



Modernizing Competitive Insights

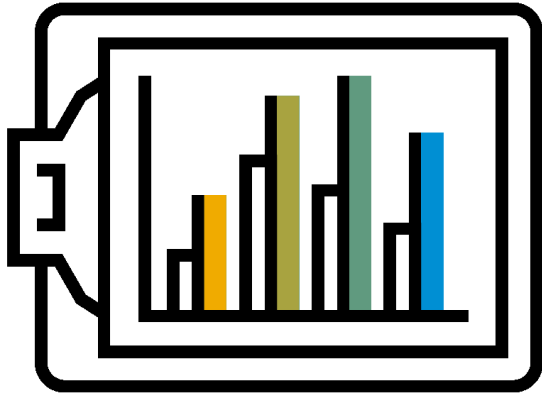
The Role of Analytics Tools

Chris Chute, Vice President, Global Field Insights, SAP
March, 2020

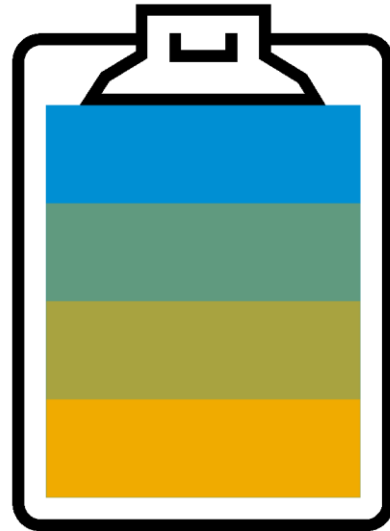
PUBLIC



Competitive Insights: Old versus New



**Provide competitive intelligence
to marketing and sales**

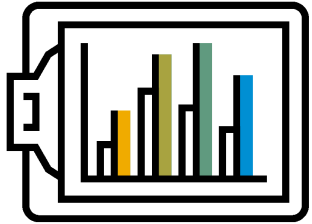


Centralized in marketing

A Framework for Developing the Modern Compete Insights Organization



Who are our stakeholders?



What content do we develop?



What content is relevant for which stakeholder?

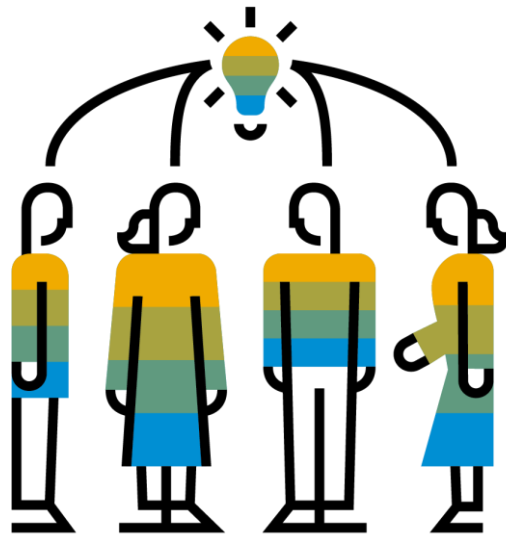


How do we deliver our value?

Competitive Insights: Old versus New



Deliver insights via digital innovation across the entire organization to support better decision making, enhance brand reputation and drive revenue generation



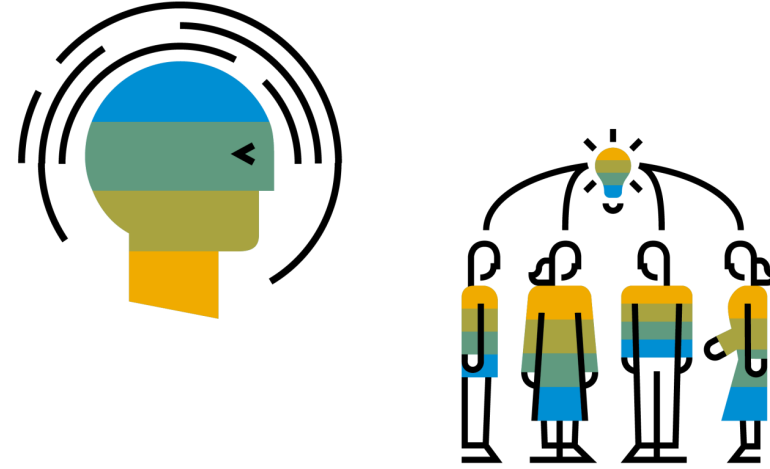
“Insights Network:” Marketing, Sales (non-QC,) Communications/AR, Corporate Strategy

