



How to Avoid License Cost Explosion with SAP® S/4HANA Migration

Tim Jesser,
Senior Director, Product Marketing

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In This Session

Companies are facing economic uncertainties. IT leaders need to rethink their strategies – their road for digital transformation, while facing a decreasing budget.

In the SAP world, it looks quite similar. Digital transformation and the transition to S/4HANA are the key challenges – A lot of questions arise. RISE with SAP packages, stay on-premise, or move to the cloud? When moving to the cloud, should we go together with SAP or do we want to have more control and use private cloud option?

We will review these topics and how to Avoid License Cost Explosion. We will focus on the transition to SAP S/4HANA or RISE with SAP.

What We'll Cover

- IT Budget Reduction
- Digital Transformation
- Security Risks
- New Technologies
- SAP S/4HANA Transition
- RISE With SAP®
- HANA DB
- SAP Cloud vs. On-prem

Top 3 SAP Migration Challenges



Optimization of S/4HANA Migration

Agriculture Supplier

- 3,500 employees

Task

- Recommendation product versus contract conversion with SANDMEIER samplings method
- Negotiation with SAP

Result

- Recommendation for contract conversion
- Nearly **€1M Savings (-50%)** in S/4HANA migration costs (compared with already negotiated SAP offer)
- Additional volume/products within invest
- Flexibility (Configuration/post-purchase conditions during S/4 migration project)



Business Suite 7 Mainstream Maintenance Ends in 2027

- S/4HANA isn't a simple product upgrade; it is essentially a new product
- Transitioning to S/4HANA requires SAP technical teams and often external consultants to support with implementation efforts over what can be a considerable amount of time
- It comes with additional costs, including additional licensing costs



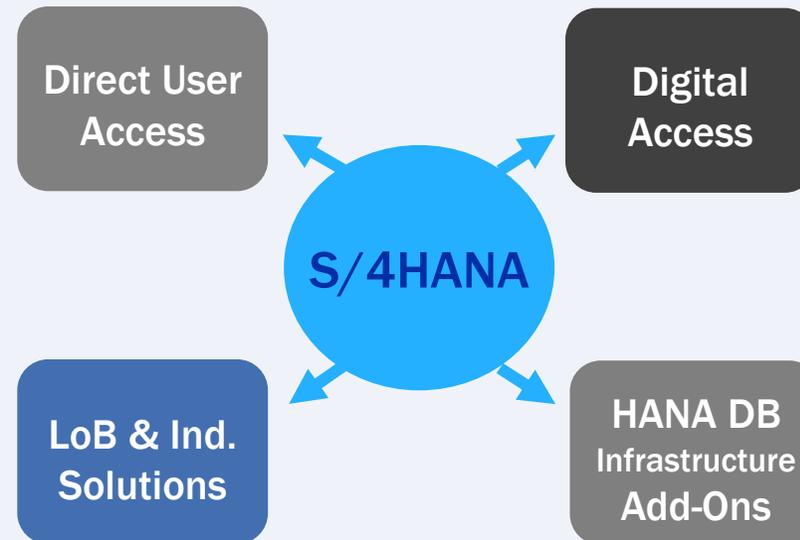
Moving to the Next Technology Generation



Product Conversion

- Keep existing contract
- Phased adoption plan
- Pick and choose the products you wish to upgrade to S/4HANA
- Maintain your named user licenses

Four Dimensions of S/4HANA Licensing



Contract Conversion

- Opportunity to negotiate new contract
- Simpler contract
- Choose products in S/4

RISE with SAP

RISE with SAP

What's included — and what isn't

Solving your problems? Maybe, but know your requirements!

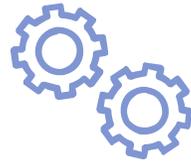
- HANA DB – limited to 100 GB per FUE
- Ariba – limited amount of documents
- Asset Intelligence Network – limited amount of equipment, connections, partner invitees
- Logistics Business Network – limited number of documents, service providers
- Business Process Intelligence – free online one-time report
- Qualtrics – optional and limited number of users
- Cloud for group reporting – limited entities
- Cloud for advanced compliance reporting – limited transactions
- Learning Hub – optional
- Digital Access – additionally licensed
- Test system – additionally licensed
- Solution Manager – additionally licensed
- Disaster Recovery – only standard – enhanced is extra

Uncovering
hidden data will
avoid unpleasant
surprises!

