enosix

Disruptive trends & technologies reshaping SAP integration

Chris Swift, Solution Engineer

By 2023, use of packaged integration processes will grow from less than 30% in 2020 to above 65% of new integration projects.

Gartner Accelerate Your Integration Delivery by Using Packaged Integration Processes, 2020

iPaaS Market Growth

- The market for application architecture, development, integration and platform technologies has experienced consistent double digit growth YOY.

- Integration platform as a service (iPaaS) emerged as the fastest-growing segment, exhibiting 40.2% growth.

- Integration represents up to 65% of the cost when implementing a new ERP or CRM system.

- The top five iPaaS providers' command about 60% of the market, and only eight providers have more than a 2% share.

Sources:

1 – Gartner Market Share Analysis: Application Architecture, Development, Integration and Platforms, Worldwide, 2021

2 - Hype Cycle for Application Architecture and Integration, 2022

3 - Magic Quadrant for Integration Platform as a Service, Worldwide, 2023

Source: Gartner (January 2023)

iPaaS Growth Drivers & Considerations

Growth Drivers

- By 2025, over 50% of the organizations that are using older-generation integration platforms like ESBs will migrate their business-critical integrations to cloud-based integration solutions.

- 40%+ of integration projects are migration projects from one integration platform to another.

- Integration migration projects often involve dozens of applications, data sources, APIs and a wide range of technologies.
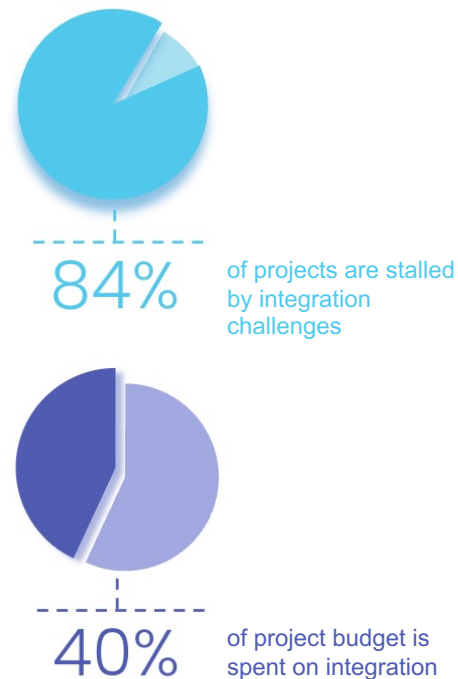
Considerations

- Leaders responsible for integration should develop a strategy and plan, based on an analysis of existing integrations, tackling each incrementally and employing vigorous stress testing before switching over.

- Testing is a substantial part of the migration effort and it consumes somewhere around 60% to 65% of the overall migration effort
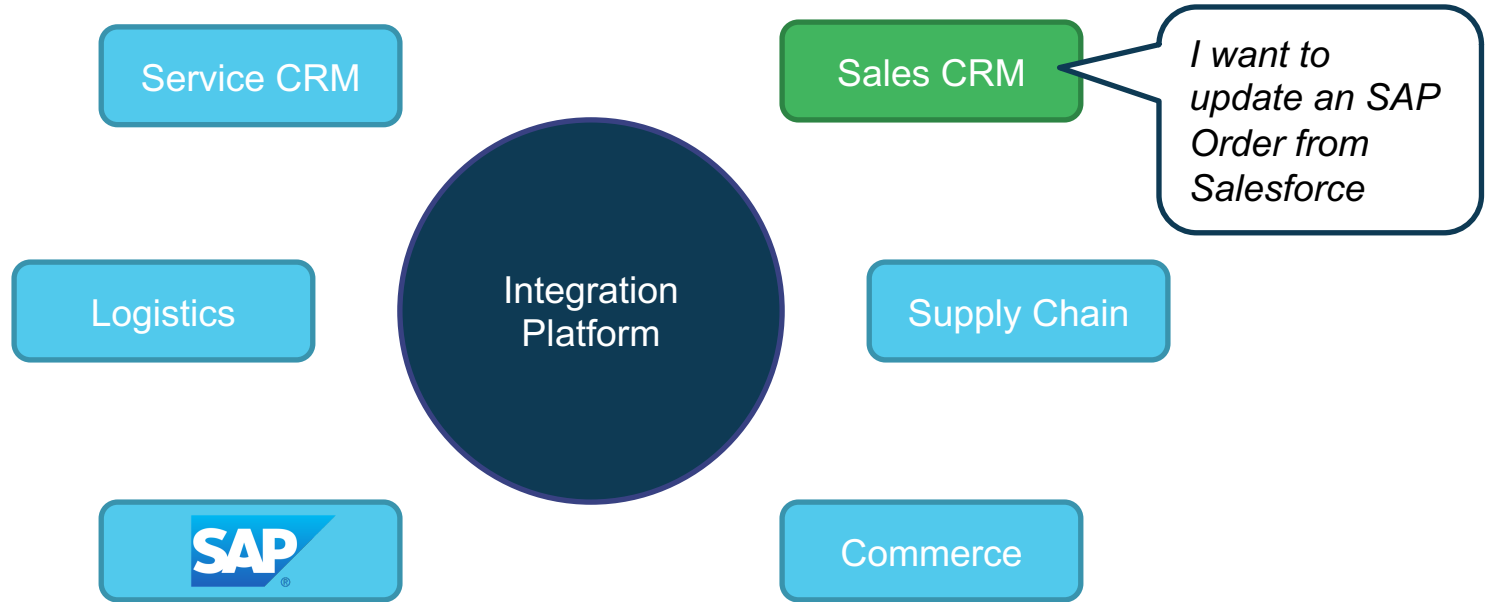
Sources