Powering the Insights Network: Cloud Machine Learning/Analytics Tools



Slow Data

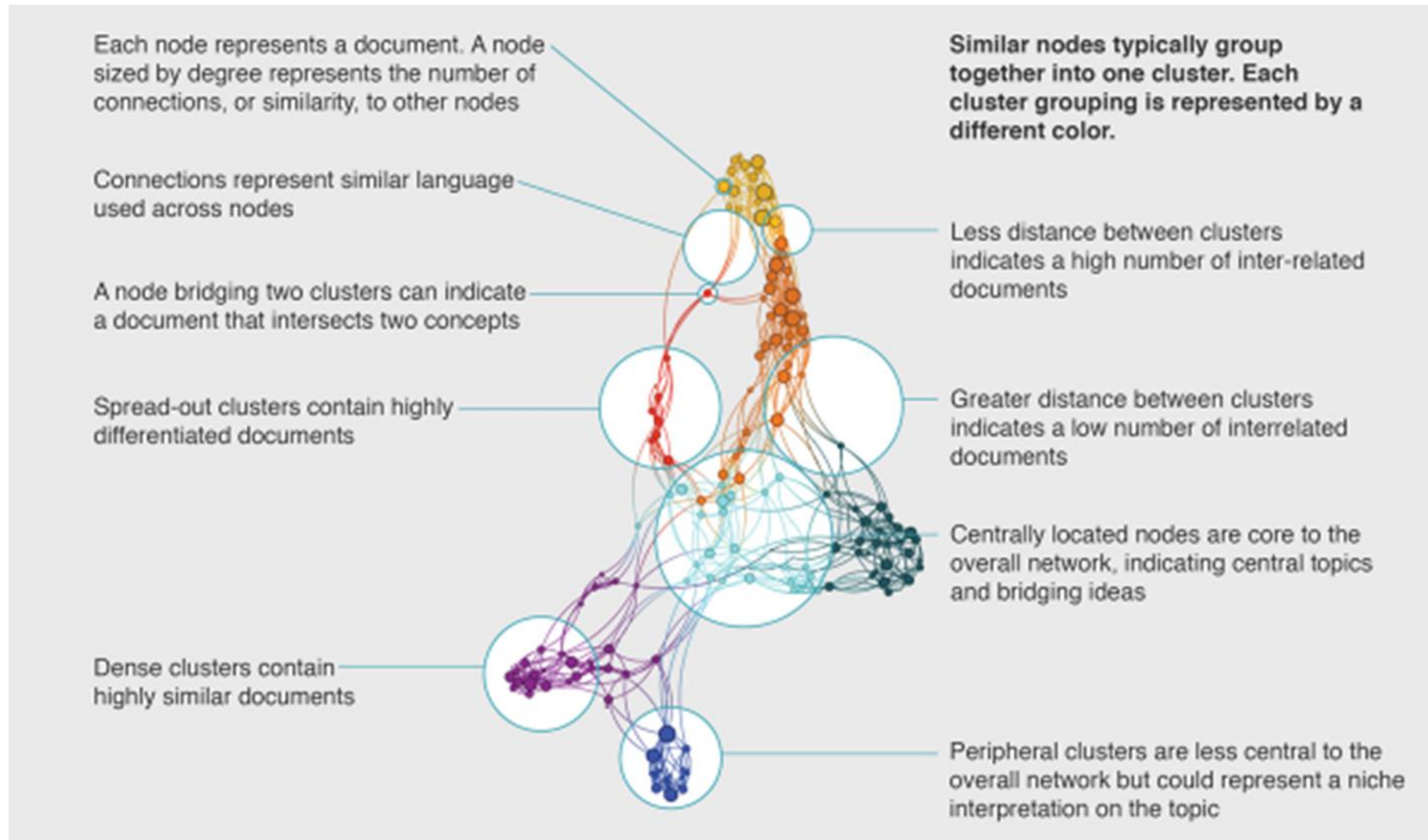
- Traditional methodologies & deliverables
- ‘Snapshots’ representing a point in time
- Traditional lead times
- Industry standard cost structure
- Industry standard consumption

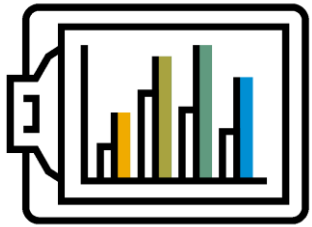


Fast Data

- On-demand tools and flexible deliverables
- Flexible time periods, new sources
- “Fast:” time to develop, time to value
- Run-rate cost structure
- New capabilities facing change management

Working with Fast Data Partners





What content do we develop?

Validating the Approach

Why are we using analytics to identify CxO narratives?



Web-based news provides a rich foundation for crowd-sourcing insights. CMI Crystal Ball for Marketing utilizes machine learning to analyze English-language published news (excluding social content.) When searching for various CxO goals/priorities, content is identified and visually organized into clusters by analyzing language patterns.

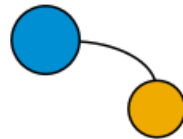
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Content Visualization Primer



Powered by Quid, CMI Crystal Ball for Marketing content visualization reads any English language news published in a given timeframe, excluding social content. Keywords, phrases, people, companies or institutions are identified based on the specific query.

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Words from each new article are compared. Articles are visualized nodes; those with similar language are linked.

How to Read a Content Visualization Map

Quid creates a visual map to represent the landscape. Example network: sized by degree, colored by cluster.

