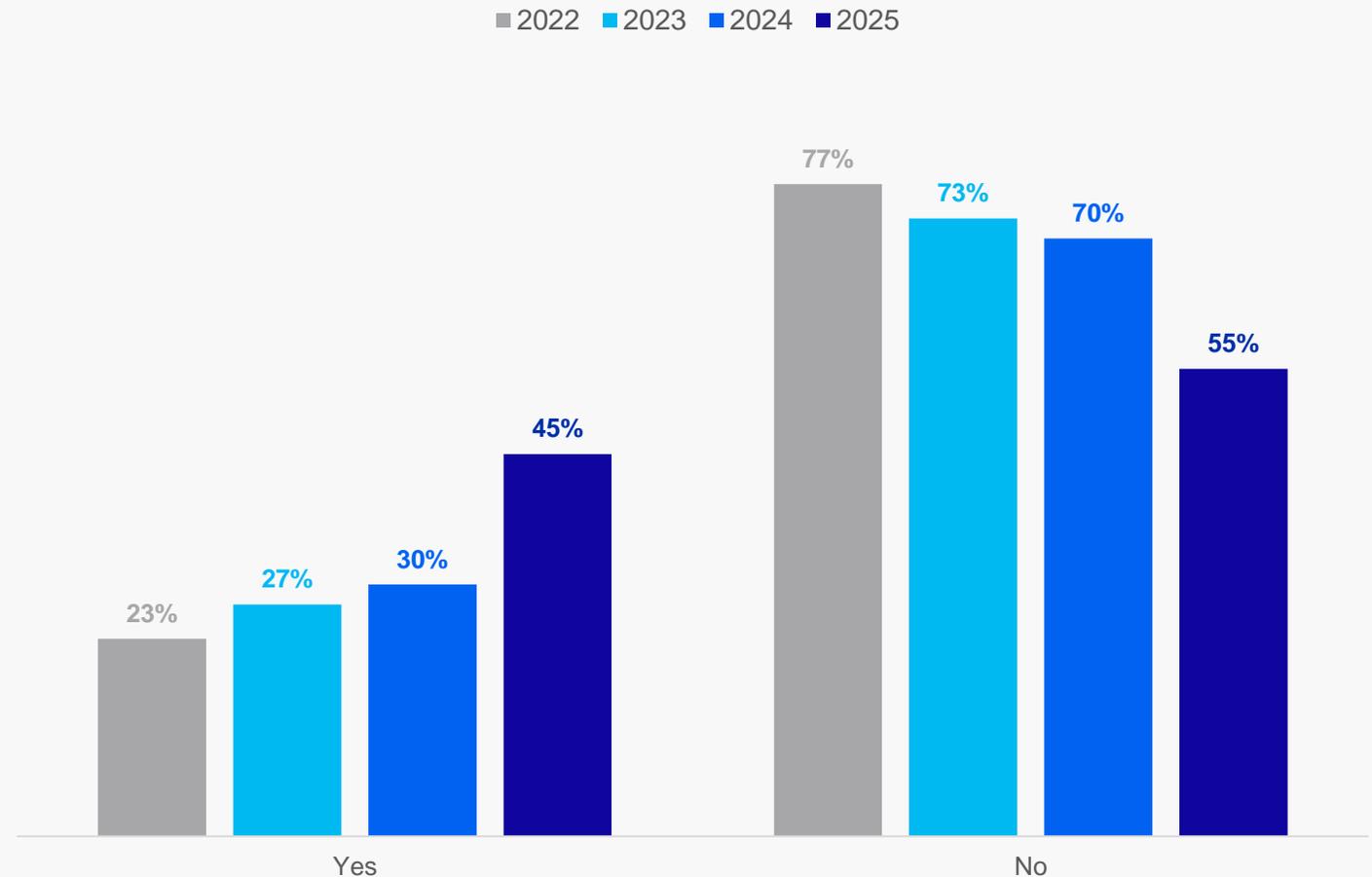
Versions of SAP S/4HANA Being Run or Implemented



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Deploying SAP S/4HANA is a major project for an organization, and many of those that have already moved made considerable investments of time, infrastructure, and resources to complete that project. These investments are likely to make organizations more reticent to move from the currently deployed system to RISE with SAP. However, with the end of maintenance fast approaching for organizations running older versions of SAP S/4HANA and an increased interest in RISE with SAP features such as generative AI, there has been a significant surge in the number of respondent organizations considering moving from their current SAP S/4HANA implementation to RISE with SAP.

