

# **EBOOK** A guide to modernizing with SAP ECC-based systems on AWS

Drive new business value from your existing SAP investments

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# Introduction

# ERP modernization isn't an all-or-nothing proposition

Over 15,000 SAP customers have upgraded to SAP S/4HANA, driven largely by desires to eliminate technical debt and facilitate their digital transformation. According to a 2020 IDC report, the leading driver for SAP S/4HANA adoption is faster innovation. However, the reality is that while nearly every organization wants to innovate faster, 81% of large businesses have not reached SAP S/4HANA POC phase<sup>1</sup>.

Some of these SAP customers don't have an upgrade to the next-generation ERP on their short-term technology roadmap. According to an ASUG report, 67% of businesses have not started to move to SAP S/4HANA<sup>2</sup>. However, SAP customers should still act with urgency as they think about ways to get more out of their ERP systems and data. De-prioritizing ERP migration and modernization due to uncertain S/4HANA plans can come with significant opportunity costs.

In this eBook, we will share the stories of AWS customers who are accelerating their transformation journeys by bringing existing SAP investments to AWS. We will also cover why lifting-and-shifting is often the best place to start, whether you have confirmed plans for an SAP S/4HANA transformation or you are still determining whether S/4HANA fits into your long-term plans.

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<sup>1</sup> ISG: ISG Provider Lens 2020: SAP HANA Infrastructure Services, October 2020

<sup>2</sup> ASUG and Syntax: The Marathon to the cloud for SAP Customers Begins with Strategic Sprints



## Start your ERP transformation with the systems you already have

SAP transformation does not have to be an all-or-nothing proposition — even if you aren't ready for SAP S/4HANA, you can gain immediate benefits by modernizing with SAP ECC. Many customers are finding that the best first step in their journey is to migrate the SAP systems they have, then determine how to tackle their ERP transformation once they're on the cloud.

# When should you start your SAP transformation with existing investments?

For many organizations, the most straightforward path to the cloud is to move your SAP systems as is. Taking this path typically entails no change to the application or database layer, meaning you can execute your migration with less complexity. As a result, you can realize immediate benefits including reduced infrastructure costs, improved performance, and automation capabilities that reduce operational burden for SAP Basis admins and other valuable resources. Then, you can turn your attention toward innovating around your SAP systems with AWS services to improve business process efficiency and deliver new customer experiences.

You can also lay the foundation for a simpler ERP upgrade in the future by taking incremental steps towards SAP S/4HANA adoption, like moving from your existing database to SAP HANA or consolidating redundant systems within your SAP application portfolio. In some cases, the cost savings realized by bringing ECC to AWS can even help pay for an SAP S/4HANA transformation down the road. Let's look at some customers who are progressing on their SAP modernization journeys after migrating ECC-based solutions to AWS.

# Customer success story: Del Monte Foods, Inc

## Lifting-and-shifting SAP ECC to AWS



"We can now deploy resources to work on the most important things, which is developing new products for our customers."

– Chad Anderson, CIO, Del Monte Foods

Del Monte Foods, Inc. is one of North America's largest producers and distributors of fresh and packaged foods. The company looked to AWS to cut costs and improve agility. At the same time, they hoped the cloud would help them achieve growth goals and keep up with rapidly changing customer expectations.

## **The Challenge**

Prior to migration, Del Monte was operating a legacy IT environment consisting of over 200 servers, 50 of which represented their SAP landscape. Their SAP ECC systems were not only expensive to maintain, but increasingly unstable. Del Monte recognized they needed to move their SAP ECC environment to AWS, and looked to migrate as quickly as possible, due to the fast-paced nature of their business.

### **The Solution**

Del Monte opted to lift-and-shift their SAP ECC environment to the cloud along with the 25TB of associated data. Taking this approach allowed the company to optimize for speed and minimize disruptions to their existing operations. Once running on AWS, Del Monte right-sized their SAP environment, reducing costs and retiring technical debt that had created instability in their on-premises environment. This lift-and-shift migration has kick started Del Monte's SAP modernization and now they are focused on innovating around core business processes.

#### **Results**

- Migrated 200 servers, including 50 for SAP, in less than 4 months
- Reduced SAP costs by 35%
- Reduced compute provisioning time from weeks to less than 60 minutes

# Cloud services unlock potential in your SAP landscapes

## Going beyond infrastructure for SAP

Once customers have lifted-and-shifted their SAP systems and optimized their infrastructure, they are able to quickly move their focus to modernization. Increasingly, SAP customers are using AWS as their platform of innovation by going beyond infrastructure to implement new business capabilities. AWS also makes it easy to combine SAP data with other data sources and leverage a broad set of analytics tools to drive new insights. Let's look at how Invista is going beyond infrastructure to re-imagine what's possible in manufacturing with ECC and AWS services.

# **Customer success story: Invista**

## Integrating SAP ECC with AWS services for manufacturing automation



"Before AWS, we didn't have the data or the compute power needed for models to predict failures. The improved asset performance management results in reduced downtime, decreased equipment damage, and higher revenues"

 – Elizabeth Gonzalez, Analytics Leader, Koch Industries/Invista on innovating with SAP ECC on AWS Invista is one of the world's largest integrated producers of chemical intermediates, polymers, and fibers. Like Del Monte, Invista lifted-and-shifted SAP ECC to the cloud, opting to maintain existing SAP capabilities that had taken years to customize and stabilize. Their migration brought on \$2 million in annual infrastructure savings and from there, focus has shifted to innovation.