Each node represents a document. A node sized by degree represents the number of connections, or similarity, to other nodes

Connections represent similar language used across nodes

A node bridging two clusters can indicate a document that intersects two concepts

Spread-out clusters contain highly differentiated documents

Dense clusters contain highly similar documents

Similar nodes typically group together into one cluster. Each cluster grouping is represented by a different color.

Less distance between clusters indicates a high number of inter-related documents

Greater distance between clusters indicates a low number of interrelated documents

Centrally located nodes are core to the overall network, indicating central topics and bridging ideas

Peripheral clusters are less central to the overall network but could represent a niche interpretation on the topic



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What Top Priorities are driving the CHRO conversation?

CMI Crystal Ball analyzed 164 articles (1H18) related to top priorities for CHROs. Below are the key findings:

Hiring and maintaining a satisfied workforce, including an active hand in helping millennials mature, requires reinventing the employee experience with an eye towards recognizing how social media has create an expectation of instant gratification - 9% share of narrative

HR leaders will be expected to streamline HR investments and partner with other LOB leaders to drive their people-visions - 17% share of narrative

Digital transformation as a disruptor to the HR Leader role necessitates embedding 'digital' into leadership competencies and processes - 21% share of narrative

Tying HR to Innovation is critical to maintaining HR as a Board function. As employees look for fulfilling experiences as much as compensation, the ability to use technology to retain top talent will be critical - 26% share of narrative

Inclusion and equality issues are a

What top priorities are driving the CHRO conversation?

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- <https://www.forbes.com/sites/johnkottler/2018/03/04/hr-earning-a-strategic-seat-at-the-transformation-table/#11b2e557b62a>
- <https://www.hcamag.com/features/csuite-talks-hr-adidas-chro-putting-hr-back-in-the-boardroom-248838.aspx>
- <https://hosteddocs.emedia.co.uk/How%20Cloud%20Implementation%20Drives%20HR%20to%20Improve%20its%20People%20Skills.pdf>

Digital transformation as a disruptor to the HR Leader role necessitates embedding 'digital' into leadership competencies and processes - 21% share of narrative

- https://www.hrtechnologist.com/articles/leadership-succession/four-strategies-to-make-data-driven-hr-leaders/?utm_source=hr_tss&utm_medium=feed&utm_campaign=rss_subscribers

HR leaders will be expected to streamline HR investments and partner with other LOB leaders to drive their people-visions - 17% share of narrative

- https://www.peoplematters.in/article/lets-talk-talent/how-to-make-tech-transformations-in-hr-work-183237?utm_source=peoplematters&utm_medium=interstitial&utm_campaign=learnings-of-the-day
- <https://www.peoplematters.in/article/building-hr-capability/the-next-generation-chros-three-pronged-focus-for-future-chros-17987>

Inclusion and equality issues are a long-term priority demanding cultural alignment and specialized leadership skill sets - 9% share of narrative

- <https://www.hrdive.com/news/10-trends-that-will-shape-hr-in-2018/513665/>
- <https://i.quid.com/news/article/MSxby1sbi0zMzQ4NDI1MTI4.html>
- <https://fairygodboss.com/articles/chief-diversity-officer>

Aligning the employee experience to perpetual change management begins by reinventing the onboarding process - 10% share of narrative

- <https://www.hrdive.com/news/5-questions-to-help-rethink-your-onboarding-process/522804/>
- <http://www.clomedia.com/2018/01/05/changing-people-feel-change/>

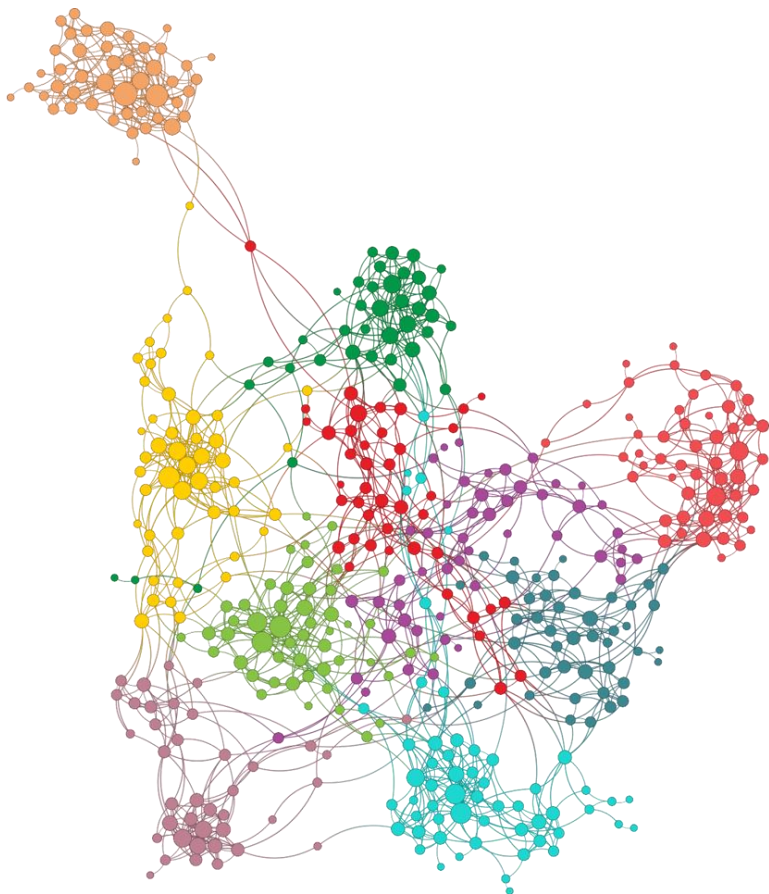
Hiring and maintaining a satisfied workforce, including an active hand in helping millennials mature, requires reinventing the employee experience with an eye towards recognizing how social media has create an expectation of instant gratification - 9% share of narrative