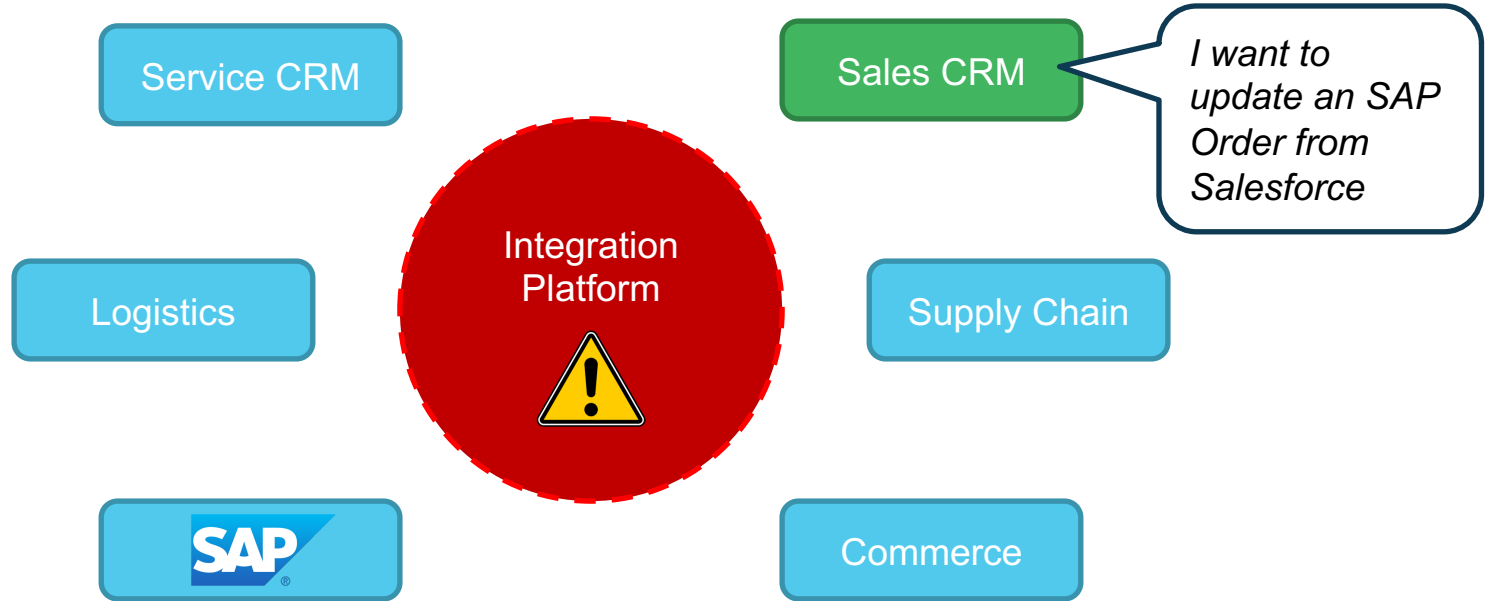1 – Gartner How to Successfully Migrate to a New Integration Platform, 2021

