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SAP S/4HANA and RISE
Report 2024

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SAP S/4HANA and RISE Report 2024

With the 2027 ECC maintenance deadline moving ever closer, migrating to SAP S/4HANA is a business priority for an increasing number of SAP user organisations. In many cases, this migration is also part of an organisation's wider digital transformation, as they look to take advantage of the latest technology capabilities and innovations. Whatever an organisation's reasoning for SAP S/4HANA migration, there are an increasing number of ways that it can be deployed, all of which can impact future technology roadmap decisions.

To learn more about how our members are adopting SAP S/4HANA, their experiences to date, and their views on RISE and SAP's cloud strategy, we surveyed 130 key decision makers at SAP user organisations in the UK and Ireland. The results are presented in this report, with comparisons against relevant findings from two separate studies conducted by USF (185 respondents in France) and VNSG (94 respondents in the Netherlands).

SAP S/4HANA **adoption**

Are you using or planning to use SAP S/4HANA?

UK&I

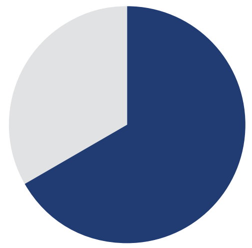
Yes (using)

31% (2024)

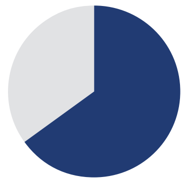
27% (2023)

Yes (planning to use)

63% (2024)



65% (2023)



Ned

Yes (using)

49% (2024)

Yes (planning to use)

43% (2024)

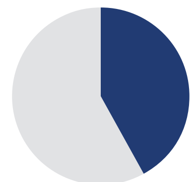
Fra

Yes (using)

45% (2024)

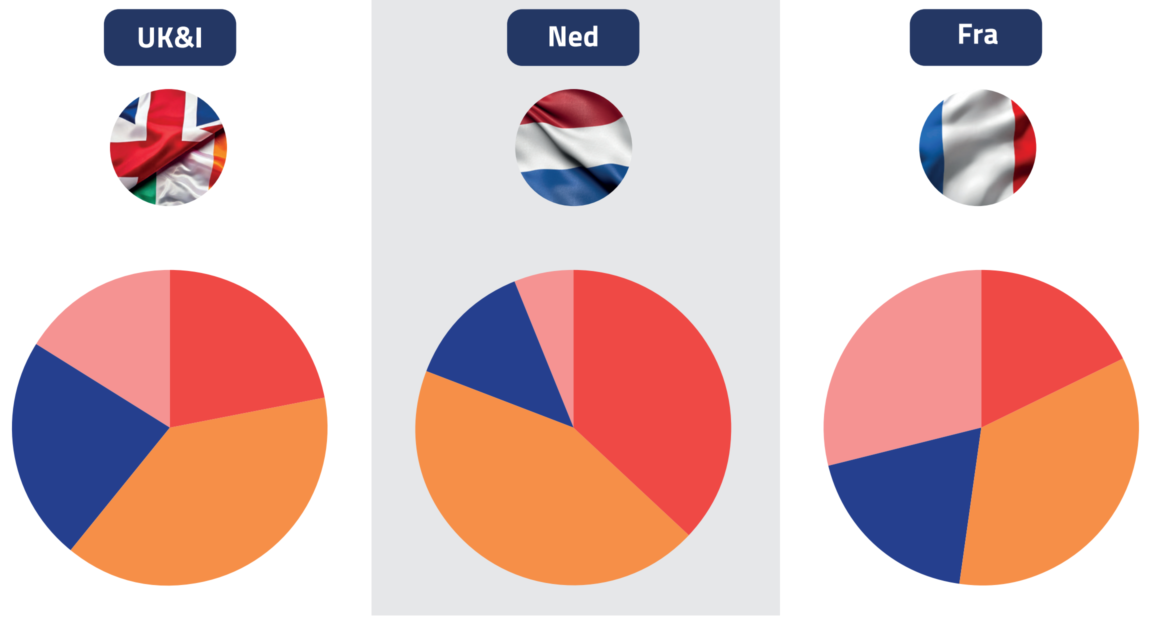
Yes (planning to use)

42% (2024)



More than 9 in 10 (94%) UK and Ireland organisations said they are either using (31%) or planning to (63%) to use SAP S/4HANA, up slightly from 92% in 2023. This is comparable to adoption rates in both the Netherlands (92%) and France (87%), although the UK and Ireland remains slightly behind other regions in terms of how many organisations have already adopted SAP S/4HANA.

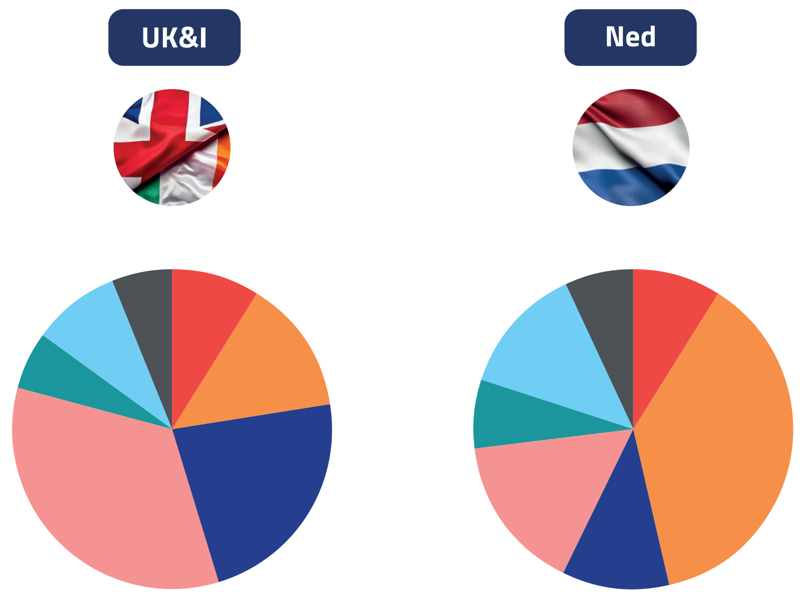
How would you describe your SAP S/4HANA implementation?