- <https://i.quid.com/news/article/MSxby1sbi0zNDI1NDI1MDQ4OQw1MTI4.html>

Source: Global news coverage between January and June 2018.
Based on a search for CHRO and HR VP Goals, Objectives and Priorities

What are the most attractive features in an ERP System solution? (May 2018-June 2019, top five)

Content visualization map of 463 ‘Likes’ created with machine learning



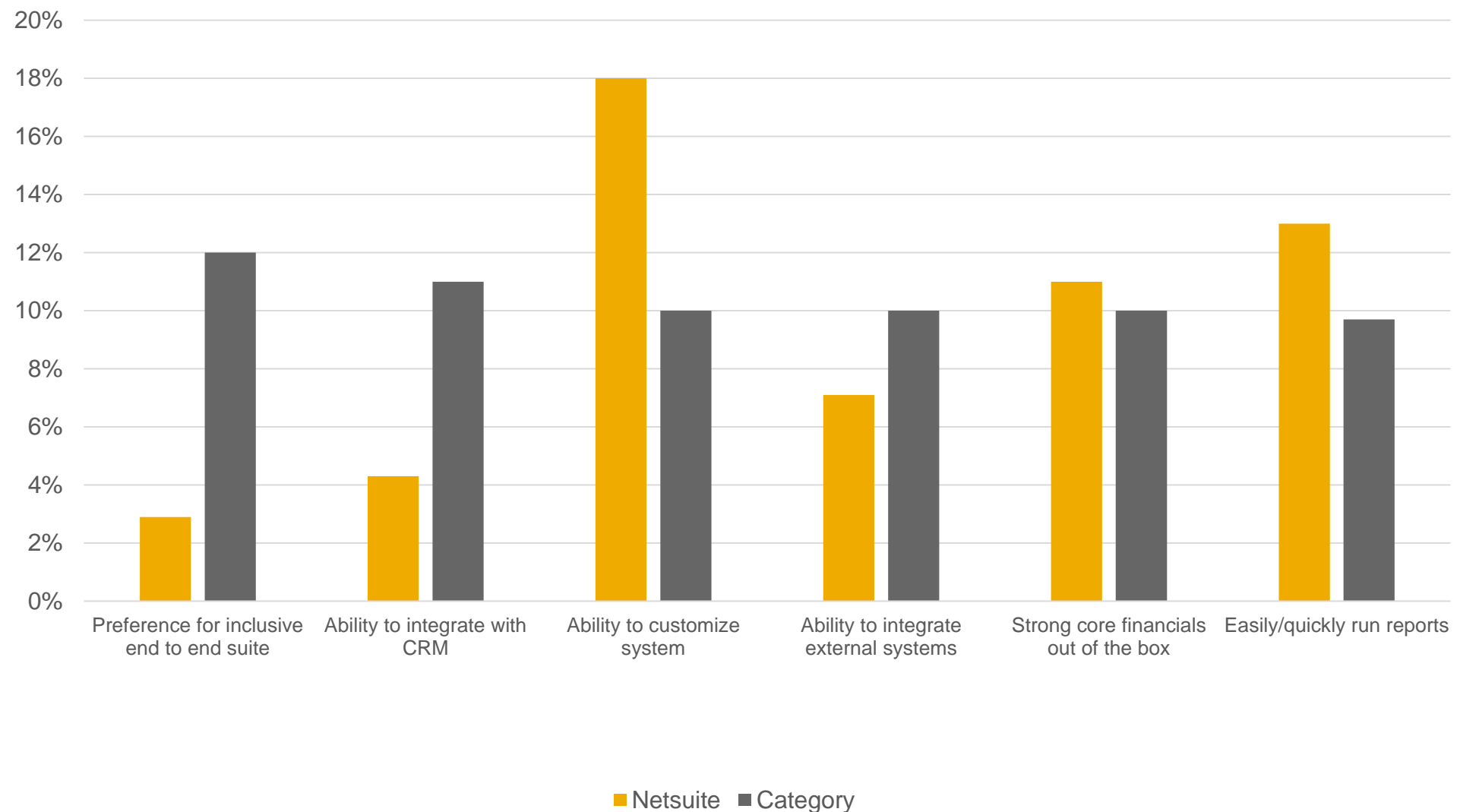
Top 5

Feature	share/ narrative
Preference for Inclusive end to end suite	12%
Ability to integrate with CRM, particularly Salesforce	11%
Ability to customize system via modules	10%
Ability to integrate external systems like order mgmt	10%
Strong core financials out-of-the-box	10%



What content is relevant for which stakeholder?