2 - Gartner, IT Symposium/Expo Oct. 2019; 2020 DSAG-ASUG survey

84% of projects are stalled by integration challenges

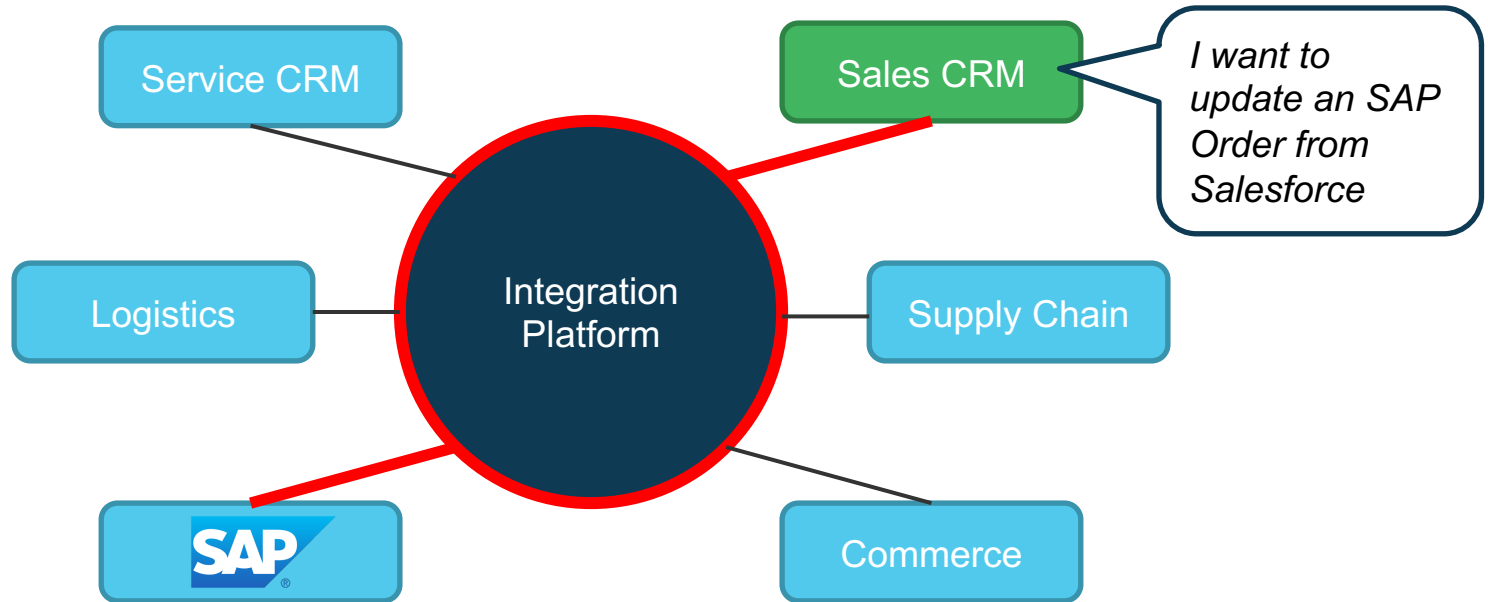**40%** of project budget is spent on integration

enosix

4

iPaaS Challenges with Business Process Optimization

#1 – Integration Platform Not Established

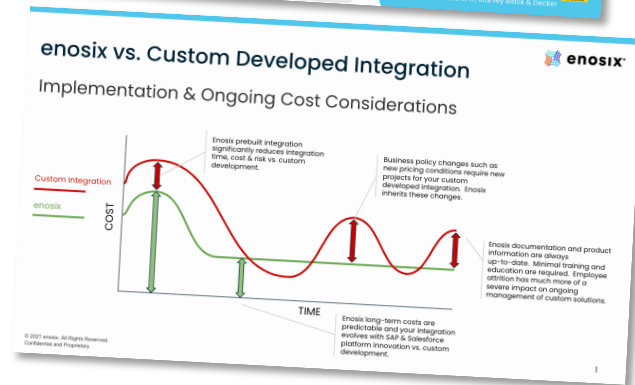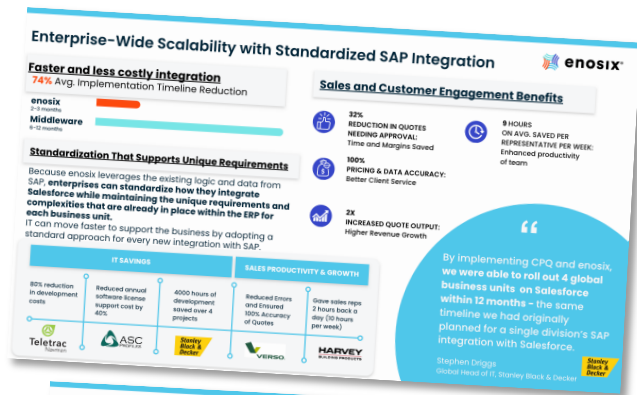# #2 – Effort vs. Business Value = Low Prioritization

The Emergence of Prepackaged Integration Processes (PIP)

- PIPs enable integration teams to deploy integration work faster and deliver return on investment quickly.