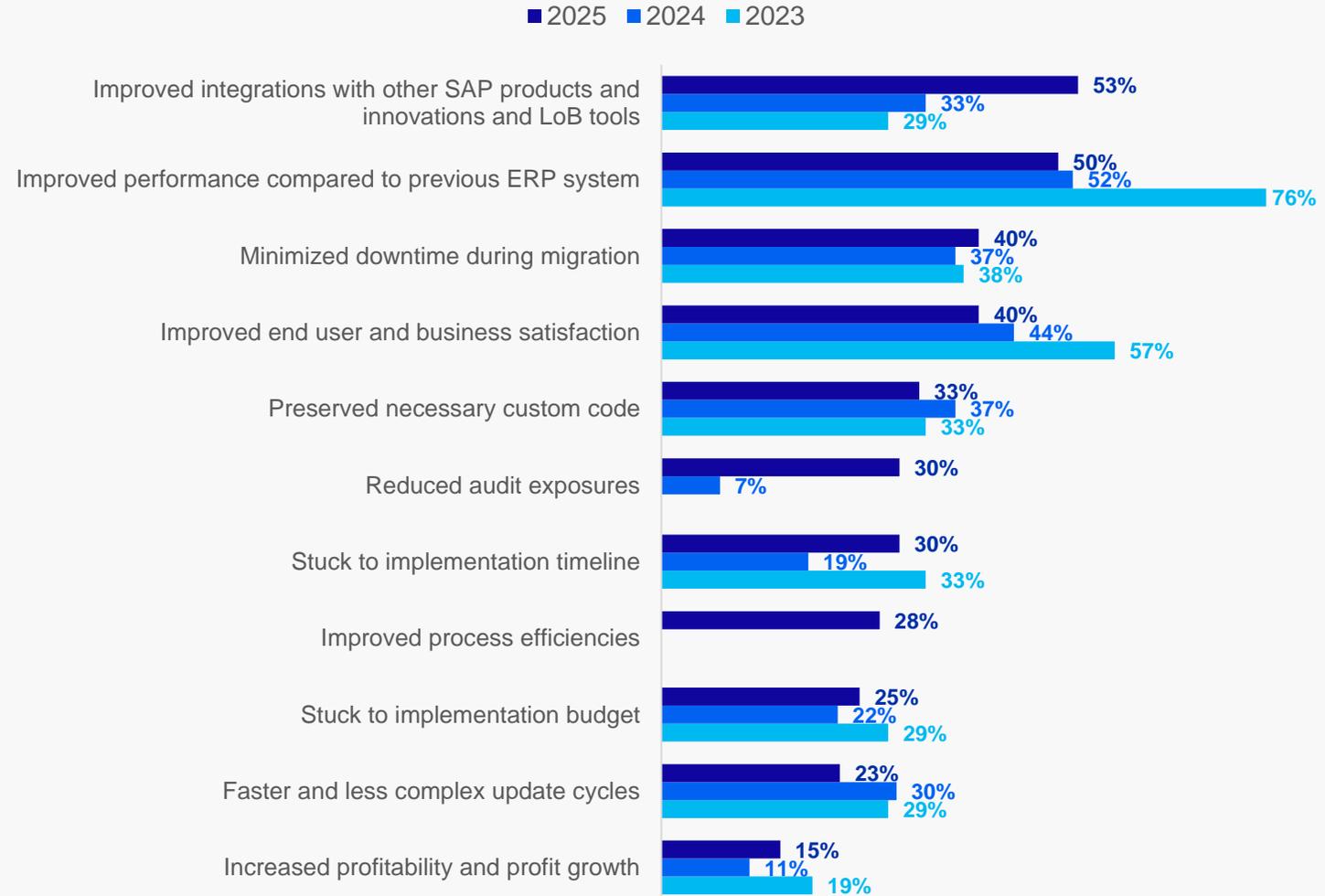
Consideration of Changing Current SAP S/4HANA Implementation to RISE with SAP



18

The percentage of respondents citing improved integrations with other SAP products and Line-of-Business (LoB) tools increased significantly from 33% in 2024 to 53% in 2025, indicating that businesses are realizing greater benefits in terms of connectivity and interoperability across SAP’s ecosystem. Additionally, performance improvements compared to previous ERP systems remain a key benefit, with 53% of organizations reporting enhanced system efficiency, reinforcing the value of SAP S/4HANA in delivering operational gains.

