



The S/4HANA Modernization Journey

App Modernization Strategies for SAP Customers and
Microsoft Azure as an SAP Cloud Platform

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A large, glowing blue graphic in the background. It features a grid pattern and the words "CLOUD TECHNOLOGY" in a bold, white, sans-serif font. The graphic is set against a dark blue background with various icons and lines, suggesting a digital or technological theme. A hand is visible on the left side, reaching towards the graphic.

SAP Customers Are Aiming for Higher Business and IT Productivity When Moving IT Assets to the Cloud



Higher business and IT productivity

29%

of SAP ERP customers achieved, or expect to achieve, **business and IT efficiency improvements** as a result of migrating to hyperscalers.

44% of SAP ERP customers are already **strongly committed to hyperscalers.**



Some are targeting **efficiency improvements**, but what else is driving this shift to the cloud?



How can these expected benefits help you build an effective business case for cloud-based ERP modernization?



Find out in IDC's **S/4HANA Modernization Journey InfoBrief**

("The S/4HANA Modernization Journey: App Modernization Strategies for SAP Customers and Microsoft Azure as an SAP Cloud Platform" — IDC #EUR150044123, March 2023)

There Are Three Paths to ERP Modernization. Do You Know Which One You're on, and What it Means for Your Business?



59% of SAP ERP customers are aiming for **application and platform** co-existence between SAP and other vendors.

Q: Where will SAP fit within your future enterprise architecture?



How will this move to a heterogenous future affect you?



What does this mean for your in-house SAP skills investments?



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36%

SAP-centric
(SAP ecosystem apps preferred)

37%

(One of a few)

SAP coexistence
(A variety of apps/platforms preferred)

22%

(One of many)

6%

SAP Minimization
(Third-party apps/platforms preferred)

SAP Customers Face Various Barriers in Their SAP Modernization Journeys — Finding a Way to Overcome Them Is Essential for Success

Q: What are the key app modernization barriers among SAP customers?



Finding a partner for the application modernization and migration journey



Skills shortages



Nearly a **third** of SAP ERP customers say **not knowing what partner to use** and **not having the right skills** are barriers to their app modernization ambitions.



What barriers to your own SAP modernization have you identified?



What is your plan to overcome these?

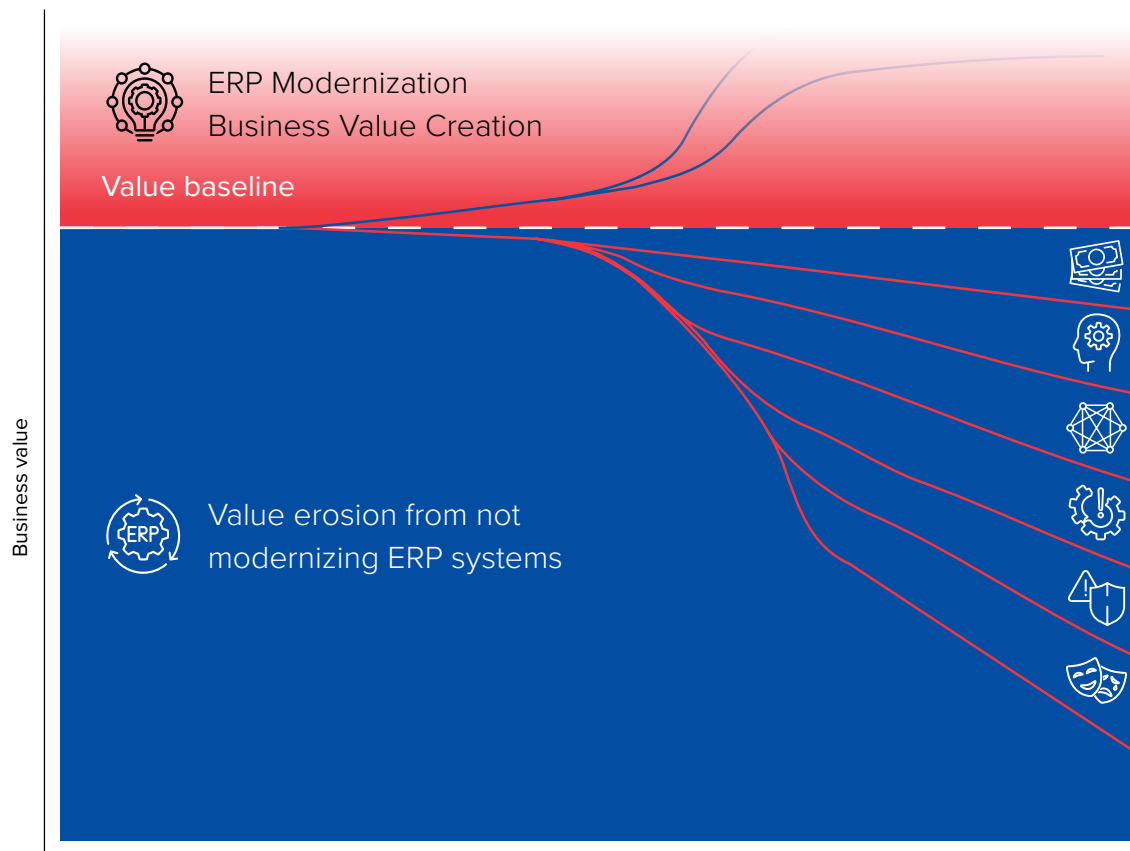


Find out what barriers SAP ERP customers face as they pursue their SAP modernization strategies and solutions to overcome them in IDC's S/4HANA Modernization Journey InfoBrief.

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Modernizing Your ERP System Can Be Costly, But Could Maintaining Your Legacy ERP System Cost You Even More?

 The cost of doing nothing is **not** zero!



How will you overcome a skills shortage that will only grow as other organizations migrate to newer systems?



Have you accounted for the additional costs and complexity of integrating newer apps/ platforms with your ERP system?



Find out more about the costs and risks of not modernizing your ERP system in IDC's S/4HANA Modernization Journey InfoBrief.

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