- **Greenfield** (new system) - 22% (UK&I), 37% (Ned), 16% (Fra)
- **Brownfield** (system conversion) - 39% (UK&I), 44% (Ned), 31% (Fra)
- **BluefieldTM** (selective data transition) - 23% (UK&I), 13% (Ned), 17% (Fra)
- **Don't know** - 16% (UK&I), 6% (Ned), 26% (Fra)

Across every region surveyed, brownfield system conversions – where data and functionality are migrated from an existing system to a new system, while preserving the existing system's data, processes, and customisations – are the most popular way for organisations to implement SAP S/4HANA.

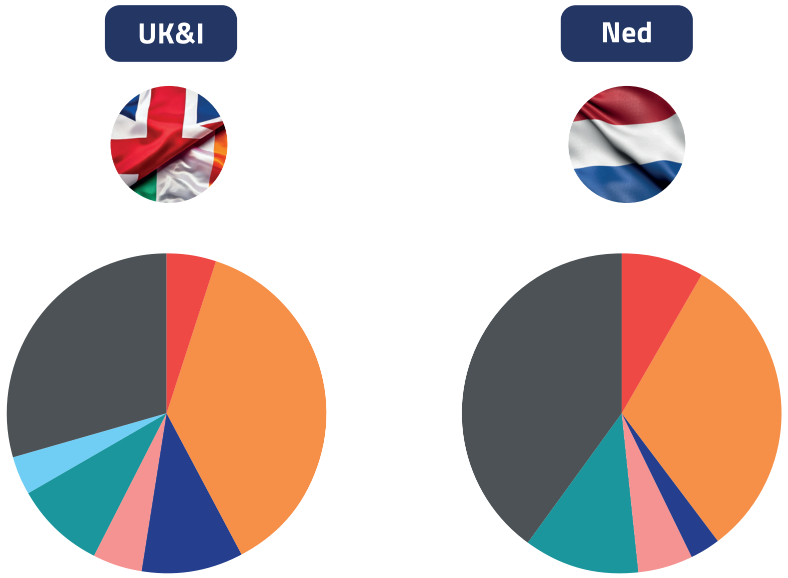
How have you deployed SAP S/4HANA?



- **SAP S/4HANA Public Cloud Edition** (delivered by GROW with SAP or RISE with SAP) - 9% (UK&I), 9% (Ned)
- **SAP S/4HANA Private Cloud Edition** (RISE with SAP) - 14% (UK&I), 38% (Ned)
- **Hosted on a hyperscaler** (infrastructure only) - 23% (UK&I), 11% (Ned)
- **On-premise** - in your own data centre managed by yourself - 34% (UK&I), 16% (Ned)
- **On-premise** - in your own data centre managed by a service provider - 6% (UK&I), 7% (Ned)
- **Hosted and managed by a service provider** - 9% (UK&I), 13% (Ned)
- **Other** - 5% (UK&I), 7% (Ned)

Of those organisations that have already deployed SAP S/4HANA in the UK and Ireland, 77% have an on-premise or hosted deployment. In the UK and Ireland, cloud adoption has been slow, with only 23% deploying SAP S/4HANA via S/4HANA Public Cloud (RISE or GROW) or via S/4HANA Private Cloud (RISE), compared to 47% in the Netherlands.

How do you plan to deploy SAP S/4HANA?