Better Information Allows Organizations to Meet Strategic Goals and Avoid Waste



Maximize ROI from existing SAP investment



Drive digital transformation initiatives



Rightsize migration to S/4HANA



Adopt new SAP cloud technologies



Take advantage of SAP incentives and offerings

- RISE with SAP
- DAAP (Digital Access Adoption Program)

Deloitte Insights:

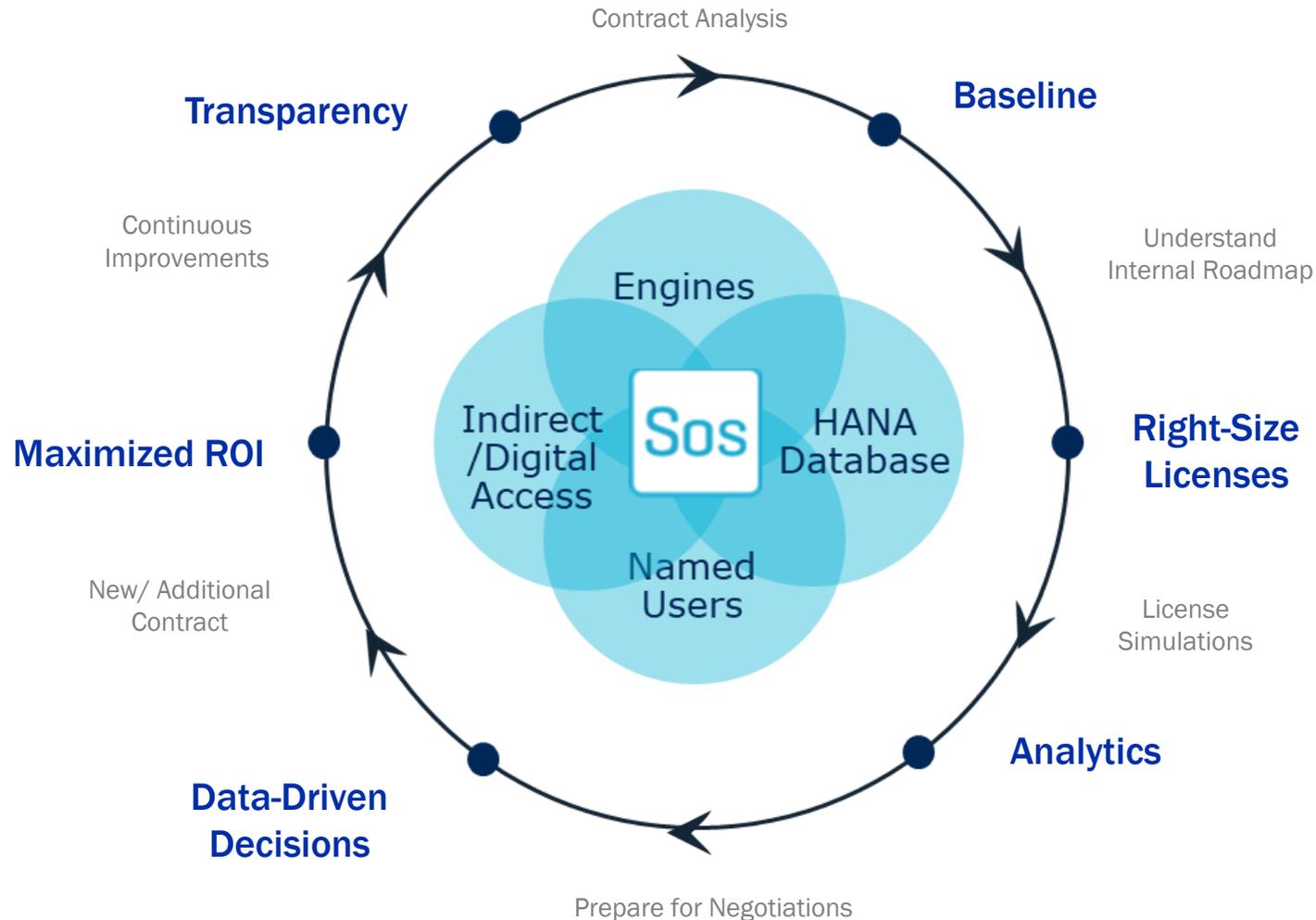
An adaptive business in the 21st century is typically a digitally powered business, leading many organizations to pursue digital transformation¹



Why Snow Optimizer for SAP Software?