Benefits Seen From Moving to SAP S/4HANA



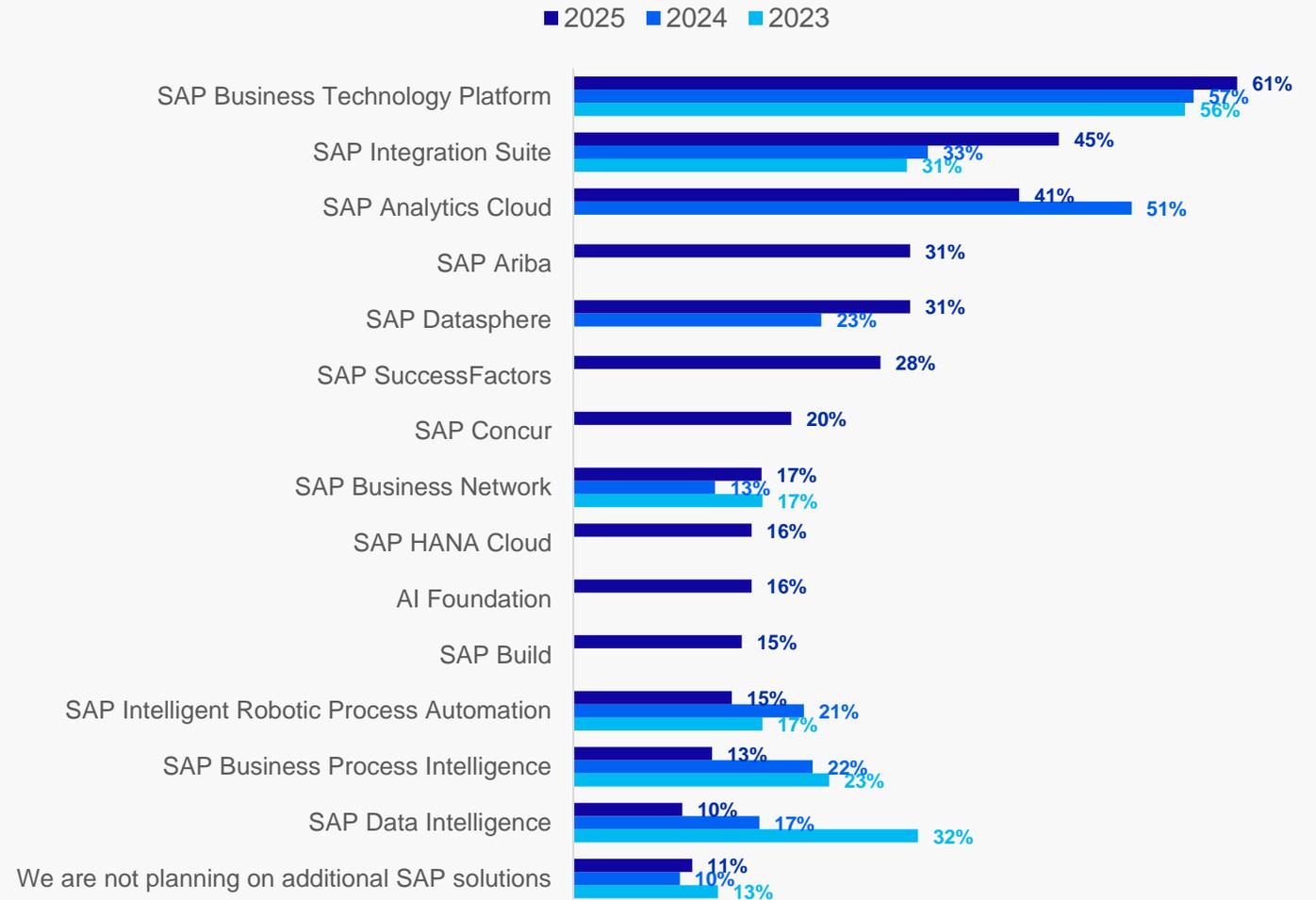
19

Organizations are also looking to enhance their SAP S/4HANA investments with additional SAP solutions.

61% of organizations in 2025 plan to leverage SAP BTP, up from 57% in 2024, reinforcing its role as a key enabler for extensibility, automation, and innovation in SAP environments. The consistent increase suggests that more companies are recognizing the value of SAP BTP in unifying data, applications, and processes within their SAP landscape.

And while SAP Integration Suite Adoption jumped from 33% in 2024 to 46% in 2025, reflecting a growing need for seamless system connectivity across hybrid IT environments, SAP Analytics Cloud adoption dropped from 51% in 2024 to 41% in 2025, suggesting a shift in priorities or the adoption of alternative analytics solutions.

