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The Evolution of SAP Support Services: SAP Enterprise Support

Sponsored by: SAP

Elaina Stergiades Matt Healey

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IDC OPINION

Enterprise software is a mission-critical part of an enterprise's IT landscape, allowing everyday business processes to continue uninterrupted. To ensure peak performance and reliability, an enterprise must implement a comprehensive strategy to support its software environment.

An ideal support strategy includes not only software upgrades, updates, and patches but also features that will minimize downtime and address changing customer requirements. IDC recommends that enterprises use the following guidelines to ensure that their enterprise software is properly supported:

- **Determine the flexibility of the support offering.** Enterprises should consider support services agreements that can easily adapt to their environments, regardless of deployment size or scale. Support providers that can support multiple components of an IT environment can also be useful here.

- **Evaluate the level of support outlined in the offering.** In addition to providing upgrades, updates, and patches, support services offerings should include features that can help minimize downtime. Enterprises should look for guaranteed response times, advanced remote support functionality, high availability of support staff, and continuous quality checks.

- **Consider the support priorities of your operational environment.** Vendors are designing support solutions that address new industry dynamics, either by offering support for an entire IT environment or through advanced remote monitoring functionality. Enterprises should assess the support needs of their IT environment when evaluating these new options.

SITUATION OVERVIEW

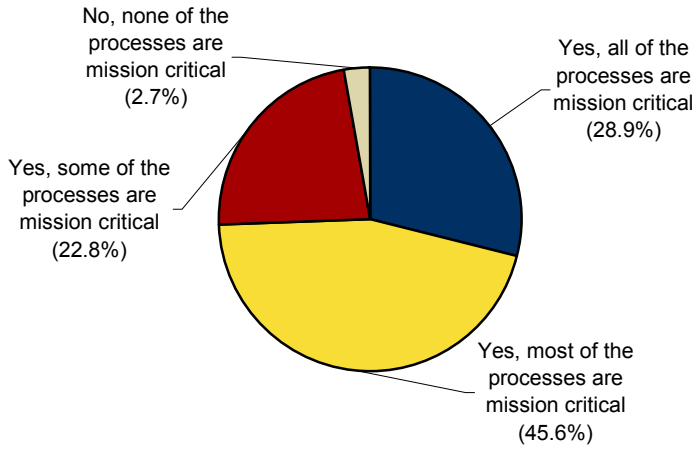
Enterprise applications have become a mission-critical part of the enterprise IT landscape. In a survey conducted by IDC on behalf of SAP, almost 75% of customers indicated that either all or most of their recently implemented enterprise software is considered to be running mission-critical processes essential to everyday business operations — so downtime is not an option. See Figure 1 for additional details.

Global Headquarters: 5 Speen Street Framingham, MA 01701 USA P.508.872.8200 F.508.935.4015 www.idc.com

FIGURE 1

Importance of the Most Recent Software Application Enterprises Have Purchased

Q. Is the enterprise software that you most recently implemented running mission-critical processes?



n = 152

Source: IDC, 2008

With the increasing importance of enterprise software, customers need to be sure that these complex software packages are properly supported. By using enterprise software vendors to provide support services, customers gain access to a variety of advanced features. In addition, enterprise vendors can provide a full support strategy for their customers that maps out the best practices for supporting their enterprise landscapes. In the survey, IDC examined why customers buy premium software support services (which *typically* feature upgrades over basic support services).

The most important reason customers purchased premium software support services was the availability of software upgrades, updates, and patches. While this feature is generally included in standard support offerings, it is still one of the most important features — and ensuring a smooth and reliable implementation is paramount. The second most important reason that customers purchased premium software support services was to minimize the downtime of the application. The third most important reason was the availability of a guaranteed service-level agreement (SLA). The latter two reasons speak to minimizing the impact of any software issues on the business. See Figure 2 for additional details.