- PIPs are not pure plug and play — PIPs are generally not 100% "plug and play" and typically require some customization.

- Productivity increase between 40% and 70%.

Source:

1 - Accelerate Your Integration Delivery by Using Packaged Integration Processes, 2020

Trends for Utilizing Prepackaged Integration

Revenue Generation

- Streamlined product configuration & quoting for Sales
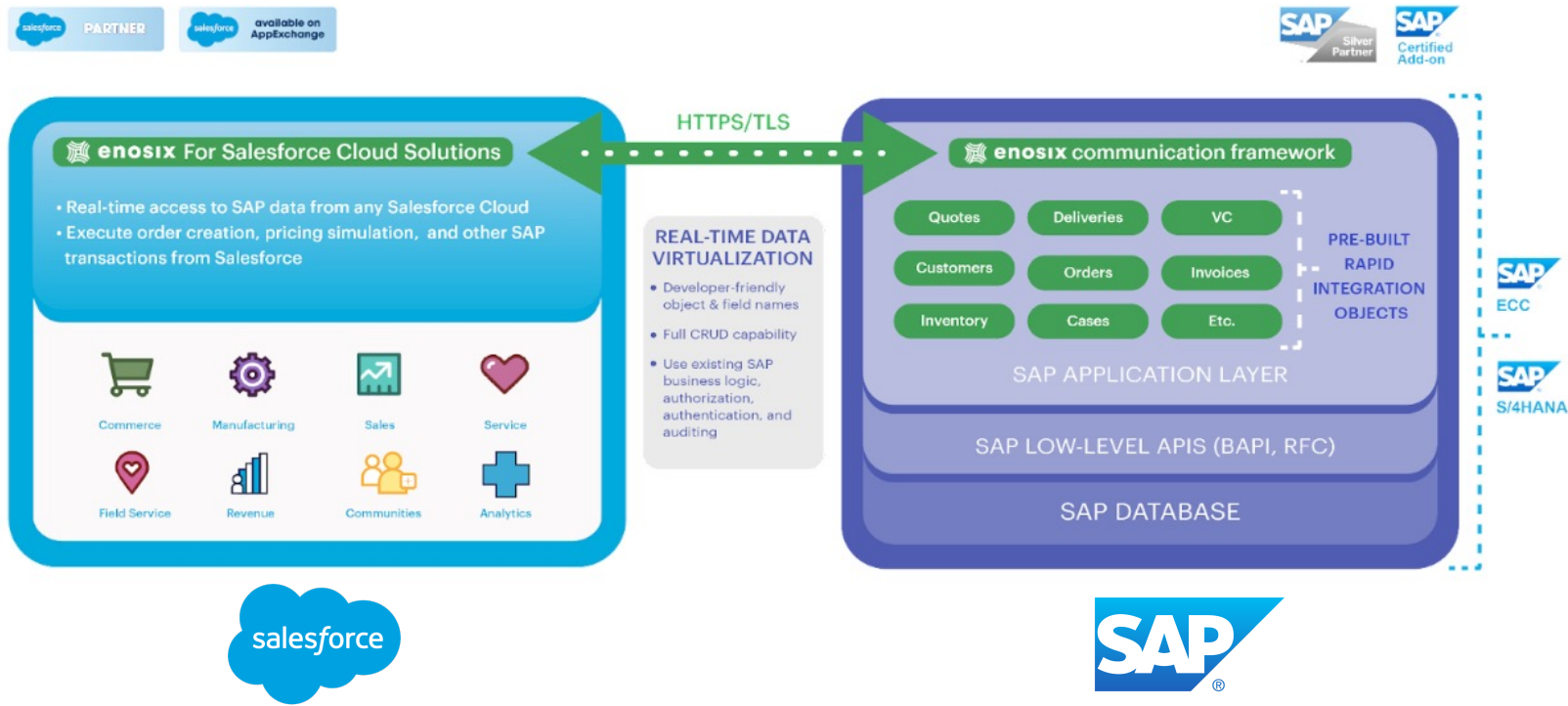- Seamless B2B commerce integration for Channel