Additional Solutions Planned to Leverage SAP S/4HANA Investment

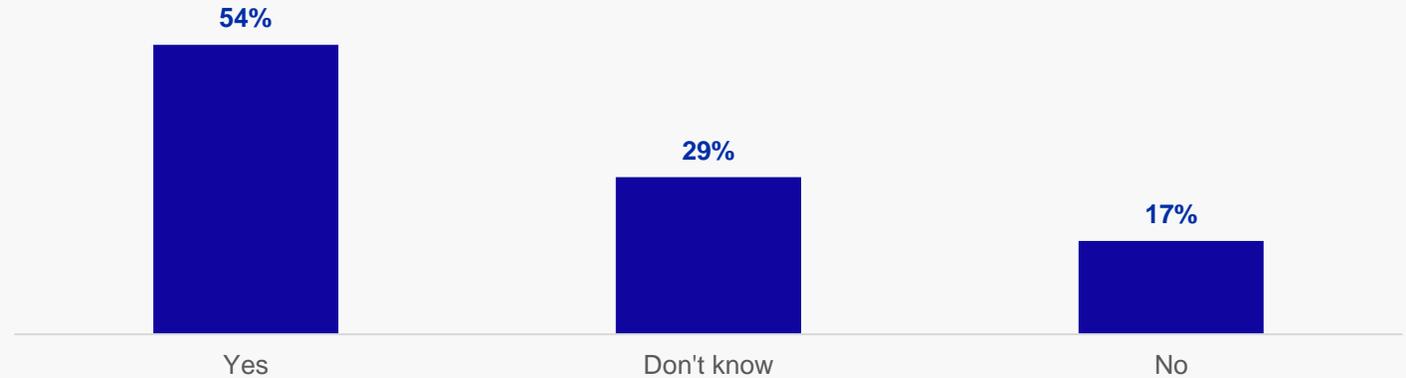


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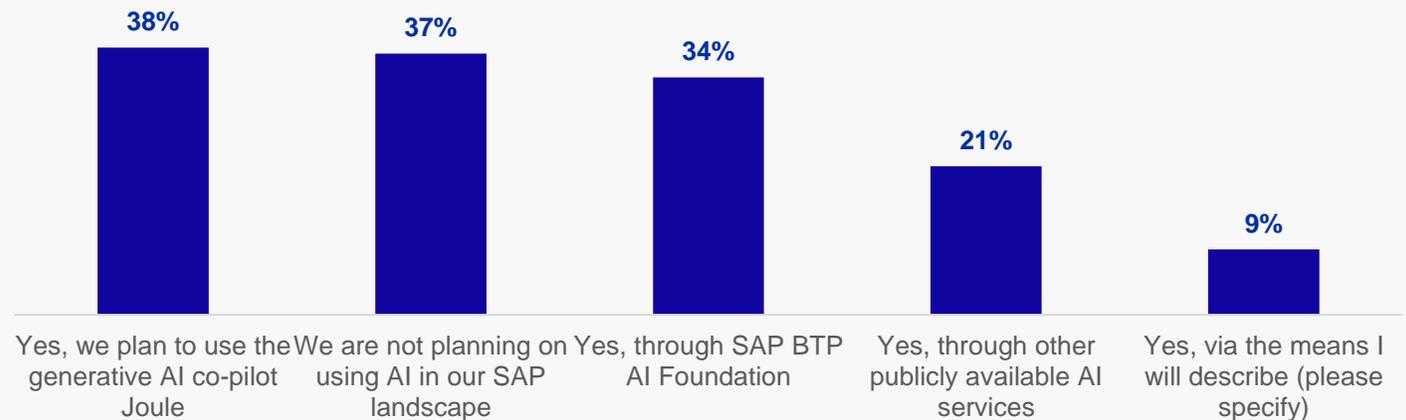
There is a clear momentum toward AI adoption in SAP environments, but significant numbers of organizations remain uncertain or hesitant, likely requiring more clarity on business value and implementation strategies.

AI adoption in SAP S/4HANA deployment is gaining momentum, with 54% exploring its use, though 29% remain uncertain and 17% have no plans to adopt it. 38% intend to use SAP's generative AI co-pilot, Joule, while 34% plan on utilizing the AI Foundation in SAP BTP. However, 37% do not plan to use AI in their landscape, while 21% consider other AI services, and 9% have custom adoption plans. The data highlights both growing interest and ongoing hesitation around AI integration in SAP landscapes.