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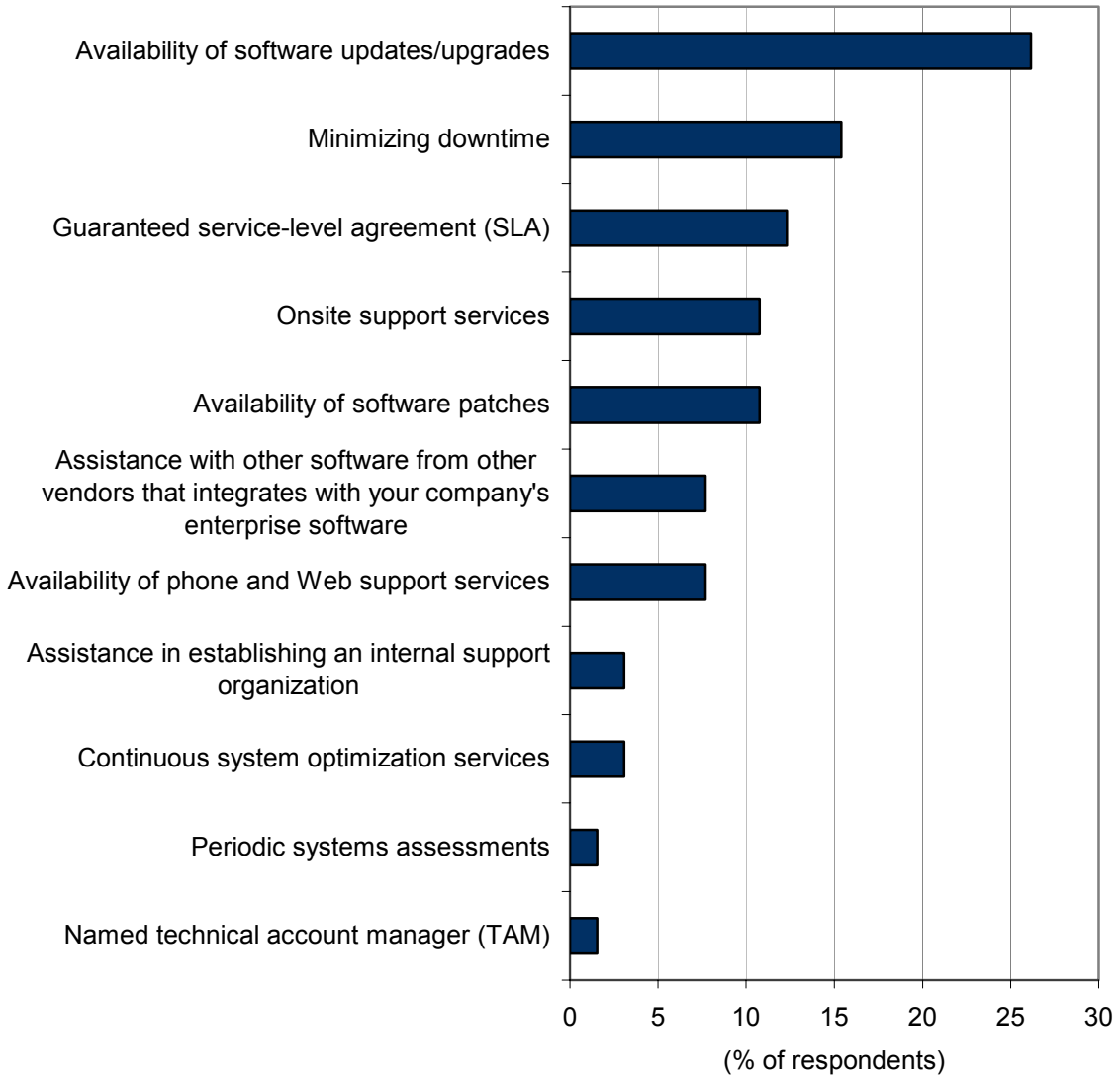
FIGURE 2

Why Customers Buy Support

Q. Which was the most important factor in purchasing a support services agreement for your company's enterprise software?



