INNOVATE *LIKE NEVER BEFORE*

Disruptive B2B2C eBusiness solutions provided on next-generation mobile empowered Business Webs

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Agenda

We look into the future of IT and business software.

How will the business world look like in 3, 5, and 10 years?

What are game-changing future trends?

How can we help our customers to run better?

We are a global team

Darmstadt
Dresden
Karlsruhe
Walldorf
NEW: Skolkovo
Belfast
Dublin
Paris
Sophia Antipolis
Regensdorf
Vancouver
Montréal
Palo Alto
St.Gallen
Ra'anana
Tokyo
Bangalore
NEW: Singapore
Sao Paulo
Pretoria
Brisbane
Sydney

Locations with 4 or more employees

We co-innovate and collaborate.

BUSINESS STRATEGY

We identify, evaluate, and create new businesses and next big things.

emerging economies	future energy	future logistics
future manufacturing	future retail	urban management

TECHNOLOGY STRATEGY

We strengthen our technological foundation.

security	big data	
hardware	platforms	human computer interaction

TALENT & SKILL STRATEGY

We benefit from our global network.

university ecosystem		talent attraction & retention
software campus		PhD program

Our research approach

RESEARCH ENGINE

- Applied research
- 3 to 5 year application and technology innovations

COMMERCIALIZATION ENGINE

- Business incubation
- 1 to 3 year technology and business innovations

Agenda

1972

Our World's population was **3.8bn**
Only **36%** were living in cities.

2012

Our World's population is **7bn**

Already **50%** are living in cities.

2052

Our World's population will reach **9bn**

Predicted **70%** will live in cities.

Manage challenges of increasing urbanization

- Climate change
- Citizen demands
- Fiscal pressure
- Urbanization

Customers are looking for value

3.5
billion
coupons redeemed
in 2011

45%
want retailers to
understand their
preferences

>70%
have a loyalty or
rewards card

SAP

Data, Data Everywhere

Digital Media

Business Data

A/V Streams

Social Networks

x 10

Digital Shadow

Logfiles

Surveillance Videos

x 1.000

Internet of Things

RFID

Smart-Grids

Genome Sequencing

Predetermined Trends we will face

Non-Technological Drivers

Demography

Population growth will take place in the developing world

Economic Power is Multi-polar
Wealth, prosperity and economic power will continue dispersing across the world

Healthcare

Will increase as major focus of public concern and spending due to populations age

Natural Resource Constraints
Perceptions of resource shortages drive national strategies based on zero-sum calculus

Life-long Education
Potential for individual human agency will expand in a range of ways

Technological Revolutions

Mobile Connectivity
Virtual connections grow, even as physical networks shrink and localize

Masses of new data
Availability of data to be queried for new analytical insight will change our mindsets

Digitization

Will continue to roil through industries and business processes of all kinds

User experience

Rapid improvement of the user experience, legibility and action ability of systems

Access to information
Real-time information availability will change will change the forms of organizations

Trends in Enterprise Computing

Business Network as the Model

Businesses are moving away from static supply chains towards **adaptive and dynamic value networks formed through collaboration**.