Consideration of Using AI or Generative AI in SAP S/4HANA Deployment



Plans for Using AI or Generative AI in SAP Landscape



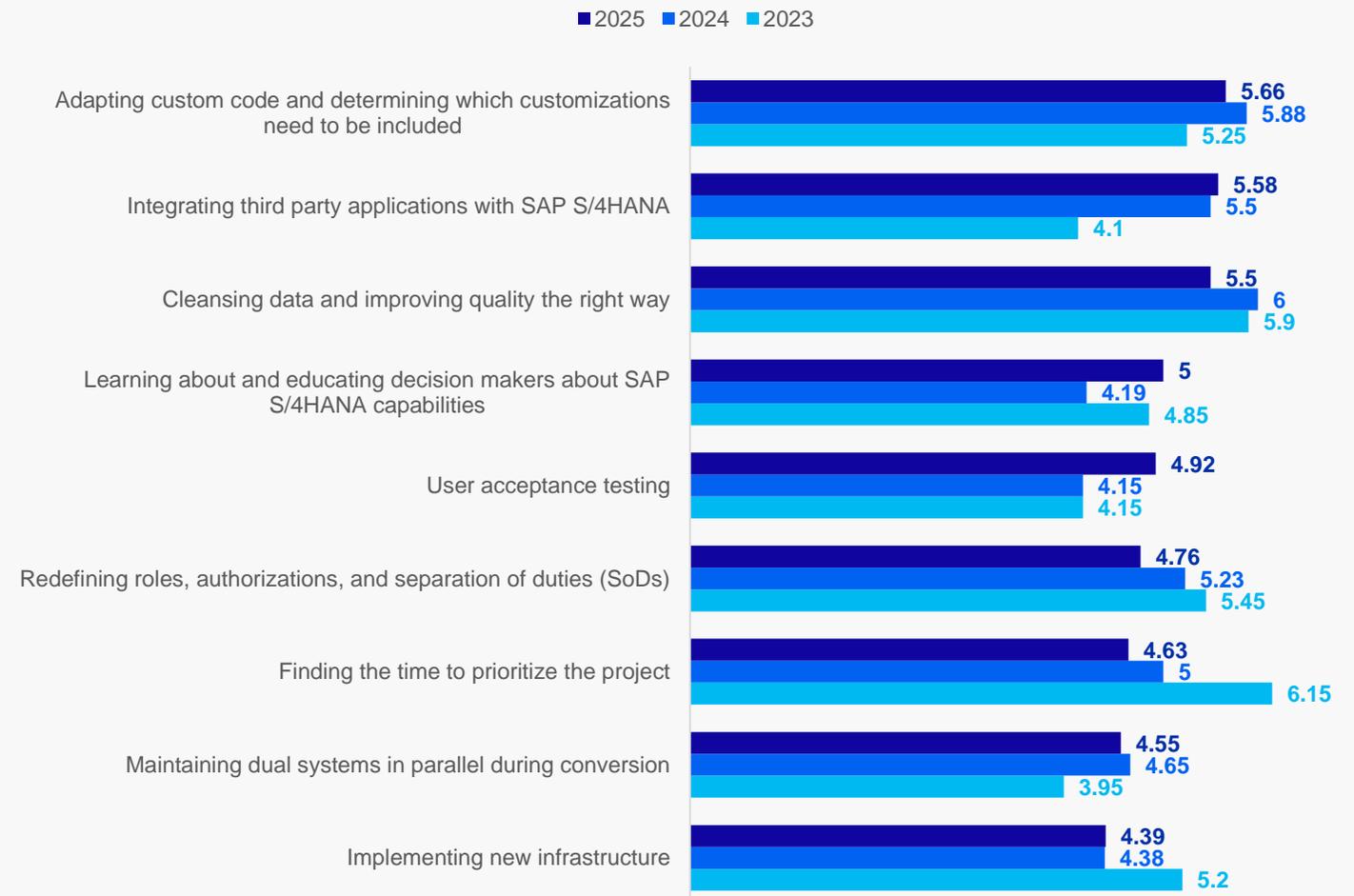
21

Respondents were asked to rank 9 different challenges they potentially faced in moving to SAP S/4HANA from most difficult to least difficult. The numbers represent an average of the rankings. The higher the number, the greater the challenge.

Adapting custom code remains one of the biggest challenge for those who completed the move to SAP S/4HANA, although the average ranking wasn't quite as high as in 2024. Integrating third-party applications with SAP S/4HANA and cleansing data and improving quality the right way also made up the top three challenges last year.

Interestingly, despite the upcoming end of maintenance which has been at the forefront of organizational thinking for at least the past five years, learning about and educating decision makers on SAP S/4HANA capabilities saw a bump this year, showing that getting decision makers up to speed continues to be a challenge.

