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Rising up to the cloud: SNP publishes meta study on S/4HANA migrations

Heidelberg, Germany (ots) –

- BLUEFIELD migration approach is popular in large companies
- IT leaders are seeing greater opportunities in generative AI and innovation
- Partners and tools are vital for a seamless implementation

SNP SE, a leading provider of software for digital transformation, automated data migration and data management in the SAP environment, has published a meta study examining the current state of SAP S/4HANA migrations. The study "Rising up to the cloud – RISE with SAP & SAP S/4HANA" summarizes the results of various studies and user surveys from a technical, operational and strategic perspective. The key finding is that while companies are still facing challenges, they also see opportunities – and are increasingly relying on RISE with SAP for the migration.

According to SAPinsider, 21% of companies worldwide with SAP ERP systems are already using SAP S/4HANA, 20% are currently migrating, and 45% have plans to do so. The study shows that in 2024, nearly 60% of SAP customers still identified the end of maintenance as the most important factor driving the move. However, this also creates opportunities, with 39% of respondents seizing the chance to re-engineer processes to better fit operational needs. In another survey by SAPinsider ("Infrastructure and Landscape Trends 2024"), this year also saw the first citing of pressure to implement systems that provide generative AI and other innovations.

The trend towards SaaS and cloud deployment

The Foundry study found that companies in the German-speaking region tend to prefer SaaS/cloud ERP solutions, with 40% of respondents choosing this deployment option. Meanwhile, 35% are pursuing a hybrid ERP strategy in which the core ERP is operated on-premise and extended by SaaS cloud applications. Among companies that choose the cloud, 38% opt for the private edition and 61% for the public edition. But the trend is different in Europe as a whole: Only 9% of participants in PAC's CxO survey stated that they chose public cloud IaaS/hyperscaler deployment for the leading SAP S/4HANA solutions in their company.

RISE with SAP: Potential vs. reality

RISE with SAP is a subscription-based service that bundles together customized ERP solutions, transformative services and business analytics. The Foundry study found that 62% of companies which use an ERP, cloud ERP or SAP solution believe the program is the best and most efficient way to implement SAP S/4HANA Cloud. Today, one in ten large companies use or are planning to use RISE with SAP, but only 4% of small and medium-sized companies have opted for it. According to SAPinsider, a growing number of organizations already running SAP S/4HANA are considering switching to RISE with SAP: Compared with 23% in 2022, the figure had risen to 30% by 2024.

Choosing the right migration approach

Brownfield continues to be the migration approach of choice: As the Foundry study shows, 39% of companies opt for this method, compared with greenfield at 26%. The BLUEFIELD approach, which combines elements of both brownfield and greenfield, is chosen by 27% of companies. The advantage of this selective approach is that organizations only migrate what they need to SAP S/4HANA and have it operating alongside their existing systems. Besides brownfield, larger organizations with EUR 10 million revenue or more especially favor the selective approach (31%).

Partners as enablers

To overcome the typical challenges of time, cost and resources, SAP customers bring in external support to ensure an efficient migration. Foundry found that 9 out of 10 respondents are using one or more SAP service providers, with 55% using them for the duration of their migration, and 35% on a permanent basis. This is reinforced by PAC's CxO survey, in which 84% of those surveyed identify services and templates to streamline the migration as essential when choosing a service provider.

Tara von Metzen, Vice President of Product Management, SNP: "The clock is ticking! But the end of maintenance for older core releases of SAP ERP in 2027 isn't a threat – it's a huge opportunity. Growth, innovation and agility are the key benefits companies gain by choosing RISE with SAP. With an experienced partner at their side, they can reduce risk, resource pressure and timelines significantly and look to the future with renewed strength."

You can download the meta study here.

About SNP

SNP (ticker: SHF.DE) helps companies worldwide to unlock the full potential of their data and shape their own tailored journey towards a digital future. SNP's Data Excellence Platform CrystalBridge and the BLUEFIELD approach have set a comprehensive industry standard for restructuring and modernizing SAP systems faster and more securely while harnessing data-driven

innovations in the cloud.

The company works with around 3,000 customers of all sizes and in all industries worldwide, including 20 of the DAX 40 and 103 of the Fortune 500. The SNP Group has over 1,400 employees worldwide at 35 locations in 15 countries. The company is headquartered in Heidelberg, Germany, and generated revenues of EUR 203.4 million in the 2023 fiscal year.

More information is available at www.snpgroup.com

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