Source: IDC, 2008

IDC continues to see many enterprises relying on enterprise software for everyday operational needs, and we believe that this trend will only intensify in the future. Increasingly, these comprehensive software packages are deployed to address mission-critical business processes — which means that peak performance and reliability are primary considerations for most IT departments. Even one hour of downtime could translate into significant revenue implications. As more enterprises consider the move to service-oriented architecture, minimizing downtime becomes critical.

To maximize performance and reliability, most enterprises dedicate significant IT resources to maintaining their enterprise software — including a portion of their external budget for software support services. Recent trends include the following:

- **Single support provider.** Increasingly, most enterprises are looking for a single point of contact for their enterprise software support services. A single source has many advantages: easier contract management, consistent support processes across the organization, deep familiarity with the customer environment, and a single point of accountability for the entire enterprise. In addition, a single support provider can coordinate all aspects of support for every application in the enterprise IT environment. Even as customer environments become more heterogeneous, they will look to support providers to maintain applications across the environment.

- **Remote support services.** As customer environments become increasingly customized and elaborate, the traditional method of delivering one-on-one personal support has become difficult. Although IDC believes that customers will always want access to personal support, they are becoming more accepting of support solutions and services that are delivered remotely. Customers realize that utilizing remote services and solutions allows support providers to resolve potential software issues before they impact critical business processes — balancing any concerns they might have regarding remote access.

- **High availability of support staff.** With an increased reliance on software for mission-critical operational environments, enterprises want the ability to contact support providers whenever a problem occurs — regardless of when or where it happens. For many enterprises, this means 24 x 7 availability of software support staff either by phone or via Web chat/email. However, if the primary method of contact is online, response times must be near immediate to fulfill this expectation.

- **Flexible support offerings.** Enterprises want the ability to select a support package that will satisfy their basic requirements, without excessive conditions or stipulations as to what is and is not covered. In addition, they are looking for support offerings that are comprehensive and simple to understand — too many layers and options can lead to customer confusion, making it difficult to select the right package.

IDC believes that these market dynamics will evolve over time, and more and more enterprises are looking to support services providers to meet these requirements. To meet shifting customer demands, support services offerings have to continuously evolve.

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SAP ENTERPRISE SUPPORT

SAP is introducing SAP Enterprise Support to support today's highly integrated environments and complex technological frameworks. SAP Enterprise Support was designed to meet the changing dynamics outlined in the preceding section — especially for mission-critical solutions. SAP Enterprise Support can incorporate all aspects of an enterprise environment, including SAP applications, customer-specific code, and partner solutions.

SAP Enterprise Support develops and expands selected SAP capabilities to provide greater support flexibility and protect mission-critical processes for both large and midsize enterprises.

SAP Enterprise Support includes new features, tools, and processes that apply throughout the life cycle of a customer's SAP environment. From design and build through implementation, operations, and ongoing upgrades, SAP Enterprise Support can support SAP customers at every phase of their SAP life cycle.

SAP Enterprise Support provides new tools and capabilities for a change management process that can be applied from scoping to deployment. By utilizing one process throughout the life cycle, SAP Enterprise Support can help customers maintain consistent levels of support for change and quality management while potentially reducing the risk of production downtime.

SAP Enterprise Support also features new processes and utilities to provide custom component management throughout the support life cycle — including operations, application management, maintenance, integration testing, and technical upgrades. SAP Enterprise Support includes tools that will allow customers to manage custom programs and reports throughout upgrades and enhancements. In addition, SAP Enterprise Support custom component management can assist customers by providing guidance and documentation regarding potential conflicts during upgrades and enhancements for the entire enterprise IT ecosystem.

By focusing on support throughout the IT ecosystem spanning the software life cycle, SAP is demonstrating a commitment to support at the solution level through SAP Enterprise Support. SAP Enterprise Support is designed to integrate the IT ecosystem and to provide SAP customers with a broad support network based on the end-to-end support infrastructure and mutually accepted support rules between all members of a customer's IT environment.