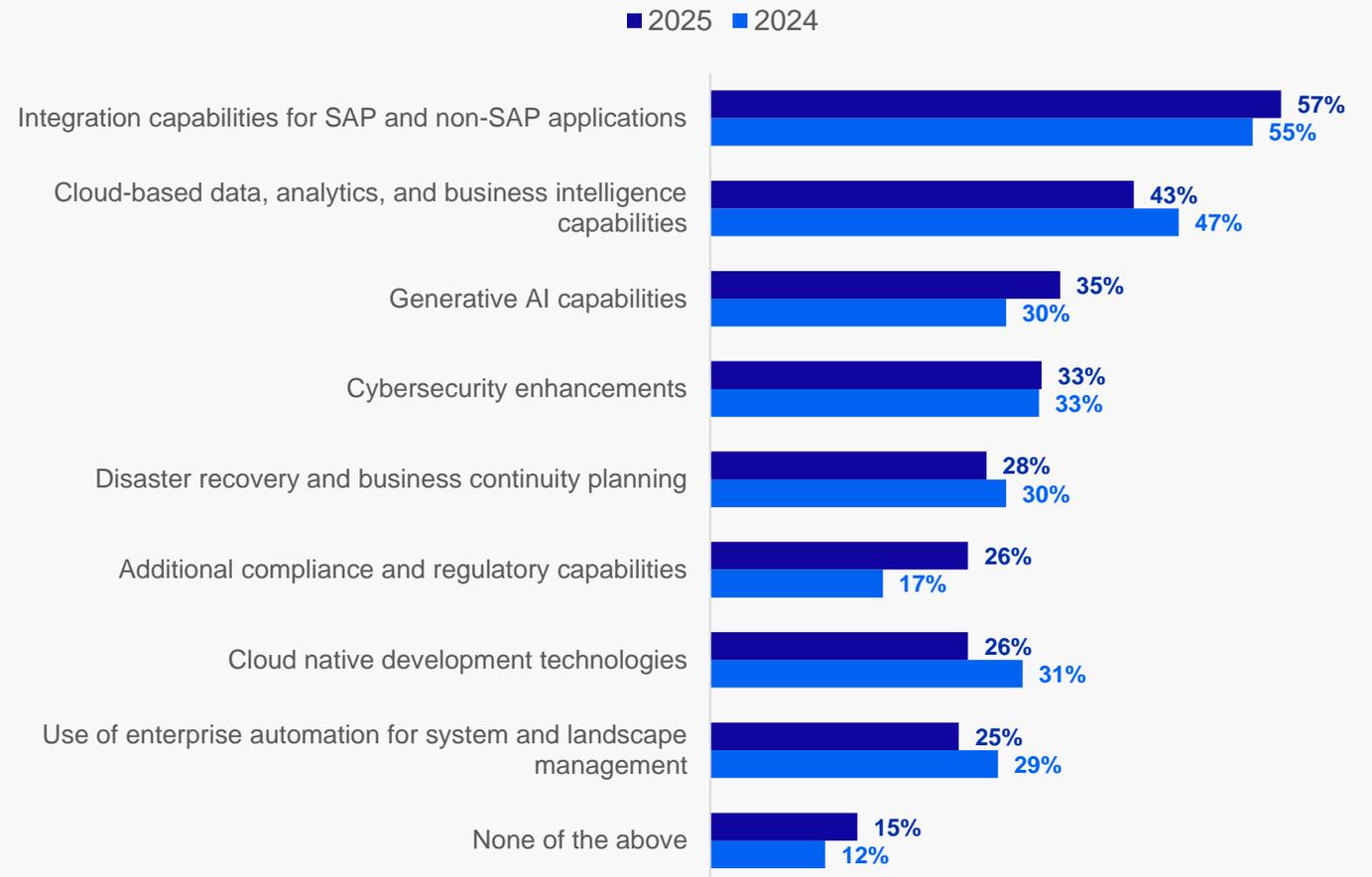
Challenges Faced in Moving to SAP S/4HANA



22

As organizations transition to SAP S/4HANA, their priorities are shifting. In 2025, adding integration capabilities to their platform as part of the move to SAP S/4HANA remains the top focus, with 57% emphasizing seamless connectivity between SAP and non-SAP applications (up from 55% in 2024). AI adoption is also growing, with generative AI usage increasing from 30% to 35%, while compliance investments have surged from 17% to 26%, highlighting a stronger focus on automation, governance, and regulatory adherence.