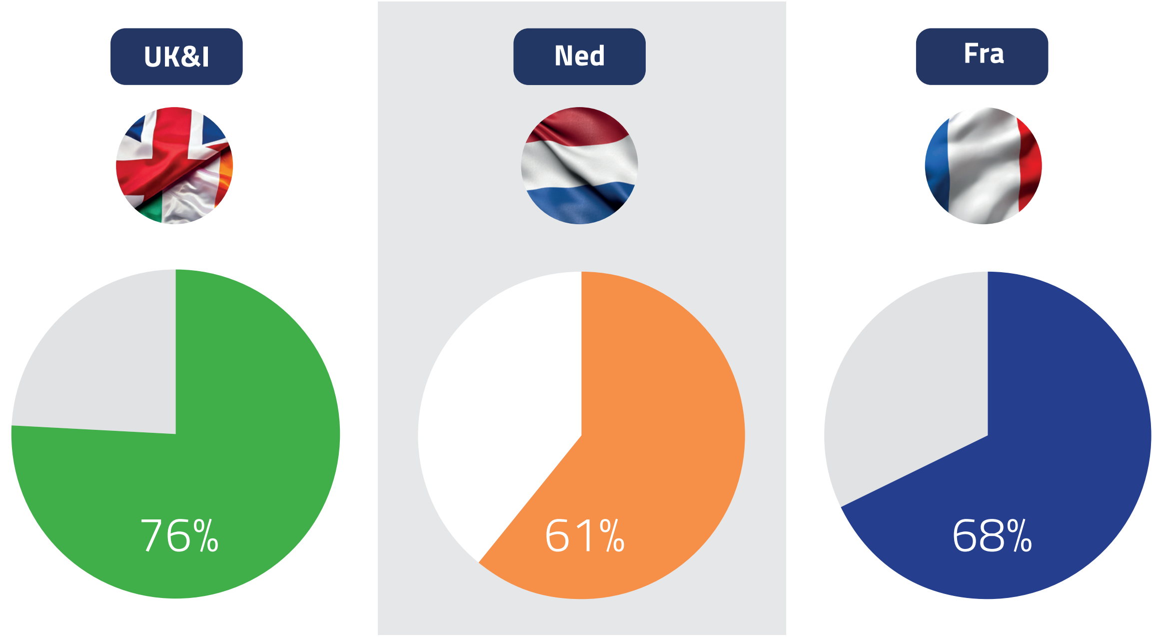


- **SAP S/4HANA Public Cloud Edition** - 5% (UK&I), 8% (Ned)
- **SAP S/4HANA Private Cloud Edition** (delivered by GROW with SAP or RISE with SAP) - 37% (UK&I), 29% (Ned)
- **Hosted on a hyperscaler (infrastructure only)** - 10% (UK&I), 3% (Ned)
- **On-premise - in your own data centre managed by yourself** - 5% (UK&I), 5% (Ned)
- **On-premise - in your own data centre managed by a service provider** - 9% (UK&I), 11% (Ned)
- **Hosted and managed by a service provider** - 4% (UK&I), 0% (Ned)
- **Don't know yet** - 29% (UK&I), 37% (Ned)

Of those UK and Ireland organisations that plan to deploy SAP S/4HANA, 28% plan to move to an on-premise or hosted version, down from 70% in 2023. On the flipside, 42% of organisations plan to deploy via S/4HANA Public Cloud (RISE or GROW) or via S/4HANA Private Cloud (RISE), up from 24% in 2023. Among organisations in the Netherlands, 37% plan to deploy via S/4HANA Public Cloud (RISE or GROW) or via S/4HANA Private Cloud (RISE).

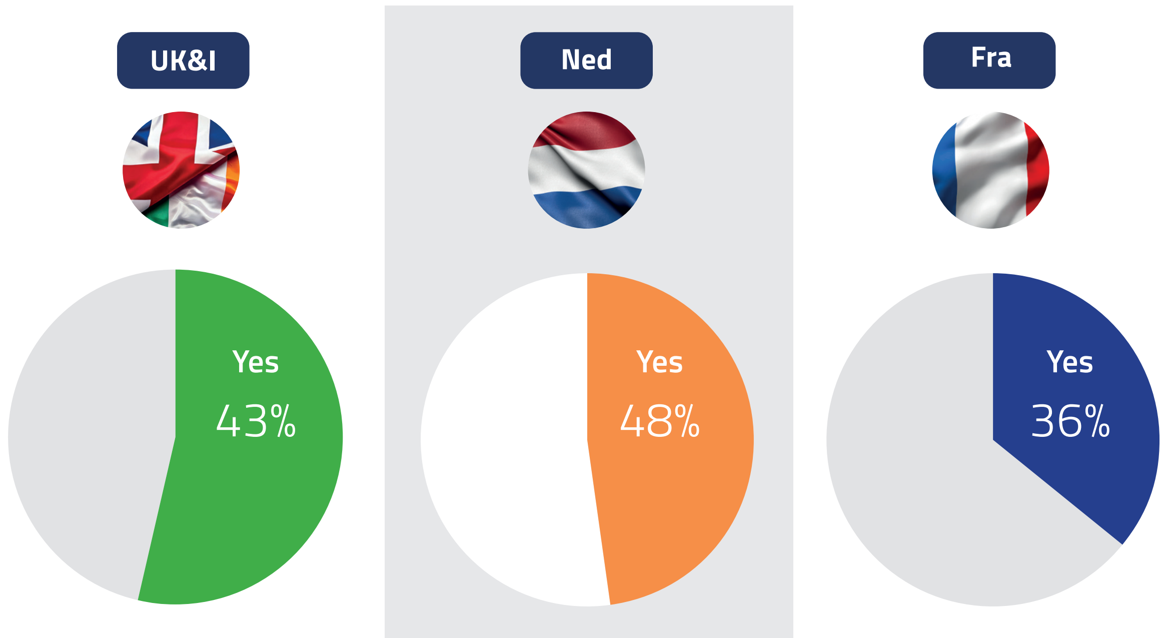
RISE with **SAP**

How would you rate your familiarity level with RISE with SAP?