End-to-End Solution Operations

SAP Solution Manager

SAP Enterprise Support will extensively use SAP Solution Manager, an application management solution that serves as the foundation for customers' mission-critical operations. During a downtime incident, customers can use SAP Solution Manager to provide SAP with the necessary information about their systems. This can help expedite the support services process and ensure that SAP quickly responds to and addresses the problems.

SAP Enterprise Support will feature an enhanced version of SAP Solution Manager based on its existing version and will include the following:

- **Improved management of software and configuration changes.** This includes comprehensive test management and change management for implementing enhancements and support packages. The functionality will help identify modifications and customization in existing software and define a testing plan focused on potential areas of conflict when implementing support and enhancement packages.

- **Better traceability.** This functionality provides customers with the ability to trace and identify origin of issue across the complex landscapes, reducing the risk of downtime and the amount of time/resources necessary for resolution. The traceability functionality has been enhanced with the following scenarios: process structure management, document management, change management, and test management.

- **Solution Documentation Assistant (planned).** SAP plans to deploy a new approach to analyzing customers' solution landscapes, intended to automatically provide a full-scale system usage report and generate customer core business process models in SAP Solution Manager. This functionality will allow customers to jump-start business improvements and upgrade projects by extraction of business process data, enable system consolidation and documentation with automatic system comparison, and ensure knowledge transfer is based on up-to-date process information.

Mission-Critical Operations Support

SAP Enterprise Support is designed to provide mission-critical operations support through its use of continuous quality checks, a support advisory, and service-level agreements.

Continuous Quality Checks

SAP Enterprise Support will utilize the continuous quality checks that were featured in previous support offerings. SAP conducts continuous quality checks throughout the project's life cycle with a focus on usability and potential risks to the system. The types of quality checks focus on three main areas: technical risk assessment, operational readiness, and/or optimization assessment. As part of a quality check, the customer receives a detailed report of findings that provides actionable recommendations to address identified areas of risk.

Support Advisory

SAP Enterprise Support includes a Support Advisory that features a dedicated team of support advisors who are available to address customer issues 24 hours a day, 7 days a week. This is a change from previous offerings, which provided a named support advisor who maintained contact with customers during regular business hours — 8 hours a day, 5 days a week. IDC believes the increased availability of SAP support advisors could offset the loss of a single contact with SAP.

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Another feature of the Support Advisory is a dedicated line for telephone contact with SAP. This will help SAP Enterprise Support customers reach the support advisors quickly and efficiently. Support advisors will focus primarily on remote solutions for customer issues. Onsite support will be employed only when necessary.

Service-Level Agreements

SAP Enterprise Support provides SLAs for response time and corrective action for any issues that arise after implementation is complete. SAP Enterprise Support also includes SLA response time and corrective action guarantees for project-based incidents that may occur during implementation.

For Priority 1 problems, SAP will guarantee a response within one hour of the customer reporting the problem and provide either a resolution or a corrective action plan within four hours. In addition to the SLA response and corrective action guarantees for Priority 1 problems, SAP Enterprise Support includes guaranteed four-hour response time for Priority 2 issues. To support the defined SLA, SAP faces financial penalties if it fails to meet the designated response times.

Run SAP

SAP Enterprise Support includes features specifically designed to deliver end-to-end support operations. By leveraging the Run SAP operations methodology to deploy solution operations standards, enterprises can build best-in-class processes along a number of key support areas, including business process monitoring, change request management, and volume and data transparency. Run SAP provides the standards, methodology, and best practices to implement end-to-end solution operations. This approach can help provide increased transparency across the enterprise landscape, thereby allowing better decision making and supportability, which can lower the total cost of operations.

SAP Global Support Backbone

Along with SAP Solution Manager and the service and support infrastructure currently in place, SAP Enterprise Support can facilitate collaboration between SAP, customers, and partners through its Global Support Backbone. This allows all participants in the SAP ecosystem to share best practices and solutions, potentially reducing incident resolution time and system downtime. Customers and partners can access SAP's knowledge hubs, such as Service Marketplace and SAP Developer Network. The Global Support Backbone can also support integrated life-cycle management, incident management, service delivery, and software updates.