New Elements Planned for Introduction to Platform as Part of the Move to SAP S/4HANA

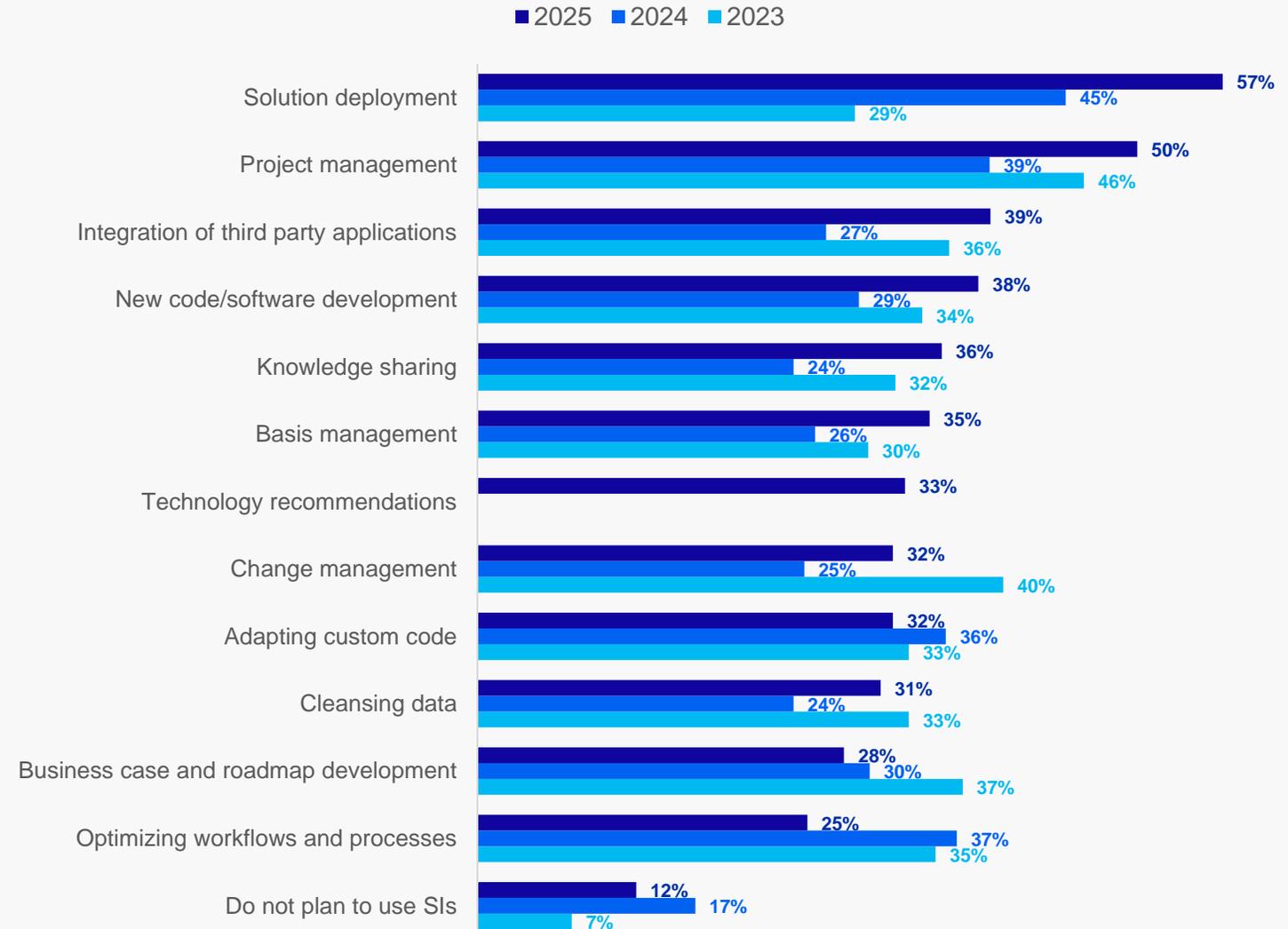


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System Integrators continue to play a major role in supporting the move to SAP S/4HANA, with the largest number of respondents yet reporting that they planned to have SIs perform their solution deployment. This suggests that organizations are moving from the planning phase to full-scale execution, requiring specialized expertise to accelerate their SAP S/4HANA rollouts. The increase may also reflect rising project complexity, a need for faster time-to-value, and a recognition that internal IT teams alone may not have the capacity to manage large-scale deployments.

However, a major concern for those planning for the move to SAP S/4HANA should be a resource bottleneck. With more organizations accelerating their deployments, this will make it more difficult to secure resources from system integrators, making it vital to plan ahead for these projects.

