

Choosing the Right Cloud Partner for SAP Migrations in a Post-Pandemic World

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Author:

Rahiel Nasir, Associate Research Director, IDC



Almost

80%¹ of organizations in Europe currently use public cloud to some extent to run their SAP workloads, and most are planning to increase their cloud usage over the next two years. There are also positive business outcomes that organizations can achieve by utilizing cloud resources, and the top benefit cited is the enablement of hybrid working.

There has been a significant rise in the number of remote workers since the start of the coronavirus pandemic in 2020, with cloud usage continuing to increase as a result. 44% of organizations across Europe say they plan to increase their cloud use over the year because of the pandemic.

As post-COVID-19 working environments are reimagined, more than half of all office employees in Europe now describe themselves as either fully remote or hybrid. (source: *IDC European Employee Survey*, April 2022).

This increase in remote and hybrid working practices means that distributed network architecture is now more important than ever before. Organizations are increasingly modernizing their enterprise apps to run workloads in distributed locations, such as edge, datacenters, and various cloud environments. For organizations using SAP software, a combined 38% will invest in public cloud IaaS and PaaS.

¹All data is sourced from the *IDC EMEA Multicloud Survey 2022*, August, September 2022, unless otherwise stated.



Approximately how much of your organization's total infrastructure spending will be split between the following environments in 2023?



Core datacenters



Secondary or regional datacenters



Edge



Public cloud IaaS



Public cloud PaaS



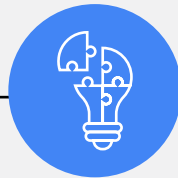
In addition to supporting remote and hybrid working, cloud technology also helps organizations in other ways. For those using SAP, the top advantage cited here is that cloud helps to support enterprise application modernization.

But there are obstacles here. When SAP ERP users were asked what their biggest challenges are when it comes to application modernization, the top answer was finding a partner for the application modernization and migration journey.



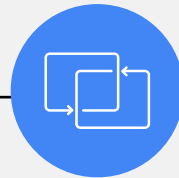
30%

Finding a partner for the application modernization and migration journey



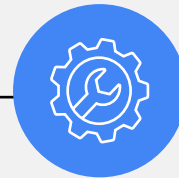
28%

Skills shortages



28%

Finding out where to start the modernization and migration process



27%

Need to modernize our infrastructure first



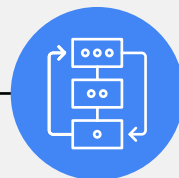
27%

Difficulty defining the business outcome of the application modernization and migration process



26%

Assess and classify all our applications



26%

Stuck in legacy application architecture and processes



22%

Lack of knowledge of what is available in the market

As the vast majority of organizations in Europe will use some type of cloud environment for their new or modernized SAP ERP instances, choosing the right cloud partner underpins the success of the digital transformation process.

In line with most organizations across Europe, most SAP users currently prefer to use global cloud providers for cloud projects that involve assessment, migration, integration, and management. The most important capabilities and attributes when selecting a strategic cloud provider include:



Value for money (low price points for compute, storage, and/or network services)

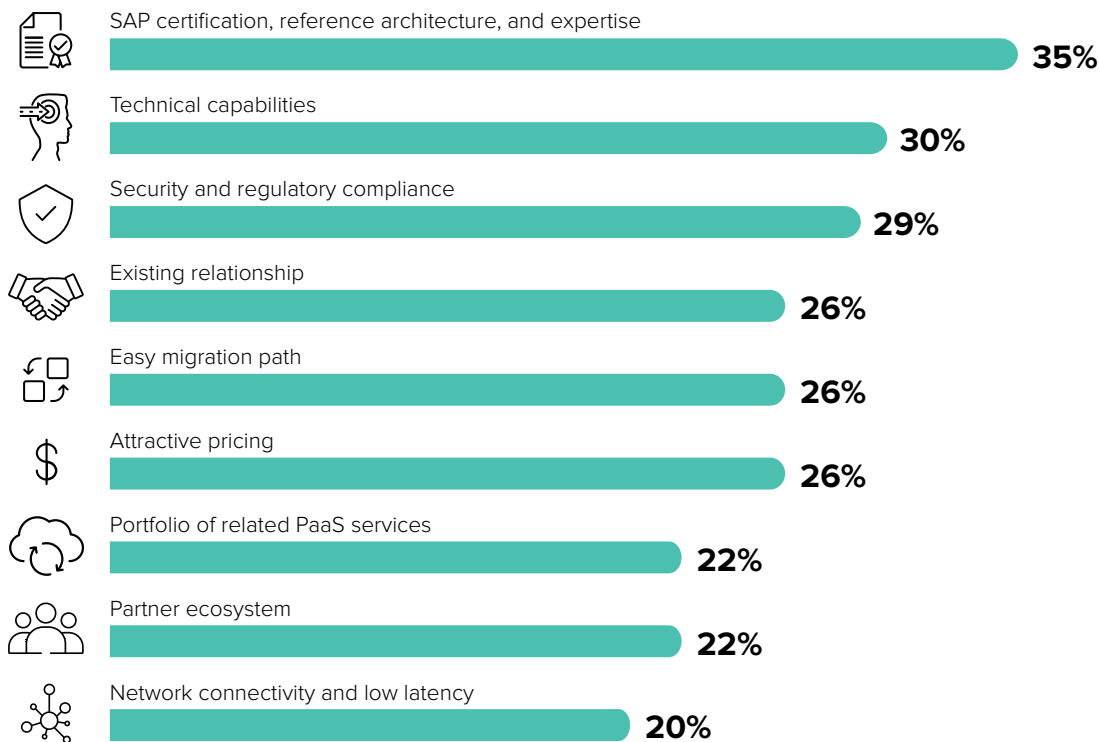


Digital trust and security capabilities



Customer experience, ease of use (e.g., install, configure, operate), support, and SLAs

When SAP users were specifically asked what their main criteria are for selecting cloud providers for their SAP migration, the top answers included SAP certification and expertise, technical capabilities, and security:



Source: IDC EMEA, Annual Multicloud Survey, August 2021

Modernizing enterprise applications is an integral part of digital transformation, and SAP applications need to be modernized as part of the process. Using public cloud is an increasingly popular option here, particularly in the wake of the COVID-19 pandemic, which has led to a significant increase in the number of remote and hybrid workers that need to be supported using cloud-based IT resources.

Cloud therefore underpins the success of a digital transformation journey, and choosing the right partner is vital here. Value for money and technical expertise are among the most important capabilities SAP users look for in a public cloud provider, and an ability to support workers and workloads across a variety of infrastructure venues will be key moving forward.

Trust is also a crucial capability and ranks second to value for money for all customers seeking strategic cloud providers. Trusted relationships are therefore essential for building cloud success, and organizations will want to ensure that they only work with providers that can demonstrate trustworthiness right across their ecosystem of partners.



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