Everything as a Service

Business activities from mainstream industries will move into the Internet of Services and will be presented as the **next wave of consumable services.**
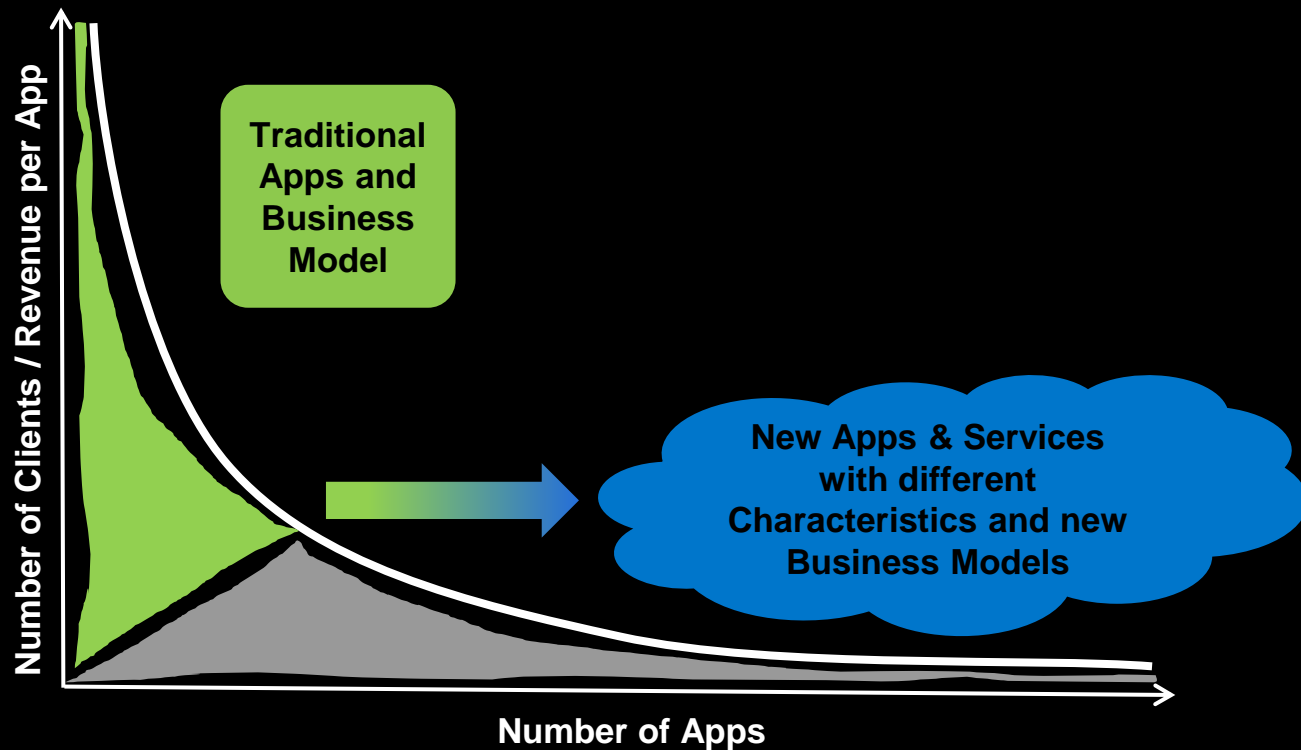
Internet of Things

Massive volumes of information from intelligent and connected things will change the way businesses and consumers interact.

Technology Disruption

Traditional business models are being disrupted by technology trends including **enterprise mobility, in-memory capabilities, real-time analytics and cloud computing.**

A shift in the App market opens up unique opportunities

The Inflection in Enterprise Software

The Emergence of the Cloud indicates the need for new "Systems of Engagement"*

Cloud Systems

GAP

Current Enterprise Systems
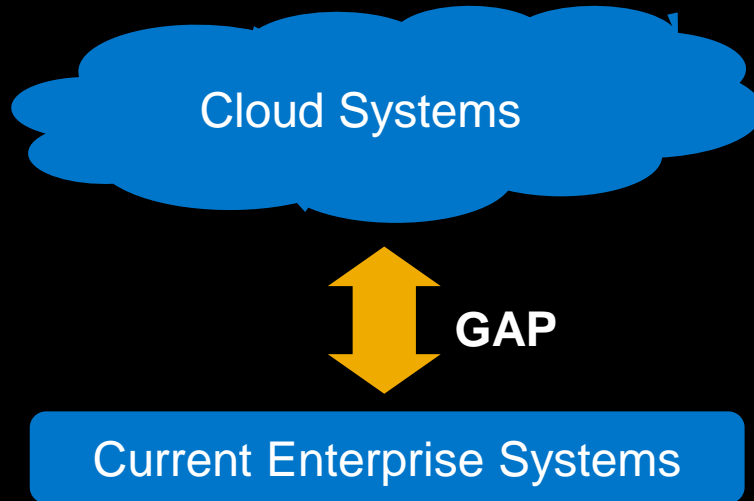
Emergent Needs

- **Mobility**
- **Big Data**
- **New User Experience**
- **Elastic**
- **Social**
- **Internet of Things**

Agenda

Business Web: A True Business Cloud for the Enterprise

The Business Web is **a cloud-based business environment** that provides access to the necessary infrastructure, applications, content, and connectivity to deliver **end-to-end business services** optimized for **mobility** and ease of participation.