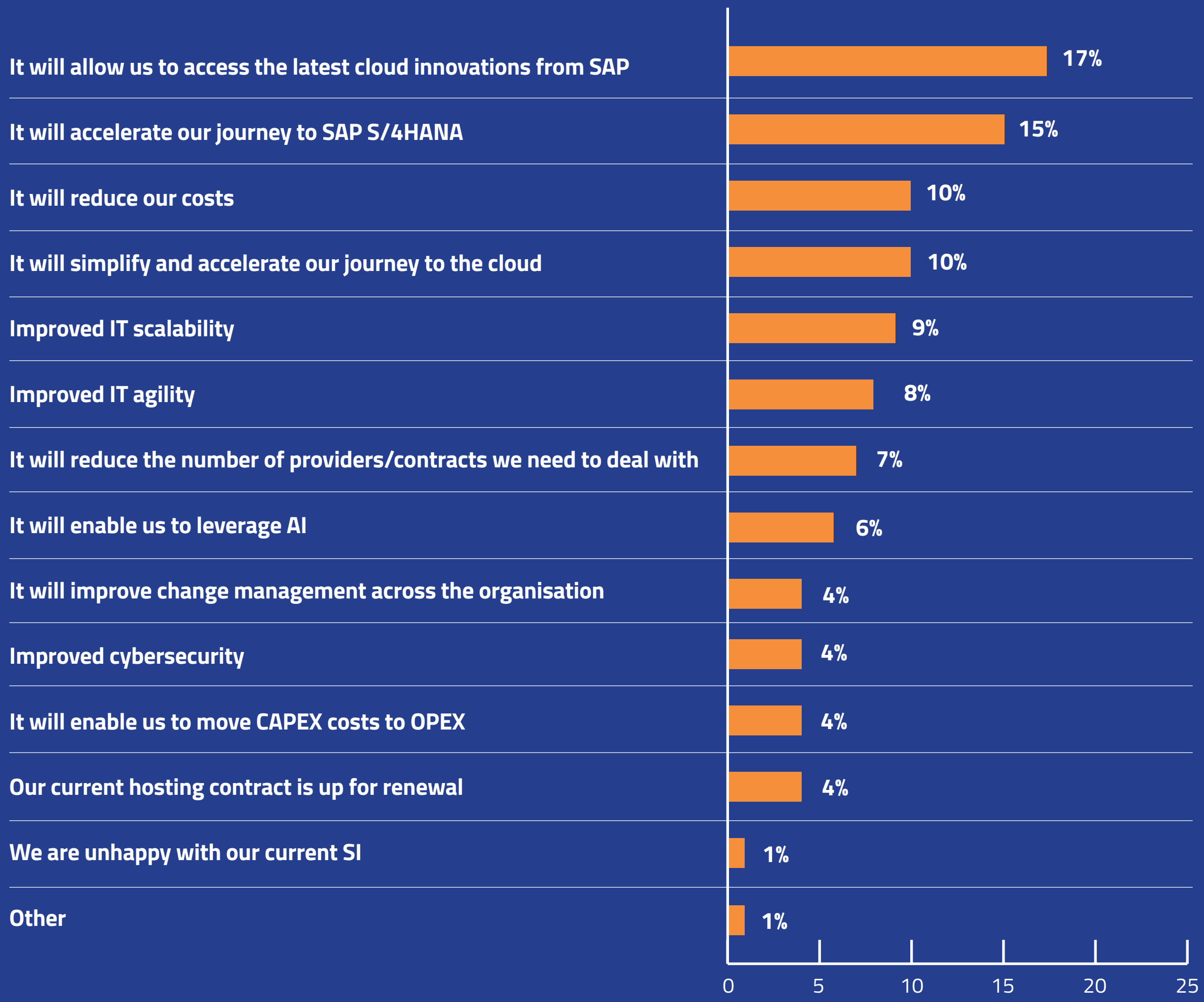
Over three quarters (76%) of UK and Ireland organisations are familiar with RISE with SAP, which is slightly higher than in the Netherlands (61%) and France (68%).

Are you using or planning to use RISE with SAP?



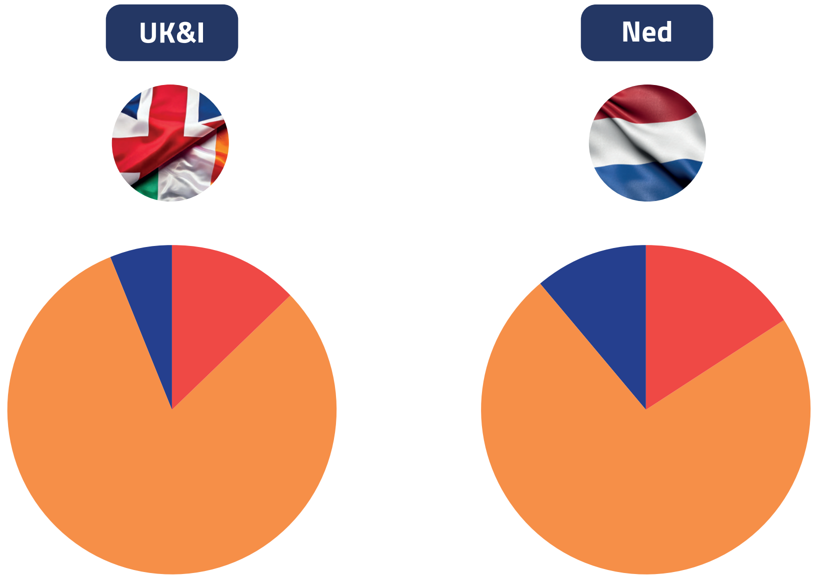
43% of UK and Ireland organisations say they are using (17%) or planning (26%) to use RISE with SAP. This is nearly twice as many as in 2023 – when 9% were using RISE, and 13% were planning to use it. Similar numbers of organisations are either using or planning to use RISE in the Netherlands (48%) and France (36%).

What are your reasons for moving to RISE with SAP?



Of those organisations in the UK and Ireland planning to use RISE, access to SAP's latest cloud innovations (17%), an accelerated journey to SAP S/4HANA (15%), and reduced costs and a simplified cloud migration (both 10%) were cited as the main reasons, with the same major reasons given in the Netherlands.

How satisfied are you with RISE with SAP?

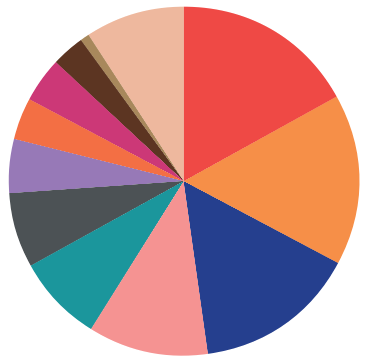


- **Very satisfied -** 13% (UK&I), 16% (Ned)
- **Somewhat satisfied -** 81% (UK&I), 73% (Ned)
- **Not very satisfied -** 6% (UK&I), 11% (Ned)
- **Not at all satisfied - 0%** (UK&I), 0% (Ned)

The vast majority of organisations based in UK and Ireland (94%) and the Netherlands (89%) are satisfied with RISE with SAP.

What are your reasons for not using RISE with SAP?