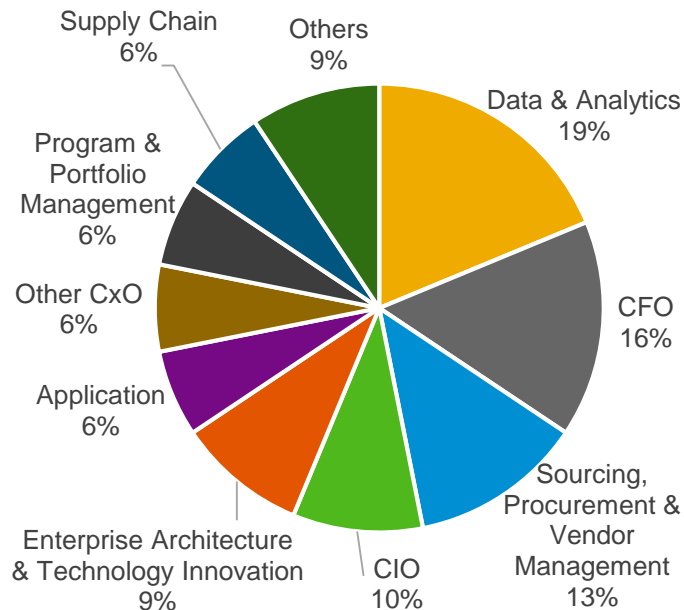
What are the most attractive features in an ERP System solution? (Netsuite)



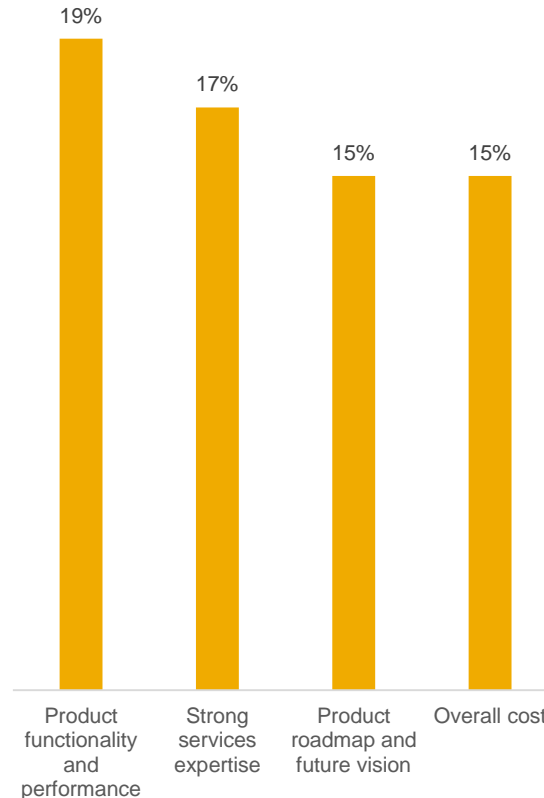
Mind of the Customer: Cloud ERP

Cloud ERP suites make ERP more **relevant** to managers across the business. Modern data management and access from **multiple endpoints** are a strong value to midmarket and net new customers.

Reviews by Role**



Top Purchase Decision Drivers*



■ Total Responses (1,888)

Customer Quotes

“Ours is a service company and MS Dynamics helps us in keeping track of service requisitions. It is easy to adapt and Dynamics can be accessed from different devices.”

(MSFT Dynamics 365 customer, Gartner Peer Insights, 2019)

“[Positive comment:] A Cloud service system [is] useful for integrating data management in real time in the company, producing much better productivity.”

(S/4 customer, Gartner Peer Insights, 2019)

Test-and-Learn Unique Selling Points with Social Analytics

Objective: To provide LoB Marketing with competitive insights on a series of designated USPs and their highest valued key words, approved by LoB leaders. CMI provided quantitative and qualitative insight into the efficacy of each USP based on competitor published content volume and rate of customer interaction. This exercise will analyze the Digital Core USP, and is focused on the following competitors: Oracle Cloud, Microsoft Dynamics 365, and Oracle Netsuite.

- **Tagging Taxonomy / Terms and Definitions**
- **USP Messaging Pre-Test**
 - Volume by keyword
 - Interaction by keyword
- **Messaging Execution Strategies**
 - Volume by channel
 - Interaction by channel
 - Top performing assets
- **CMI Perspective**