Additional Features

SAP Enterprise Support has no minimum license purchase requirement and will be available for deployments regardless of enterprise size. Removing the minimum license restriction will allow most SAP customers to purchase SAP Enterprise Support.

SAP Enterprise Support will be available for both SAP and non-SAP applications, including all third-party applications in its sales portfolio. The only exceptions are the SAP Business One application (which typically has certified partner support) and the SAP Business ByDesign solution (where support is already built into the product offering).

Finally, SAP Enterprise Support will be available through channel partners and resellers. SAP will announce the details of this program later in 2008.

An Evolution of SAP Support

IDC believes that SAP Enterprise Support is the natural evolution of SAP support programs, illustrating how support providers are responding to the ongoing trends in software support services. Enterprise customers are demanding a more robust support solution from their support providers, and SAP is answering that call with SAP Enterprise Support.

By expanding SAP Enterprise Support to include third-party applications sold by SAP, the company is providing a single point of contact for enterprises with increasingly heterogeneous environments. This enables SAP to offer a more complete software support solution to its customers. In addition, expanding SAP Solution Manager to include functionality with advanced remote and proactive support capabilities can help customers maintain their software environments more easily — and perhaps prevent potential issues from causing customer downtime.

SAP Enterprise Support also offers enterprises more flexibility to meet changing business dynamics. Removing the minimum license fee and including most third-party applications ensure that SAP Enterprise Support is available to most SAP customers, regardless of the customer's deployment environment. Finally, expanding support staff availability to 24 x 7 will help SAP cover SAP Enterprise Support customers that operate mission-critical environments every day.

IMPLICATIONS FOR SUPPORT SERVICES CUSTOMERS

The introduction of SAP Enterprise Support to the SAP support portfolio presents an additional option for enterprises considering support services solutions.

Existing SAP Premium Support Customers

For enterprises that currently subscribe to SAP Premium Support, all aspects of their current contracts, agreements, and terms of service will remain valid throughout the life of the contract. They can expect uninterrupted service from SAP, including ongoing contact with the named technical account manager and stated SLAs.

SAP Premium Support subscribers will have the option to upgrade to SAP Enterprise Support if they desire.

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Current Installed Base

The introduction of SAP Enterprise Support will enable all current SAP customers to consider purchasing support services directly from SAP. SAP Enterprise Support requires no minimum fee, making the offering available to most SAP customers regardless of license fee.

SAP is making SAP Enterprise Support available for all SAP software, except for SAP Business One and SAP Business ByDesign. Additionally, SAP Enterprise Support is available for non-SAP applications that are sold by SAP, which will also enable enterprises to consider purchasing support for software packages that were previously not covered by SAP.

New SAP Customers

Customers considering purchasing SAP software now have a support option that is geared toward supporting their service-oriented architecture environment, regardless of the software purchased or the size of the deployment. In addition to SLAs for software-related issues, SAP Enterprise Support offers SLAs for Priority 1 project go-live showstoppers that occur during implementation. This feature demonstrates the software provider's commitment to working closely with enterprises by including noncompliance penalties if it does not meet the listed SLA thresholds.

Large Enterprises

IDC believes that SAP Enterprise Support is a suitable option for large enterprises whose operational needs do not require a custom offering. Support requirements will vary according to the complexity of the implementation and the critical nature of the business process involved. In those cases, SAP Enterprise Support is a practical option to receive support services directly from SAP.

Midsize Enterprises

IDC believes that SAP Enterprise Support is well suited for customers with mission-critical SAP applications that lack the resources or scale to necessitate a custom support agreement. Many medium-sized enterprises are using SAP software to run critical business processes and therefore require a high level of support services. SAP Enterprise Support is a choice that offers these organizations robust support services directly from SAP.