- **It is difficult for us to show a business ROI** - 17%
- **The overall cost of RISE with SAP is too much** - 16%
- **Maturity level - we haven't seen enough case studies of companies using RISE with SAP** - 15%
- **We have too much custom code / too many customisations** -11%
- **The quality of our data is not good enough to take advantage of RISE with SAP** - 8%
- **We do not understand the benefits or advantages of RISE with SAP** - 7%
- **We are not planning to move to the cloud** - 5%
- **We want to avoid vendor lock with SAP** - 4%
- **It does not fully cover all our SAP investments under a single contract** - 4%
- **We would lose existing hyperscaler contract discounts** - 3%
- **We feel we would have to change SI when we are happy with our current partner** - 1%
- **Other** - 9%

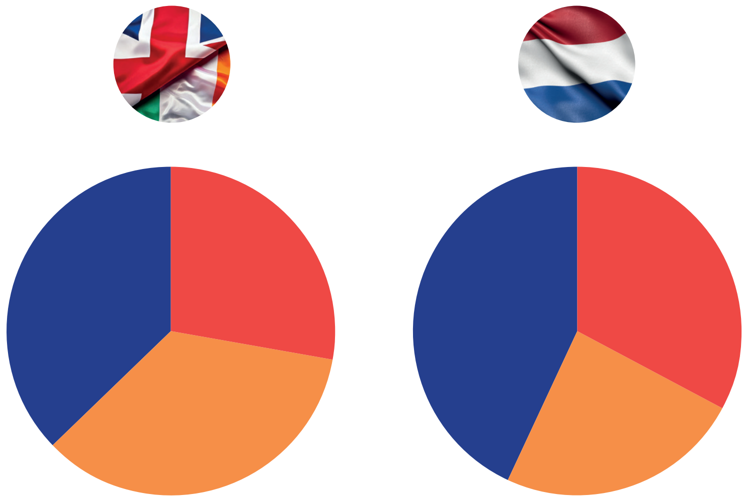


Of those organisations in the UK and Ireland not planning to use RISE, a lack of business ROI (17%), the cost (16%), and organisations' maturity level (15%) were cited as the main reasons. In the Netherlands, the main reasons why organisations do not use RISE are that they do not understand the benefits or advantages of RISE or they are not planning to move to the cloud.

SAP's cloud-first innovation **strategy**

SAP has stated that in order to deliver innovation at speed, many of its latest strategic innovations will only be available with SAP S/4HANA Cloud Public Edition or SAP S/4HANA Cloud, Private Edition via GROW with SAP or RISE with SAP contracts. To what extent do you agree/disagree with this strategy?

UK&I Ned



- **Agree -** 28% (UK&I), 33% (Ned)
- **Neither agree nor disagree -** 35% (UK&I), 24% (Ned)
- **Disagree -** 37% (UK&I), 43% (Ned)

37% of UK & Ireland organisations disagree with SAP's strategy to make many of its latest innovations and capabilities only available to customers with SAP S/4HANA Cloud Public, or Private Edition via GROW or RISE with SAP. In the Netherlands, nearly half (43%) of organisations disagree with this strategy from SAP.

Of those customers that haven't deployed SAP S/4HANA Cloud Public Edition or SAP S/4HANA Cloud, Private Edition via GROW with SAP or RISE with SAP:

67% of UK and Ireland organisations agree that SAP's innovation strategy means they need to reconsider their SAP S/4HANA deployments in the future. In the Netherlands, 78% of organisations agree with this statement.

67% of UK and Ireland organisations agree that SAP's innovation strategy has jeopardised their investments in SAP S/4HANA as an on-premise or hosted solution. In the Netherlands, 61% of organisations agree with this statement.

27% of UK and Ireland organisations would have chosen a different deployment option had they known of SAP's innovation strategy. In the Netherlands, 11% of organisations agree with this statement.

Of those customers that aren't planning to deploy SAP S/4HANA Cloud Public Edition or SAP S/4HANA Cloud, Private Edition via GROW with SAP or RISE with SAP:

50% of UK and Ireland organisations agree that SAP's innovation strategy means they will need to reconsider their SAP S/4HANA deployments. In the Netherlands, 63% of organisations agree with this statement.

17% of UK and Ireland organisations agree that SAP's innovation strategy will delay their plans to deploy SAP S/4HANA. In the Netherlands, 16% agree with this statement.

33% of UK and Ireland organisations agree that SAP's innovation strategy means they will need to re-evaluate or re-present their business case for moving to SAP S/4HANA. In the Netherlands, 37% of organisations agree with this statement.

Do you believe SAP should reduce its support and maintenance charges for on-premise customers not using RISE or GROW as the majority of new innovations will not be available to them?

Yes 87%

No 7%

Don't know 6%

87% of UK and Ireland organisations and 76% of Netherlands organisations believe SAP should reduce its support and maintenance charges for on-premise customers not using RISE or GROW, as the majority of new innovations will not be available to them.

69%
of UK and Ireland customers believe that on-premise customers are increasingly becoming an afterthought when it comes to product innovation from SAP.

79%
of Netherlands customers agree with this statement.

51%
of UK and Ireland disagree that it is only right that the majority of SAP's latest innovations are only available to RISE or GROW customers.