Profitability

- Accurate pricing & margin protection for Sales & Operations
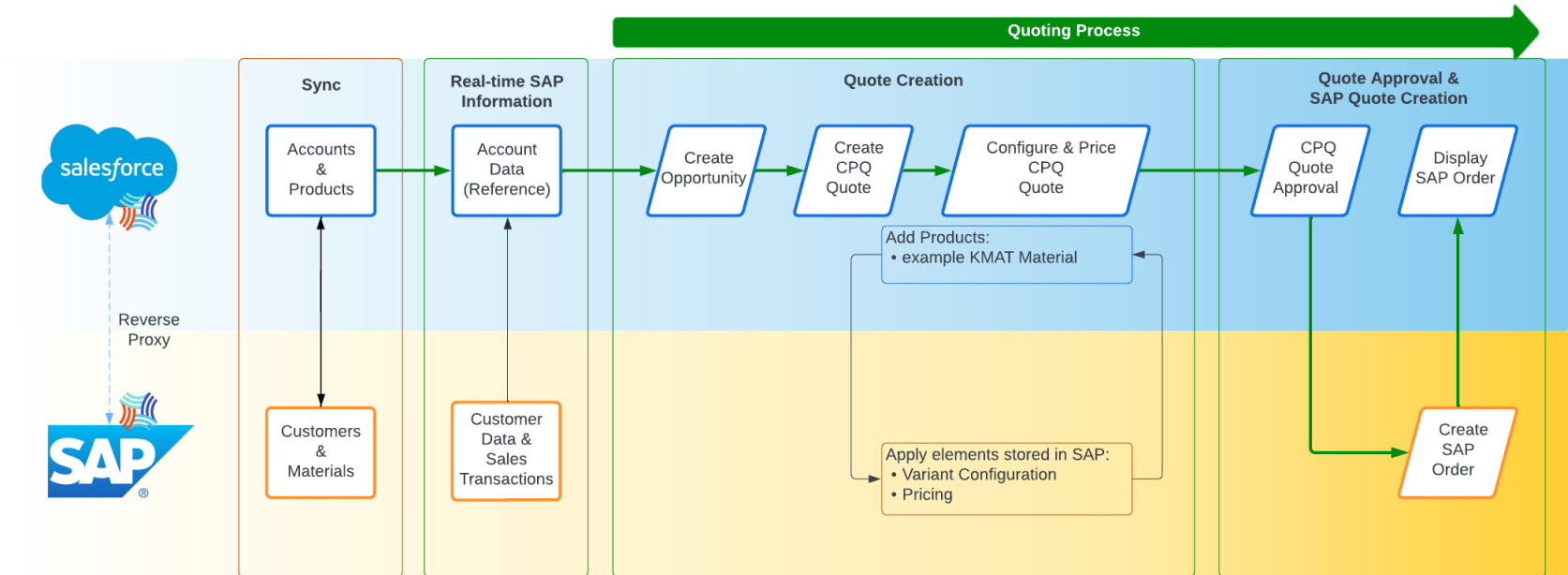- Increased person & training efficiency for HR

Reduce Risk & Increase Agility

- Reduced IT debt thru simplified data & logic models for IT
- Reduced impact for S/4HANA migration for IT

enosix

Prepackaged Integration – An Introduction

PIP Demonstration – Fully Integrated Quoting

Early PIP Adoption & Quantifiable Business Impact

Salesforce + SAP
Quoting & Pricing

Salesforce + SAP
Quoting with Variant
Configuration

Commerce + SAP
Channel Commerce

Prepackaged Integration vs. iPaaS

Prepackaged Integration

- Purpose - Business Process Optimization
- Use of native platform & direct connectivity
- Use of virtualized data vs. replication
- Complimentary utilization of system logic honoring order of operations
- Direct system to system integration
- Average project duration 2-3 months

iPaaS

- Purpose - Enterprise Integration
- Middleware & additional (cloud) infrastructure
- Requires data replication
- Requires logic orchestration of order of operations
- Indirect many to many system integration
- Powerful API / microservice management
- Average project duration 6-12+ months

Recommendations

Accelerate your existing integration initiatives

- Continue integration modernization & iPaaS adoption + Consider PIP solutions for quick-to-market business process integration. (Note: PIP to iPaaS integration may be possible as could be very powerful.)

Proactively pursue operational differentiation

- Collaborate with front-end users to uncover opportunities for business impact

- Evaluate PIP market for prebuilt, process-oriented integration solutions

- Establish cost/benefit analysis (Tip: Leverage identified solution provider)

- Present story to leadership for approval & next steps

enosix

enosix

Thank You!