Business Web

Service Center

Trusted Network of Business Service Providers

App Store

One-Stop Shop for Mobile Business

Infrastructure

Tools for Developing and Operating Business Services on the Cloud

Content Center

Globally Aggregated Business Intelligence for Real-Time Trading
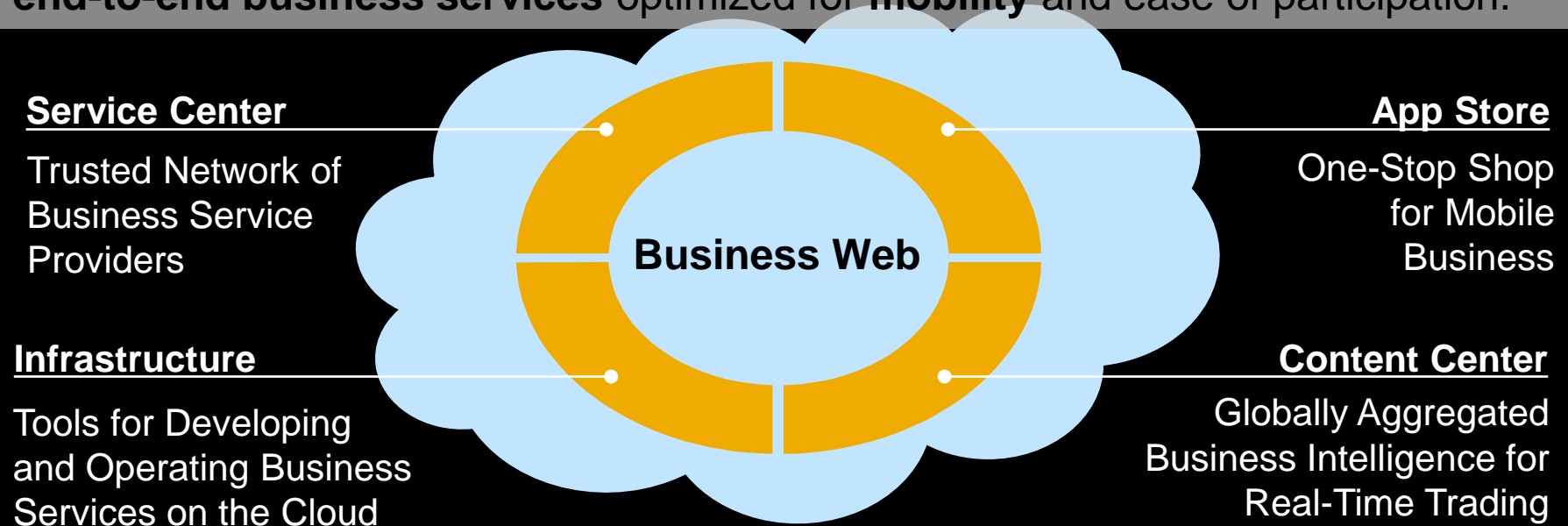
Business Web: Marketplace and Business network

The Business Web is **a cloud-based business environment** that provides access to the necessary infrastructure, applications, content, and connectivity to deliver **end-to-end business services** optimized for **mobility** and ease of participation.

The Provider Side

- Business Web Partners
- Service Providers
- Developer Community
- Businesses/ Enterprises
- Government

Enterprise, Web or Machine Data

Business Web

End-to-End Orchestration

- Business Services
- Applications and Content
- Technology and Infrastructure

The Consumer Side

- Businesses/ Enterprises
- Connected Consumers
- Government
- Connected Consumers

Agenda

Precision Retailing

Why?	What?	Business Model

Why?
- Help to increase the margin for retailers
- Reach consumers with targeted offers / deals
- Increase image of retailers and help to position them as thought leaders in the area

What?
- Real-time on-demand marketing platform both for retailers and end consumers
- Mobile shopping assistant that delivers relevant product information, location, and special offers
- Dashboard for retailers to gain information

Business Model
- Retailer pays SAP per App download
- SAP gets a share from each coupon redeemed ⇨ SAP shares success with its customers
- Retailer charged per employee using the dashboard

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Smart Asset Tracking

Why?	What?	Business Model

Why?