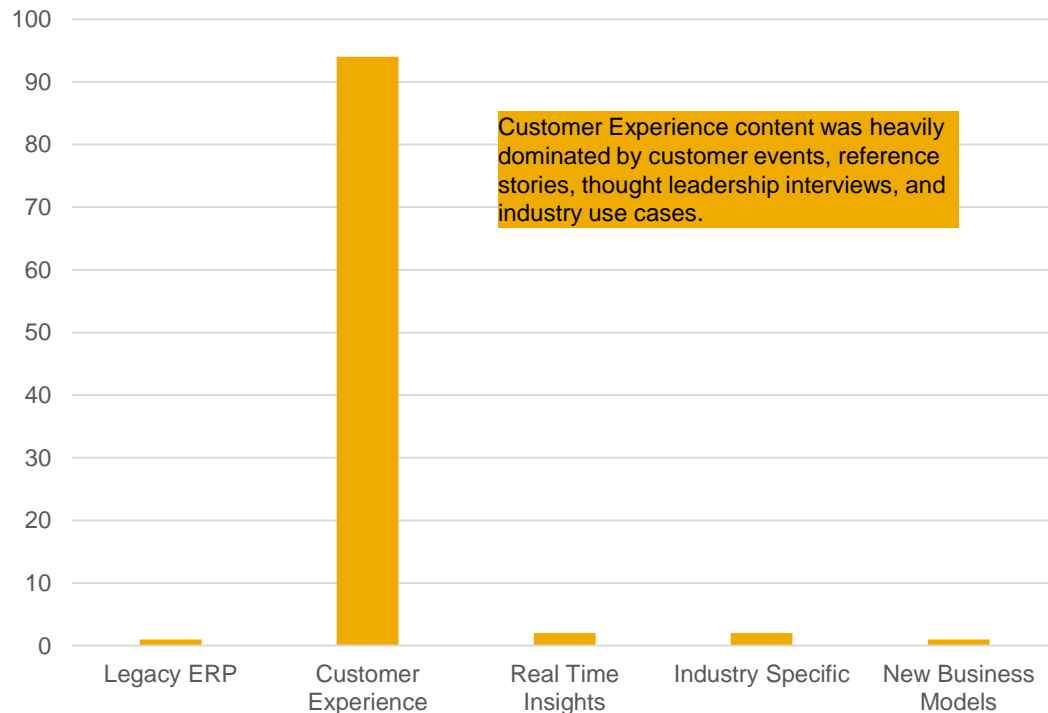
Digital Core – Overall Key Word Analysis

USP Messaging Pre-Test

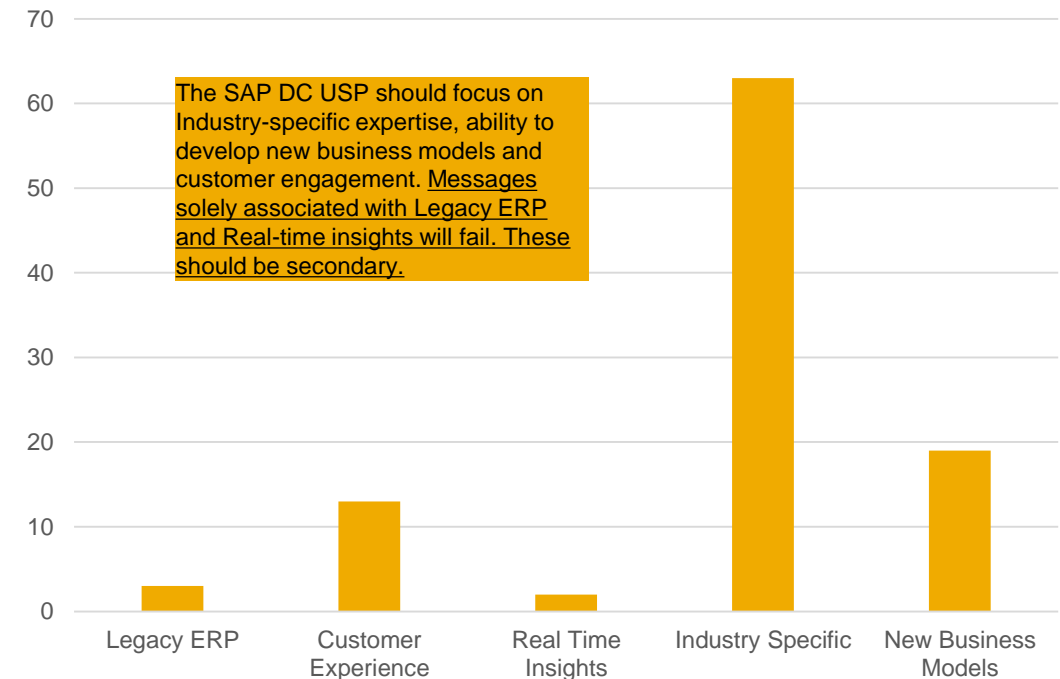
Each identified key word was analyzed to determine share of volume and overall interaction across all Digital Core USPs. Below is an overview the findings:

- **Volume** - 'Customer Experience' dominated all Digital Core key words representing **94%** of all competitive published volume across all social channels (2019 YTD)
- **Interaction** – 'Industry Specific' outperformed all other key words representing **63%** of all competitor-related social interactions. 'New Business Models' (19%) and 'Customer Experience' (13%) also experienced traction.
- **Overall** – Competitors are overleveraging Customer Experience and under-utilizing the other keywords. Customers really want to engage with Industry-specific, New Business Models and then Customer-specific. Real-time insights and Legacy ERP are the least-interesting.