Solving Your Problem

Full insight into SAP licensing data



- **Native to SAP** – written in ABAP and data securely held in SAP
- **Time to value** – first optimization within 1-3 weeks
- **Agentless** – one installation centrally
- **Automation** – reduces manual efforts and mistakes and provides real-time insights on demand

SAP® Certified
Integration with SAP NetWeaver®



SoS – License Intelligence – What is it?

The most comprehensive content package on the market:

- More than 200,000 SAP transactions analyzed and assigned to SAP user types
- More than 70 out-of-the box rules, 6 rulesets and 60 profiles for both usage- and authorization-based licensing
- Available for ECC, S/4HANA, RISE with SAP and other simulations
- Easily adaptable to customer-specific situations and licenses
- Clear definitions and descriptions of content and use
- Regular updates and improvements



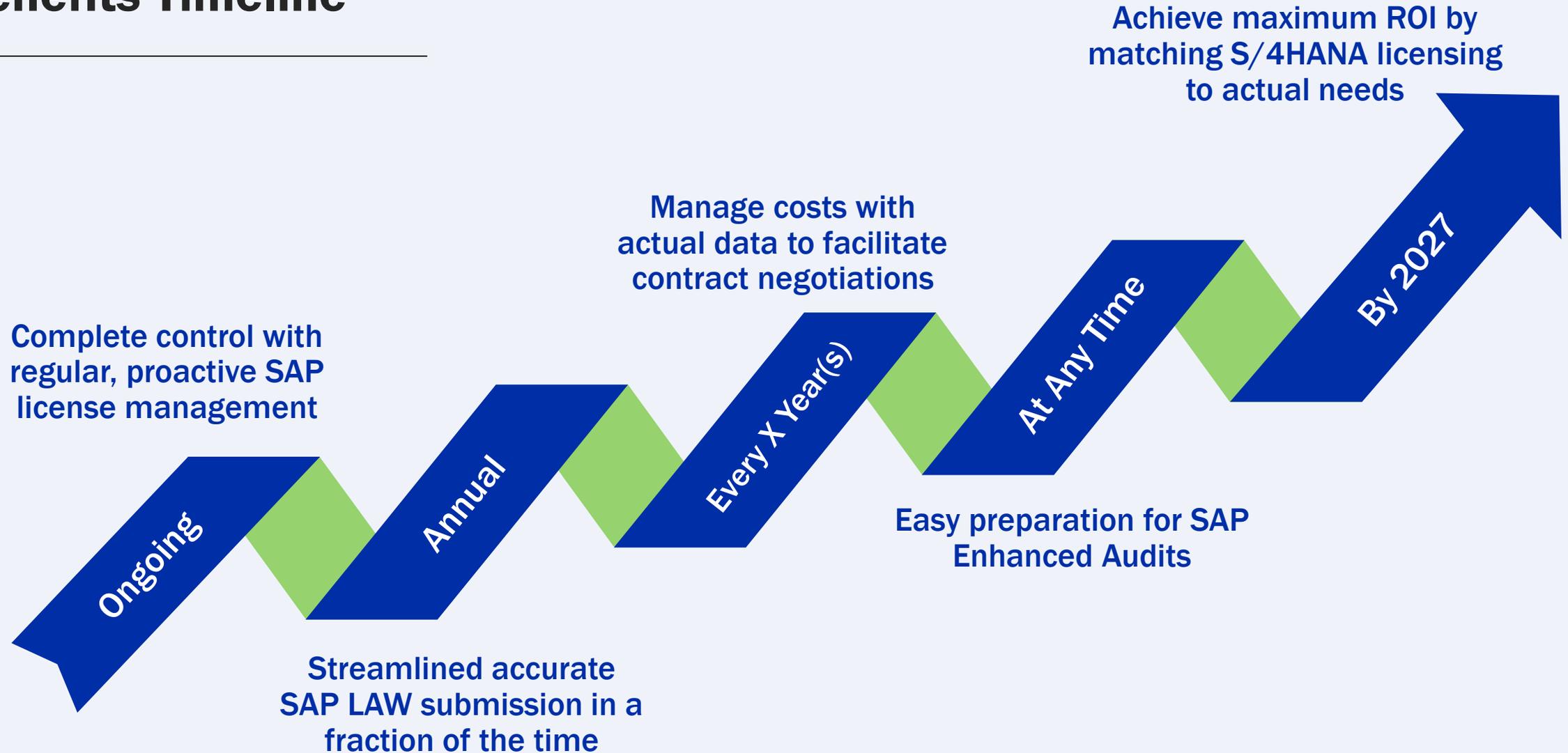
SoS – License Intelligence – How will it help you?