## **The Challenge**

On AWS, Invista sought to drive operational improvements by bridging data silos that had previously made it difficult to share insights between teams. They also wanted to improve the customer experience by reducing product defects.

## **The Solution**

Invista migrated SAP ECC to AWS, combining SAP data with data from other enterprise systems in an Amazon S3-based data lake. This allows them to leverage a broad set of analytics tools to optimize inventory levels, reducing the number of spare parts on hand and saving millions globally. Additionally, Invista improved their quality inspections for both in-bound materials and throughout their production process. They now use Amazon Rekognition along with other artficial intelligence (AI) services to automate visual inspections with video analysis. Doing so has allowed them to dramatically reduce defects throughout their production processes, again lowering costs and improving customer satisfaction.

### **Results**

- \$2M annual infrastructure savings
- \$300M target value created from operational improvements
- Fully automated stocking process for fast-moving spare parts

# A move to Suite on HANA presents an incremental step toward S/4HANA

As part of your cloud migration, you can also move from Oracle, Microsoft SQL Server, or another database to SAP HANA. This approach allows you to realize the in-memory data capabilities of SAP HANA while maintaining your existing SAP ERP application. Adopting SAP HANA now also eliminates the need to re-platform at the database level if and when you're ready to upgrade to SAP S/4HANA. Let's look at one customer who has laid the foundation for their S/4HANA transformation by upgrading to SAP HANA.

## **Customer success story: Newmont**

## Upgrading to Suite on HANA to simplify SAP S/4HANA adoption

# **Newmont**...

"AWS migration was a significant milestone on our IT roadmap and important step towards integrating our systems in our journey to S/4HANA"

– Luis Canepari, CIO, Newmont Corporation Newmont, the largest gold mining company in the world, has realized significant value by moving its SAP ECC environment to Suite on HANA. In 2019, Newmont acquired Goldcorp, a gold production company based in Vancouver, Canada. This deal represented the largest acquisition in the history of the gold industry and is expected to deliver roughly \$500 million in annual cash flow improvements.

## **The Challenge**

After the acquisition, Newmont was left with significant SAP system redundancy, IT overhead, and inconsistent operations across the two companies' environments. To solve these challenges, Newmont sought to unify their own SAP ECC footprint with Goldcorp's existing systems. This effort would consolidate three data centers into a single AWS environment, which will eventually be an SAP S/4HANA instance.

#### **The Solution**

As they weighed their options, Newmont determined the most effective way to execute this project was to migrate to AWS and reduce their SAP ECC footprint to simplify a greenfield SAP S/4HANA upgrade downstream. As part of this effort, Newmont moved from an Oracle database to SAP HANA in order to begin leveraging the database's in-memory capabilities. Newmont realized immediate benefits — cost reduction, stronger security, and a more effective business continuity strategy. Now, they've begun their transformation to SAP S/4HANA.

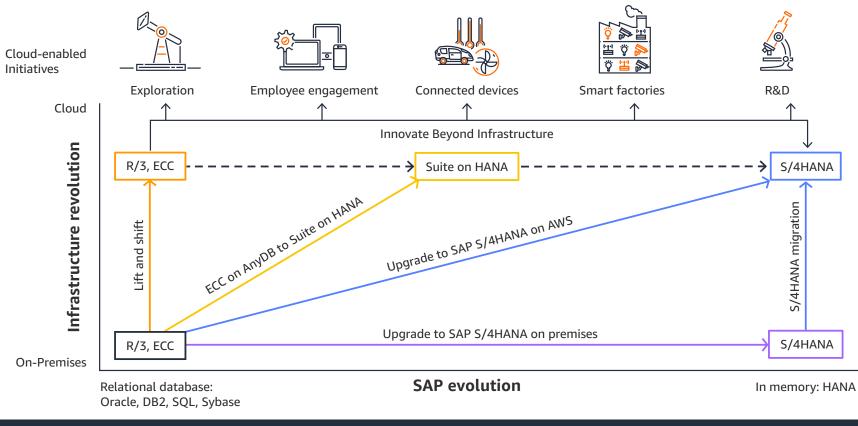
#### **Results**

- \$530k annual operational cost reduction
- Improved business continuity and lower RTO/RPO
- Stronger security posture

# The platform of choice and innovation for SAP customers

Even if SAP S/4HANA is not in your immediate technology roadmap, you do not have to put off SAP modernization. Instead, you can realize immediate benefits and make meaningful progress in your modernization journey by bringing your existing SAP systems to AWS.

**Lift-and-shift:** Move your SAP ECC environment to AWS as is to reduce costs, retire technical debt, and lay the foundation for deeper modernization. **Innovate beyond infrastructure:** Reshape processes and add new business capabilities to your SAP ECC systems by leveraging AWS cloud services for AI/ML, IoT, data lakes, and more. **Suite on HANA:** Move from AnyDB to SAP HANA to start leveraging real-time capabilities and take an incremental step towards SAP S/4HANA transformation.



# Take the first step in your ERP transformation

AWS offers flexibility and choice on this path, whether you have immediate plans for SAP S/4HANA adoption or not. With purpose-built, SAP-certified cloud resources, as well as a mature partner community, AWS will deliver the support you need to migrate SAP systems and innovate around core business systems.

- <u>Accelerate your cloud journey and receive service credits with the</u> <u>AWS Migration Acceleration Program for SAP</u>
- <u>Gain expertise to help you achieve your desired outcomes with AWS</u>
  <u>Professional Services</u>
- Find an AWS SAP Partner to guide your journey