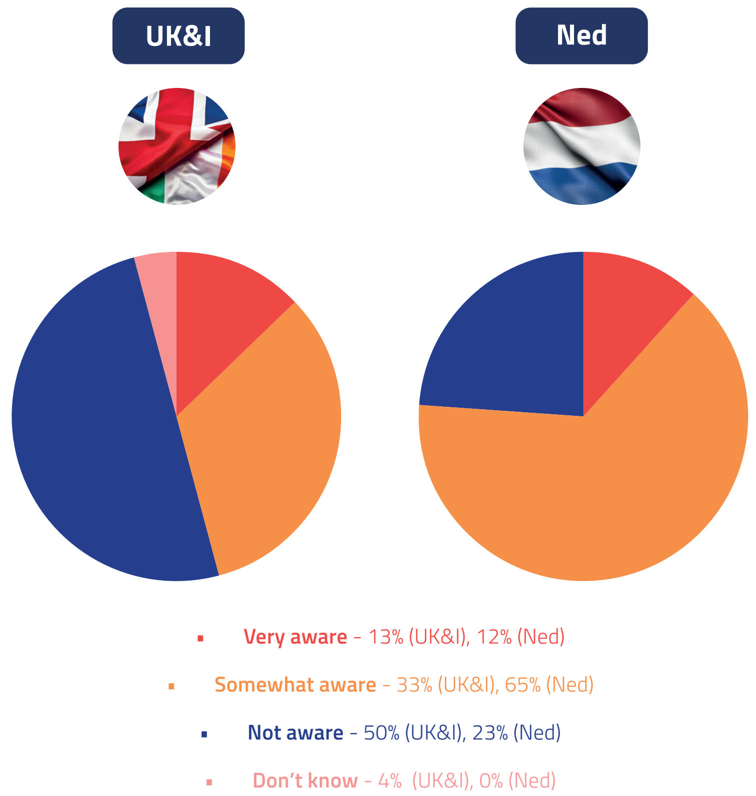
61%
of Netherlands customers disagree with this statement.

69%
of UK and Ireland agree that access to SAP's strategic innovations is being driven by commercial rather than technical reasons.

69%
of Netherlands customers agree with this statement.

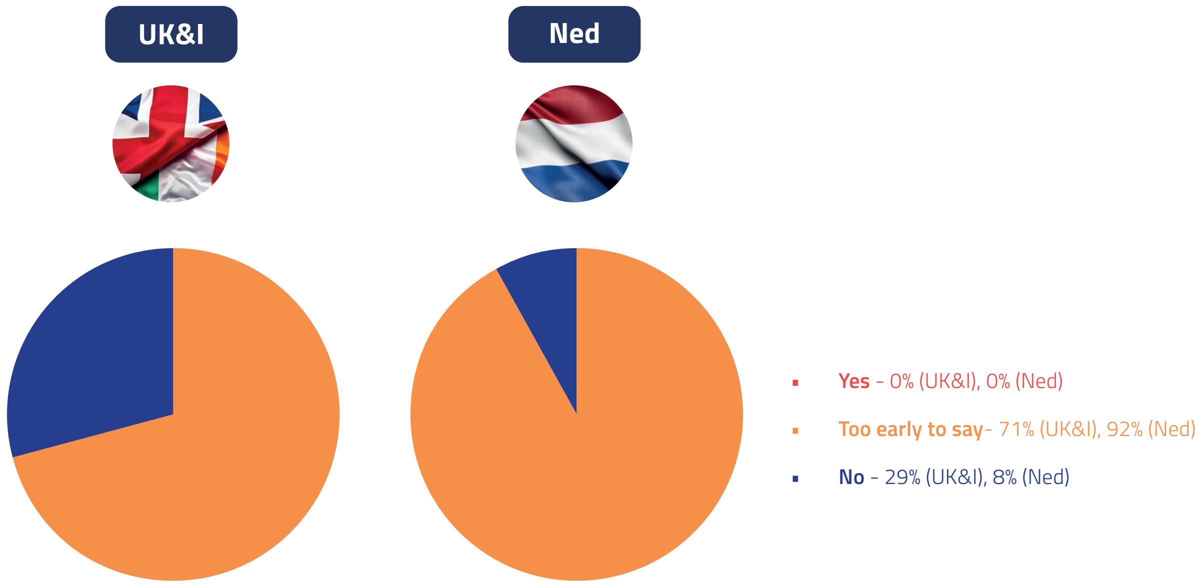
RISE Migration and **Modernisation Programme**

On January 30th, 2024, SAP announced its RISE with SAP Migration and Modernisation programme – a set of resources, services and financial incentives designed to help customers move to the cloud. To what extent are you aware of the RISE with SAP Migration and Modernisation programme?



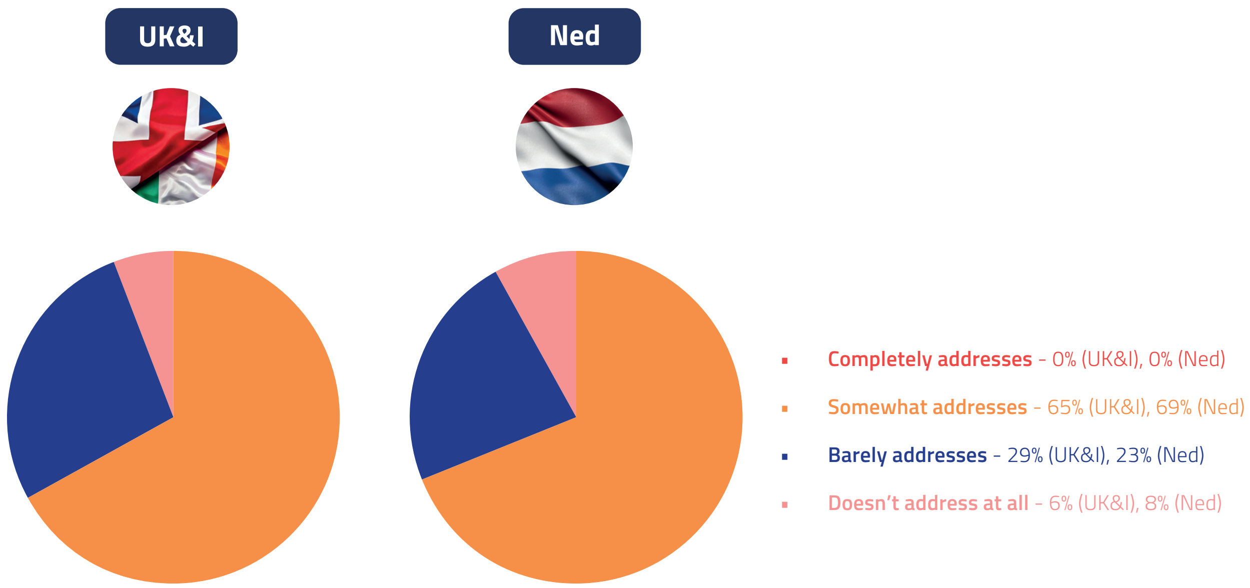
Less than half (46%) of UK and Ireland organisations are aware of the RISE with SAP Migration and Modernisation Programme. In comparison, three quarters (77%) of organisations in the Netherlands are aware of the programme.