Improved ROI with the highest quality:

- Faster implementation projects
- More and improved automation in SAP License Management – fewer resources required
- Improved license compliance with state-of-the-art rules
- Fast simulations for new license types and models on demand



Benefits Timeline





The Value of Data to Our Customers

TranS/4mation



Baseline – License Optimization

Consolid. license typ	Description	± Current	± Recommend.	Difference	± Licensed count	Compliance current	Compliance recomm.
06	Development Workbench	8	0	-8	0	-8	0
52	SAP Bus. Suite Professional	1.737	981	-756	1.203	-534	222
53	SAP Bus. Suite Limited Prof.	3	0	-3	0	-3	0
54	SAP Business Suite Employee	203	618	415	407	204	-211
55	SAP Business Suite Developer	8	19	11	11	3	-8
56	SAP Business Suite ESS User	383	291	-92	171	-212	-120
71	Limited Pro Mobile	246	173	-73	233	-13	60
72	Limited Pro Support	42	0	-42	0	-42	0
74	Managers	70	204	134	88	18	-116
91	Test	175	685	510	0	-175	-685
		■ 2.875 ■	2.971	■	2.113		

S/4HANA

- License Simulation

Consolid. license typ	Description	Current	Recommend.	Difference	Licensed count	Compliance current	Compliance recomm.
06	Development Workbench	8	0	-8	0	-8	0
52	SAP Bus. Suite Professional	1.737	0	-1.737	1.203	-534	1.203
53	SAP Bus. Suite Limited Prof.	3	0	-3	0	-3	0
54	SAP Business Suite Employee	203	0	-203	407	204	407
55	SAP Business Suite Developer	8	0	-8	11	3	11
56	SAP Business Suite ESS User	383	0	-383	171	-212	171
71	Limited Pro Mobile	246	0	-246	233	-13	233
72	Limited Pro Support	42	0	-42	0	-42	0
74	Managers	70	0	-70	88	18	88
91	Test	175	694	519	0	-175	-694
HA	S/4HANA EM Developer access	0	41	41	0	0	-41
HB		0	1.109	1.109	0	0	-1.109
HC		0	576	576	0	0	-576
HD		0	425	425	0	0	-425
		2.875	2.845		2.113		

User Licenses Results

Comparing the options shows a clear strategy for the upcoming negotiations

Actual Use	Licensed	Optimized (current)	Optimized (new)	S/4HANA (on-premise)	
€ 4.42 M	€ 3.15 M	€ 2.74 M	€ 2.55 M	€ 3.70 M	Licenses
€ 972 K	€ 694 K	€ 604 K	€ 562 K	€ 816 K	Maintenance

Indirect/Digital Access Results

Identification of possible risks

System Name	Third Party Non-SAP	SAP® Activity Check Warning	Updates in SAP	Digital Documents	Unlicensed User	Risk of Indirect Access
Sales Order Mgmt.	Yes	No	Yes	Yes - 77299	Yes - 1	Yes
EDI	Yes	Yes	Yes	Yes - 448157	No	Yes
Laboratory Information System	Yes	Yes	Yes	Yes - 7823	Yes - 87	Yes
Manufacturing	Yes	Yes	Yes	Yes - 4569	Yes - 68	Yes
Labelling	Yes	No	No	No	No	No
FedEx	Yes	No	No*	No	No	No
Supply Chain	Yes	No	No*	No	Yes - 2	No
Salesforce	Yes	No	No	No	No	No
Transportation Mgmt.	Yes	No	No*	No	No	No
UPS	Yes	No	No*	No	No	No
SAP Concur	No - SAP SaaS	N/A	N/A	N/A	N/A	N/A
SAP Data Repository	No - SAP On Premises	N/A	N/A	N/A	N/A	N/A
SAP IBP	No - SAP On Premises	N/A	N/A	N/A	N/A	N/A
...						

* These applications are known to perform updates in SAP. However, these updates are asynchronous and/or do not appear to produce any identifiable change documents.

Additional users required:	158	est. 150k €
Nr. of docs to be licensed:	537.848	est. 25k €

Wrap Up

- Hidden data and expert services to put you in control
- Now you have learned that hidden data, especially regarding the use and licenses but also regarding the terms and conditions of SAP, can have significant impact on your next steps in the journey to S/4HANA or RISE with SAP
- After this, the next question can be answered more qualified:
 - Do we want to go in the Cloud? SaaS?
 - Do we want to do a greenfield approach? Or a brownfield? Or a mixture?
 - And what are the technical prerequisites?