Review of Key Benefits

The introduction of SAP Enterprise Support presents customers with the following expanded capabilities:

- No minimum license fee
- Support Advisory available 24 x 7
- SLAs for issues, including project showstoppers

- SAP-directed support for both SAP and non-SAP applications
- Additional functionality associated with SAP Solution Manager
- Run SAP methodology and end-to-end solution operations standards

CHALLENGES/OPPORTUNITIES

The primary challenge for SAP when delivering SAP Enterprise Support involves the expectations of the customers that IDC believes will be most interested in this offering. IDC believes that SAP Enterprise Support will be most attractive to a range of customers, from large enterprises to midmarket customers with SAP implementations of varying sizes. This is especially the case now that the minimum license fee has been eliminated. Many of the midmarket customers will have environments that are comparable to those of much larger enterprises in terms of complexity and will require high levels of service from the SAP support staff. Most SAP Enterprise Support customers will expect superior service as part of this offering. If SAP fails to meet these expectations, it could face a backlash from the very customers it is hoping to attract with SAP Enterprise Support.

The elimination of the minimum license fee and the addition of third-party applications to the support package also present several issues. With SAP Enterprise Support, SAP has the opportunity to provide support for customers with smaller installations that previously did not qualify for SAP support services. As stated earlier, these customers will expect a very high level of service. SAP has to make sure that it can adequately address all issues raised with the third-party applications SAP resells to ensure ongoing satisfaction. In addition, the company should be prepared to address support requests from smaller enterprises. Their needs can differ from large enterprises, and keeping them happy will be critical to the long-term success of SAP Enterprise Support.

In addition, IDC believes that SAP may face resistance from new customers regarding the suite of support options available from SAP. New customers will have to decide between SAP Enterprise Support and SAP MaxAttention for software support services, as SAP Safeguarding is available specifically for project-level support. Given the variability in how enterprises deploy SAP applications, customers might be looking for a less comprehensive option for software support.

Finally, SAP will need to be conscious of how its partners and other ISVs view this offering. Support services can be a needed revenue stream for ISVs — so they can be protective of this revenue. IDC recommends that SAP work to diminish any potential concerns among its partners and ISVs. Stressing collaboration, compatibility, and interoperability as part of SAP Enterprise Support could help demonstrate commitment from SAP to work with this community. IDC also recommends emphasizing the inclusive features that are a part of SAP Enterprise Support with regard to non-SAP applications. SAP can also consider incorporating partner and ISV feedback and recommendations into future versions of SAP Solution Manager. These measures can help confirm its commitment to support non-SAP software and to work with its partners and ISVs that develop on the SAP platform — and will ultimately produce a stronger solution for the enterprise customer.

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CONCLUSION

Enterprise software has become an essential component of everyday operations in most large enterprises and small and medium-sized businesses. To minimize downtime and maintain peak performance, enterprises must ensure that their software packages are properly supported. For mission-critical business processes, this likely means providing more than the typical basic-level support. To better meet the needs of demanding customers that require a high level of software support, SAP is offering SAP Enterprise Support. IDC believes SAP Enterprise Support is well suited for customers that rely on their SAP environments for critical business processes. For medium-sized enterprises, it is an option to complement lean IT support resources. By supporting their applications with SAP Enterprise Support, these customers can gain a higher level of service at an affordable price.

METHODOLOGY

Respondents

Respondents were invited via email to participate in an IDC-sponsored online survey regarding enterprise software services.

To qualify for this study, respondents needed to have 500 or more employees (worldwide) and be located in the United States. Customers had to have used external services either to install new enterprise software or to upgrade an existing enterprise software package within the past 12 months. Of the respondents, 65% had installed new enterprise software and 35% had upgraded existing software.

One hundred and fifty two respondents successfully completed the survey. 70% of the respondents who completed the survey were with companies that had over 2,500 employees, and the remaining 30% were with companies that had 500–2,499 employees. Government and education respondents were excluded from this survey.

Survey Schedule

The survey was conducted in September 2006.

Data presented in this document is consistent with recent IDC studies and research.

Weighting and Data Analysis

Data was not weighted.

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