Do you think the RISE with SAP Migration and Modernisation programme will benefit your organisation?



In both the UK and Ireland and the Netherlands, the majority of organisations state it is too early to say if the RISE with SAP Migration and Modernisation Programme will benefit them.

To what extent do you think the RISE with SAP Migration and Modernisation programme addresses on-premise customers' fears regarding accessing future innovation from SAP?



Over a third (35%) of UK and Ireland organisations believe that the RISE With SAP Migration and Modernisation Programme does not address – or barely addresses – on-premise customers' fears regarding accessing future innovation from SAP. A similar number (31%) of organisations in the Netherlands also believe this to be the case.

According to SAP, the RISE with SAP Migration and Modernisation programme will only be available to customers until the end of 2024. Do you feel this gives on-premise customers enough time to make a decision about whether to move to RISE with SAP?

	Yes	No	Don't know
UK&I	0%	76%	24%
Ned	0%	92%	8%

Over three quarters (76%) of UK and Ireland organisations – and the majority of Netherlands organisations (92%) – believe the 2024 deadline for the Migration and Modernisation Programme does not give on-premise customers enough time to decide whether to move to RISE with SAP.

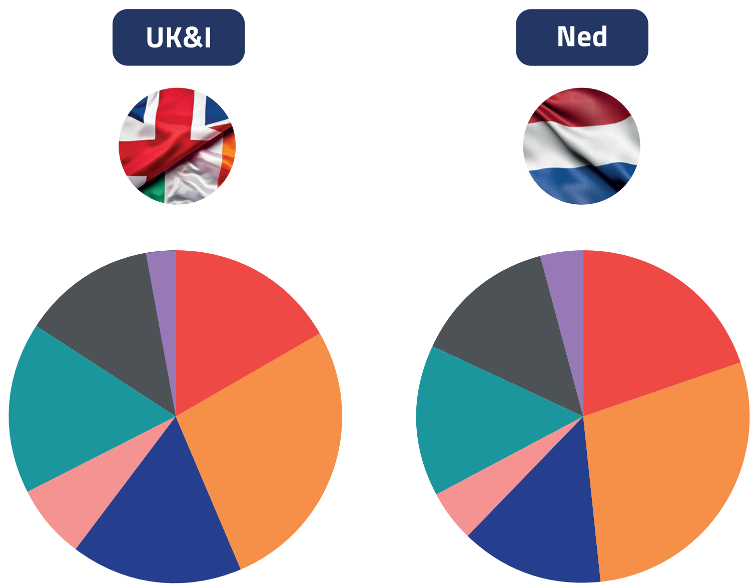
SAP BTP

Are you using or planning to use SAP BTP?

	Yes, using	Yes, planning to use	No
UK&I	42%	50%	8%
Ned	60%	31%	9%

Over 9 in 10 (92%) of UK organisations are already using or planning to use SAP BTP. This trend repeats in the Netherlands, where 91% of organisations are already using or planning to use SAP BTP.

What are your reasons for using SAP BTP?

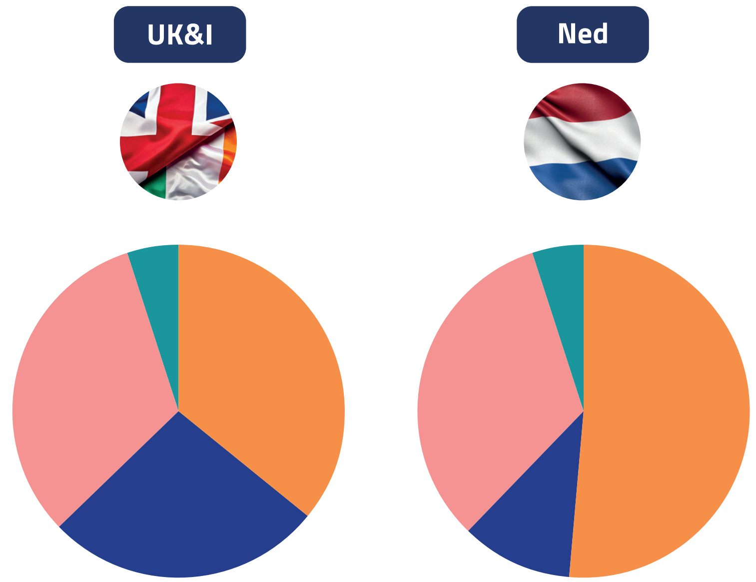


- **Application extensibility** - 16% (UK&I), 20% (Ned)
- **Integration** - 26% (UK&I), 29% (Ned)
- **Data and analytics** - 16% (UK&I), 14% (Ned)
- **Artificial intelligence** - 7% (UK&I), 5% (Ned)
- **Application development and automation** - 16% (UK&I), 15% (Ned)
- **It will support our SAP S/4HANA / RISE / GROW project** - 16% (UK&I), 14% (Ned)
- **Other** - 3% (UK&I), 3% (Ned)

Of those organisations in the UK and Ireland that use – or plan to use – SAP BTP, the top reasons why are: integration (26%), application extensibility (16%), data and analytics (16%), and application development and automation (16%). In the Netherlands, the top reasons organisations use SAP BTP are: integration (29%), application extensibility (20%), and application development and automation (15%).