- Real-time insights into sales, conclude on conversion rate
- Avoid stock-outs
- Increase supply efficiency
- Detect failures
- Increase sales

What?

- Cabinets as smart items connected to the backend allowing real-time monitoring and enabling faster reactions
- Mobile App for truck drivers
- App for improved planning of daily logistics

Business Model

- Subscription fee per connected ice cream cabinet (bundling)
- Subscription fee to monitor connected assets (business user)
- Subscription fee per user (dispatcher)

Smart Logistics

Why?	What?	Business Model / Challenges

- Increase logistics efficiency
- Fast and flexible integration of new partners in trading network
- Optimized resource allocation Transparency for all involved players
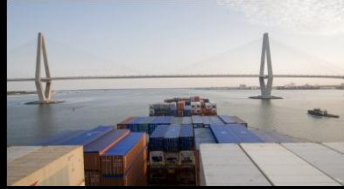
- Supply chain visibility across different parties, traffic control and vehicle management
- Individual guidance of parties regarding availability of resources

- Managing port operations efficiently and at the lowest cost is a high priority (traffic congestion -> smart traffic control)
- The plan is to offer additional services (smart container operations, sea traffic control, terminal operations, etc.) to increase competitor position

Last Mile Network
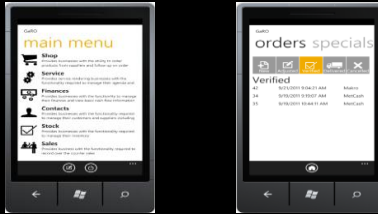
Why?	What?	Value Proposition

Potential market

- Last-mile VSME retail stores : Large untapped market opportunity

- Customer Pain - the last mile retail stores in India have a highly inefficient, manual supply chain

- Business needs not satisfied by current SAP product / services

Mobile services offered for very small enterprises in emerging economies

- Procurement

- Sales

- Financials

- Inventory

Leverage of ecosystem

- Expand total addressable market for SAP

- Create a connected retail supply chain for India

- Enable credit for rural India

SAP RESEARCH

Information as a Service: Our Concept

Primary sources

➢ Structured business data

➢ Beyond own reach

➢ New revenue stream for data owners

➢ Examples: Diagnoses, clinical parameter, Point-of-Sale Data

Generation

Consumption

Secondary sources

➢ Usually unstructured

➢ Publicly available

➢ Examples: bulletin-boards, search logs, meta data

Data Cloud
cleanse – harmonize – relate

Hybrid Cloud (Customer Specific Data)

Platform as a Service
incl. commercial & security framework

Analytical services

Transactional services

Value Added services

SAP
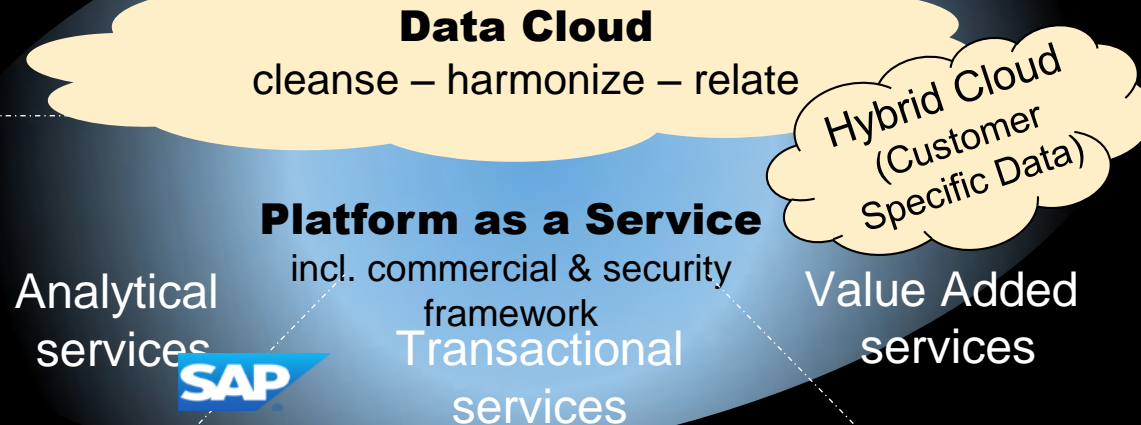
Smart Diagnostics Scenario

Problem: Record pandemic outbreaks in real-time to support differential diagnostics, to enable preventive measures and to prepare the health system