Volume; published content



Interaction; audience engagement



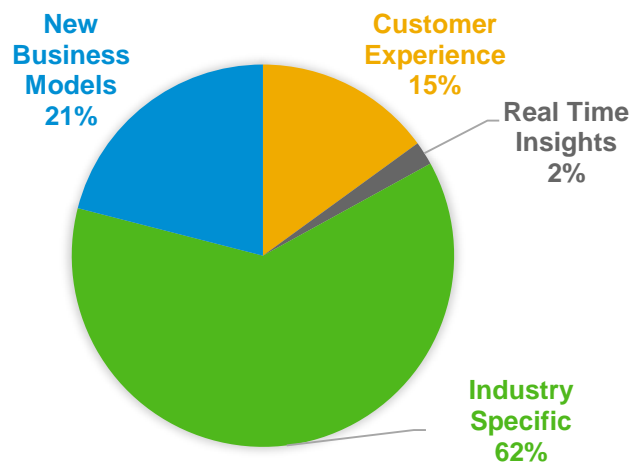
Digital Core – Vendor Key Word Analysis (Interaction)

Interaction Summary by Vendor

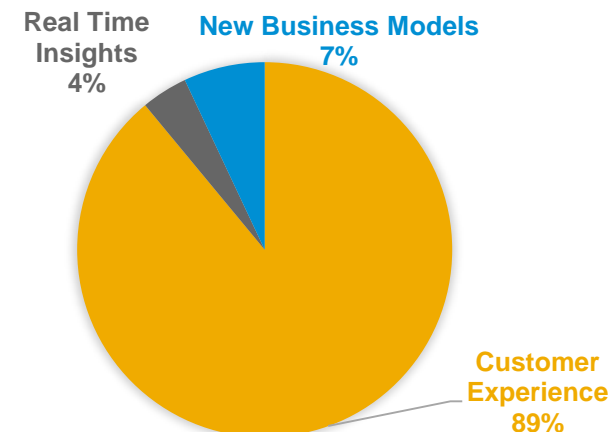
Each identified key word was analyzed by vendor to determine share of interaction across all Digital Core USPs. Below is an overview the findings:

- **Oracle** – Strong interaction across key words with 'Industry Specific' (62%) leading the way; inverse to the volume representation at 1%
- **MSFT** – Similar to volume (93%), 'Customer Experience' (89%) dominates interaction across all key words; most optimized volume vs. interaction ratio of all vendors
- **Oracle Netsuite** – The most representative interactions of all vendors. 'Industry Specific' (49%) leads all interactive terms; this drove the overall interactive metric for all vendors with the 'Industry Specific' key word.
- **SAP** – Unlike any other vendor in the analysis, 'Intelligent ERP' led customer interaction at 67%. This messaging resonates with customers and should be leveraged more from a volume perspective.

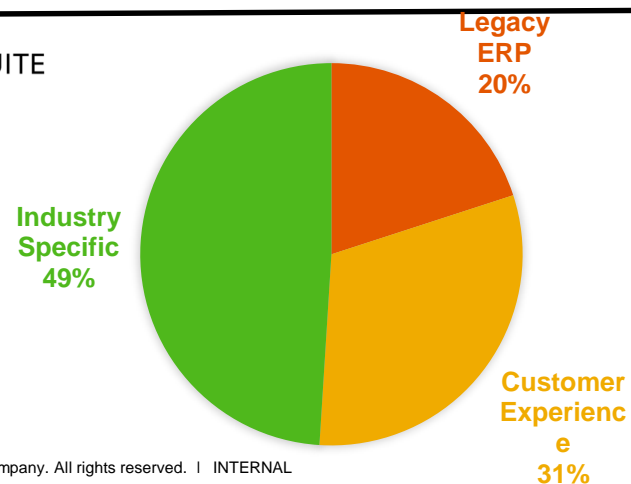
ORACLE



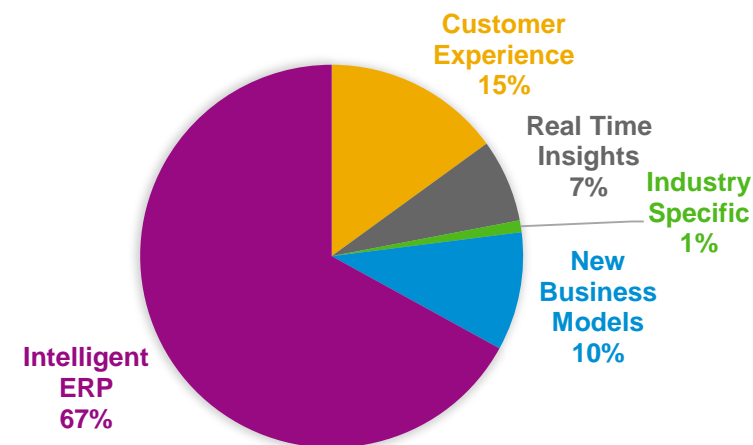
Microsoft Dynamics 365



ORACLE NETSUITE



SAP



CMI Perspective: Competitor DC Messaging

ORACLE®



- Mis-reading the audience: Oracle wants DC customers to focus on customer experience, but audiences react mostly to industry specific and new business models