AI

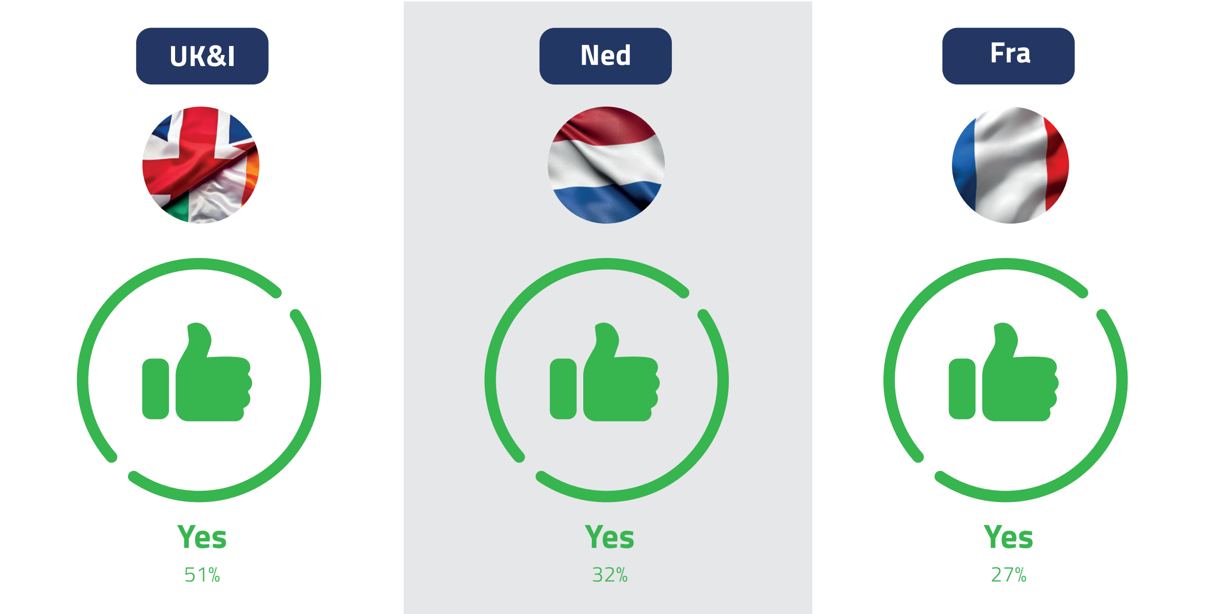
How would you best describe your organisation's approach towards AI?



- **We have no interest in AI** - 0% (UK&I), 0% (Ned)
- **We are in research mode** - 36% (UK&I), 51% (Ned)
- **We are actively building a strategy** - 27% (UK&I), 11% (Ned)
- **We are building pilot/initial use cases** - 32% (UK&I), 33% (Ned)
- **We have actively deployed AI across our business** - 5% (UK&I), 5% (Ned)

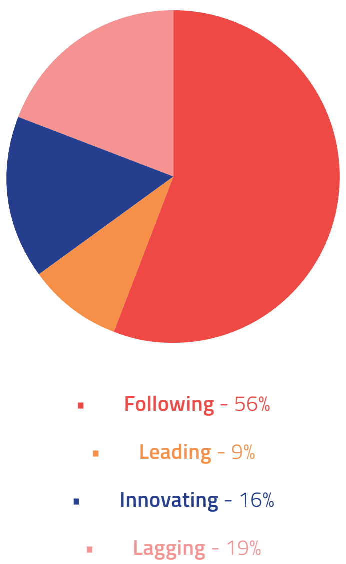
Nearly two-thirds (64%) of UK and Ireland organisations have begun to use AI in some way or build their AI strategy. In the Netherlands, nearly half (48%) of respondents have taken this step in their business, while 51% are researching AI use cases for their organisation.

Is your organisation engaging or planning to engage with SAP regarding the use of artificial intelligence tools?



Over half (51%) of UK and Ireland organisations will engage directly with SAP about the use of AI tools in their business. This is a higher proportion of businesses than in both the Netherlands (32%) and France (27%).

How do you perceive SAP in the context of enterprise AI?



Only a quarter (25%) of organisations in the UK and Ireland see SAP as a 'leader' (9%) or an 'innovator' (16%) in the context of enterprise AI. Comparatively, nearly 1 in 5 (19%) see SAP as 'lagging' behind other enterprise AI businesses. Similarly, in the Netherlands, 66% of VNSG members see SAP as 'following' and 13% as 'lagging.'

Supporting you on your SAP S/4HANA journey

The research shows that adoption of SAP S/4HANA is accelerating, but concerns remain over a range of technical, operational and commercial issues.

To support our members, UKISUG has a dedicated SAP S/4HANA community designed especially for customers and partners to collaborate, network and share their technical and business experiences, and their expertise on SAP S/4HANA.

This community features technical case studies on SAP S/4HANA development, implementation and deployment, advice on building a business case for the platform, and regular tech roadmap updates from SAP. These valuable resources are delivered via podcasts, webinars, whitepapers, blogs, FAQs and other channels. UKISUG is here to help you make SAP S/4HANA a success for your organisation.

For further information please visit **www.sapusers.org**

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