If you would like to learn more about our solution and services, please visit us at our booth. And we are sure, we can help you with your Hangover, to ease your pain at least a little bit and to make sure you avoid any cost explosion.



Where to Find More Information

[Product Page](#)

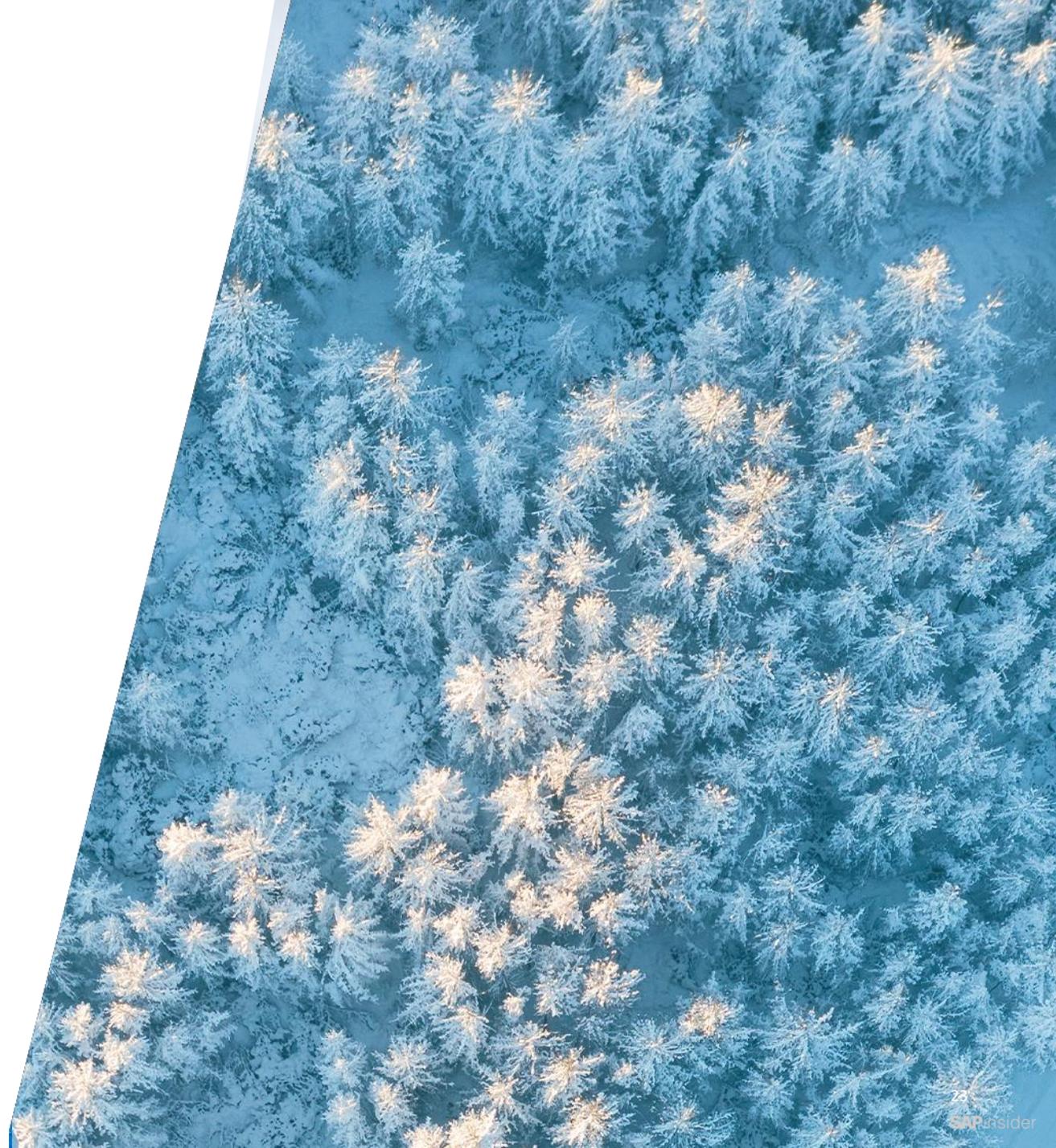
[Datasheet](#)

[Reimagining SAP License Management in a Hybrid World](#)