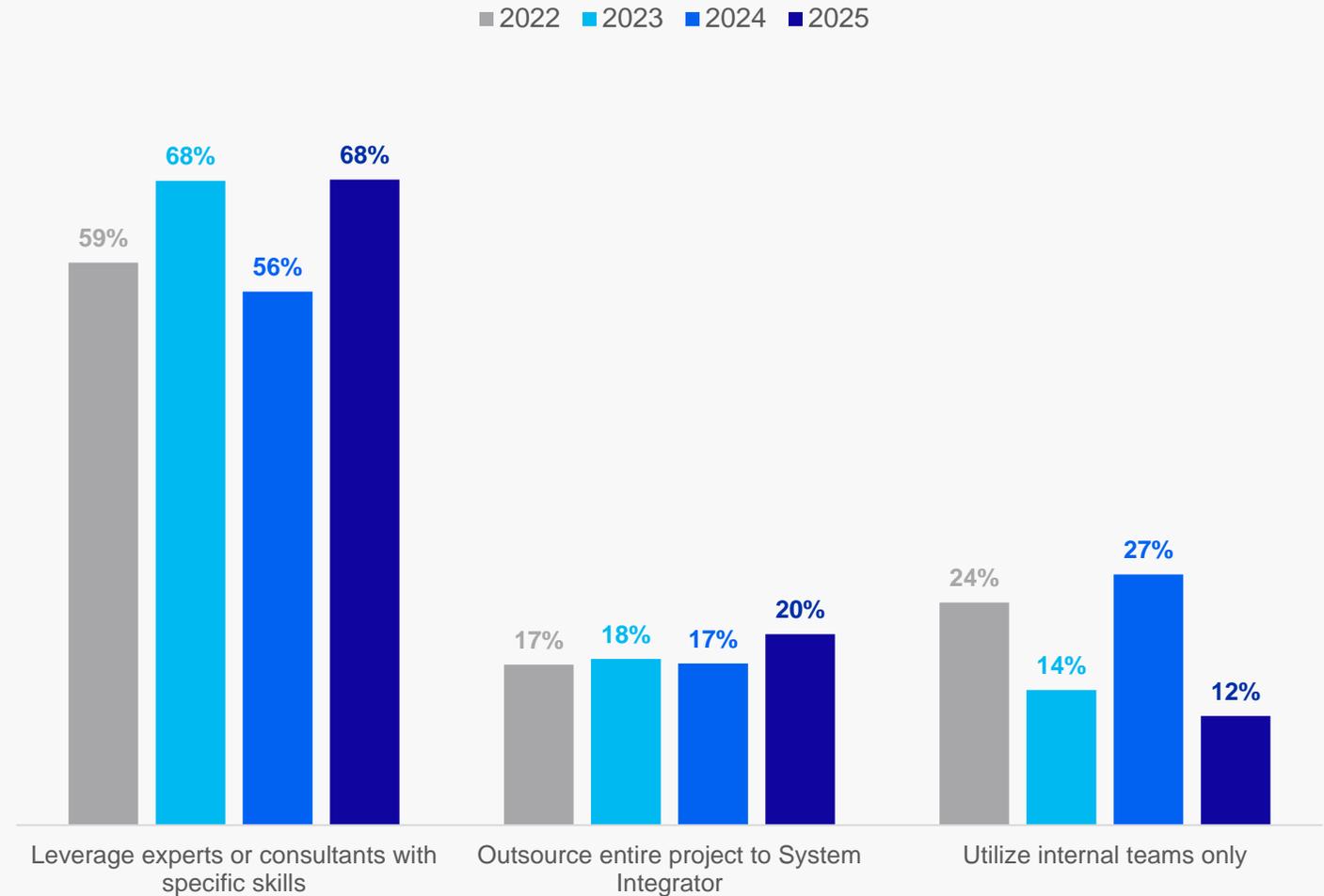
Planned Use of System Integrators in SAP S/4HANA Move



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Organizations are increasingly relying on external experts or consultants rather than fully outsourcing or using internal teams. In 2025, 68% of organizations prefer leveraging specialized consultants, underscoring the need for targeted expertise rather than full-scale outsourcing. The decline in reliance on internal teams (from 24% in 2022 to 10% in 2025) further suggests that the skill gap in SAP S/4HANA implementation is widening, making external expertise essential. Additionally, the drop in full-scale outsourcing reflects a desire for more direct involvement in SAP transformations, likely to better align with business objectives and ensure tailored implementations.

Staffing Approach for SAP S/4HANA Project



THANK YOU

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