Approach

➢ Carry out sentinel surveillances amongst doctors and the public

➢ Support doctors to classify symptoms to improve differential diagnostics based on WHO case definitions

➢ Support health authorities and pharmaceutical companies to predict the behavior of an outbreak

Stakeholder and benefits

➢ Citizens, doctors: Transparency, monetary incentives

➢ Authorities: Monitoring of the spread

➢ Hospitals: Capacity planning in case of pandemic outbreak

➢ Pharmaceutical industry: Adaption of the supply chain

Vaccination campaigns

Real-time Value Add Networks in Industry 4.0

1. Customer-specific link from design to configuration, ordering, planning and production

2. Dynamic process negotiation from ordering to delivering (quality, time, risk, robustness, price, environmental safety, ...)

3. Dynamic adaptation of production sites and logistics

4. Monitoring and feedback in real-time (production, logistics, business relationships)

5. Emergent effects and variable framework conditions (regulatory requirements, risk, liability, export control)
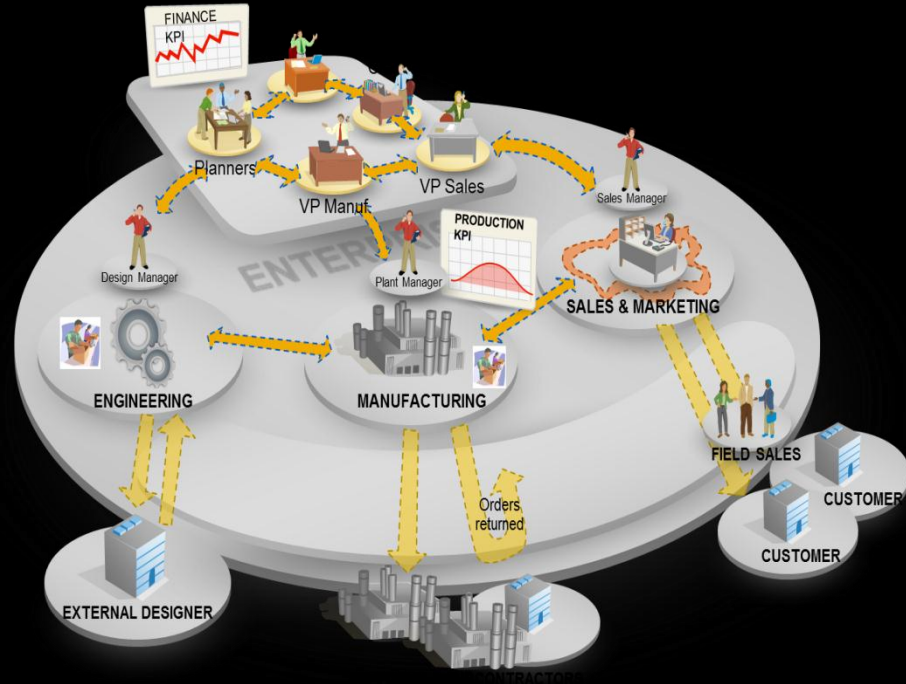
Use energy in a sustainable way

Information and Communication Technologies (ICT) and especially new applications can help sustain electricity supply while protecting the environment.
ICT will enable a wider integration of renewable energy, promote innovative low-carbon transport alternatives such electric vehicles and encourage the way electricity is consumed.