[Case Study – Edeka Digital](#)

Key Points to Take Home

- **Product Conversion vs. Contract Conversion vs. RISE with SAP**
- **Upgrade isn't just a simple product upgrade. It is essentially a new product**
- **Better information allows organizations to meet strategic goals and avoid waste**
- **How Snow Optimizer for SAP Software can help**
- **Enormous risks and opportunities**

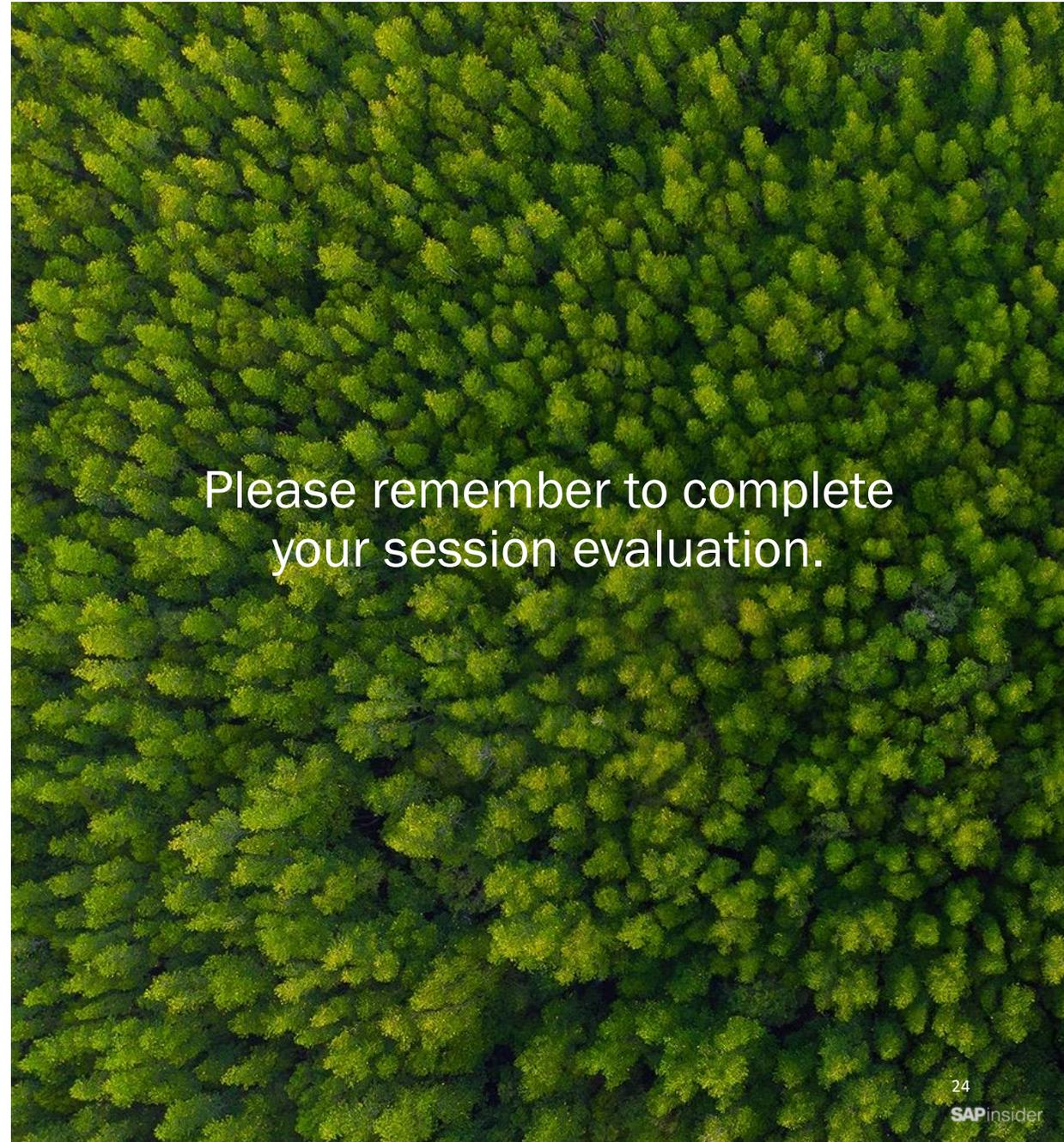


Thank you! Any Questions?

Timothy Jesser

<https://www.linkedin.com/in/timothyjesser/>

snowsoftware.com



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