Over 1.0 billion tons of Carbon Dioxid

emissions can be saved by 2020

on a world wide scale through Smart Grids

Individual prognoses with green sheep
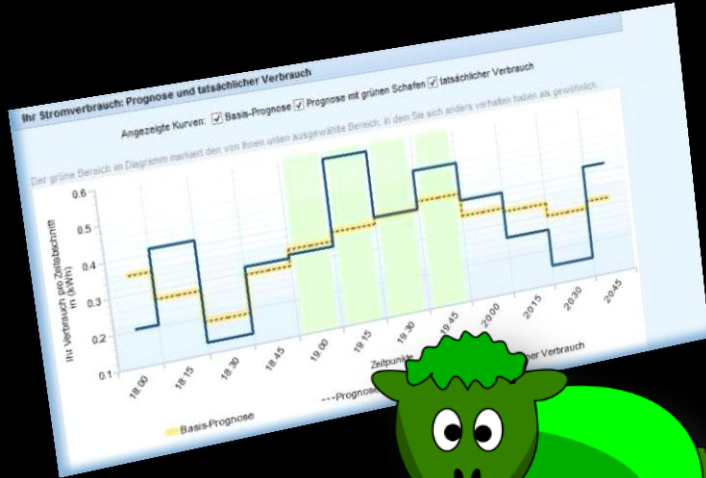
- Together with project partners we
  - build up an infrastructure for smart grids
  - and enable continuous consumption prognoses
  - to supply required energy more efficiently

- Together with a thousand test customers
  - we test new services for a better energy management
  - that allow more interactions between supplier and consumer
  - to create individual consumption prognoses and thereby safe more energy

The Green Sheep - Notification Scenario
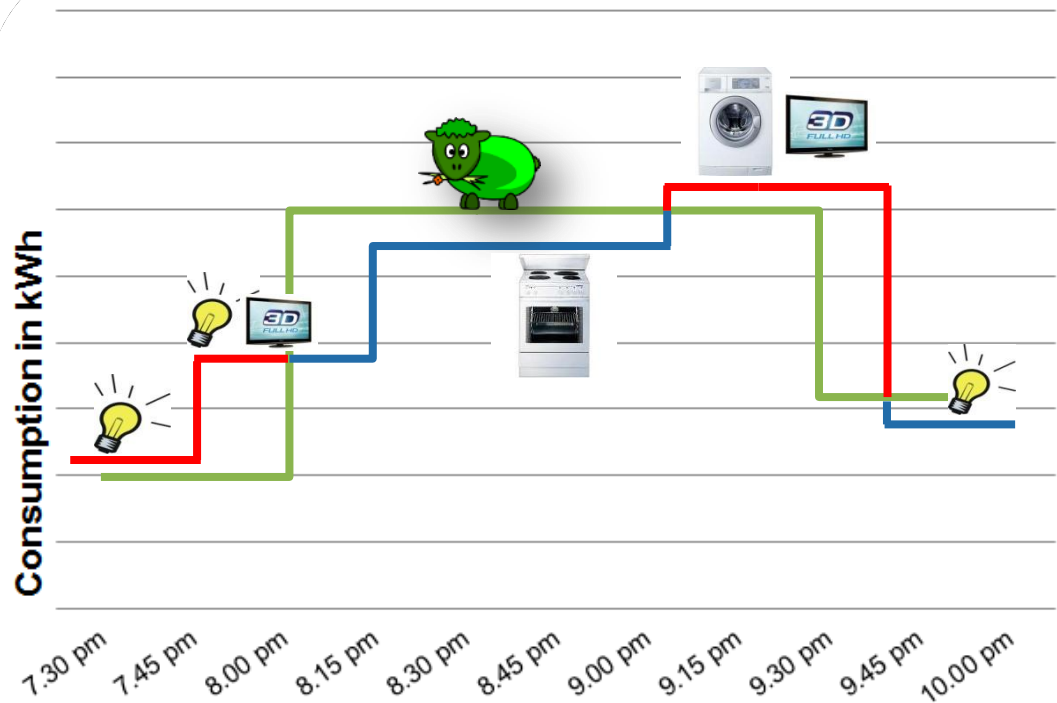
Legend:
- planned energy consumption (consumer)
- real consumption – above plan
- real consumption – below plan

Consumption in kWh

7.30 pm, 7.45 pm, 8.00 pm, 8.15 pm, 8.30 pm, 8.45 pm, 9.00 pm, 9.15 pm, 9.30 pm, 9.45 pm, 10.00 pm

RUN
like never before.

If you could do anything with your business, what would you do with it? Where would you run with it? Whatever your vision is, SAP can help you make it real. Accelerate change. Seize opportunity wherever and whenever you find it. Unlock insights instantly. From fine-tuning your business to transforming it entirely, SAP can help you run in entirely new ways.

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Thank you!

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