- Across competitors, Microsoft has the best engagement with Customer Experience, validating their strategy to lead with this keyword
- However, their lack of volume and engagement with other keywords places them at a messaging disadvantage with Netsuite

ORACLE® NETSUITE



- Best mix of published content that received a (generally) good mix of engagement
- Real-time insights emphasis not resonating with audiences, but a secondary message around legacy ERP does resonate



- SAP is heavily focused on Customer Experience messaging, yet Intelligent ERP messaging is resonating best with customers
- SAP can do a much better job articulating an industry specific message as audiences are asking: how will DC fit with my specific needs?
- The SAP DC USP should focus on our Industry-specific expertise, and ability to help customers develop new business models through their customer engagement.
- **Messages solely associated with Legacy ERP and Real-time insights will fail. These should be secondary.**



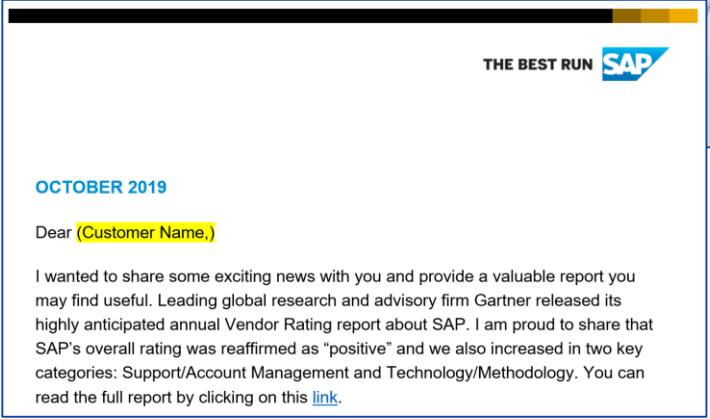
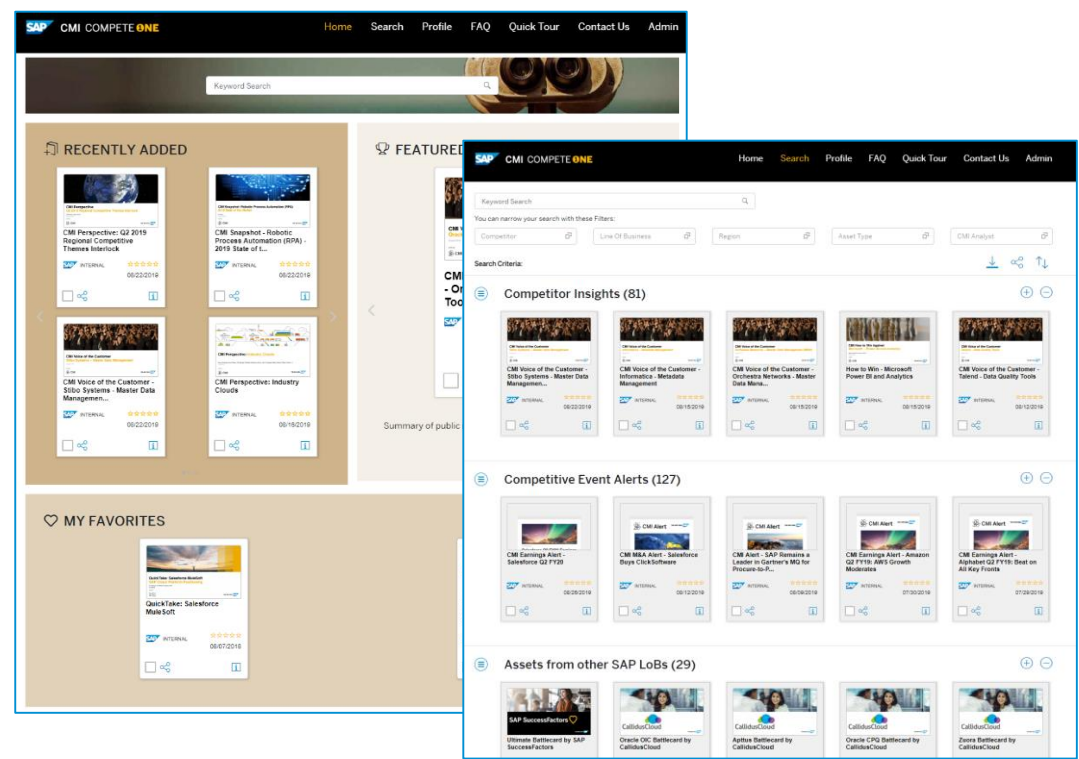
How do we deliver our value?

How We Deliver Our Value

CMI COMPETE ONE

A self-service knowledge management and sales enablement platform for latest CMI and analyst competitive content, market insights, and alerts published as well as other lines of business.

For questions about analyst content availability or general analyst-related inquiries, please contact our in-box.



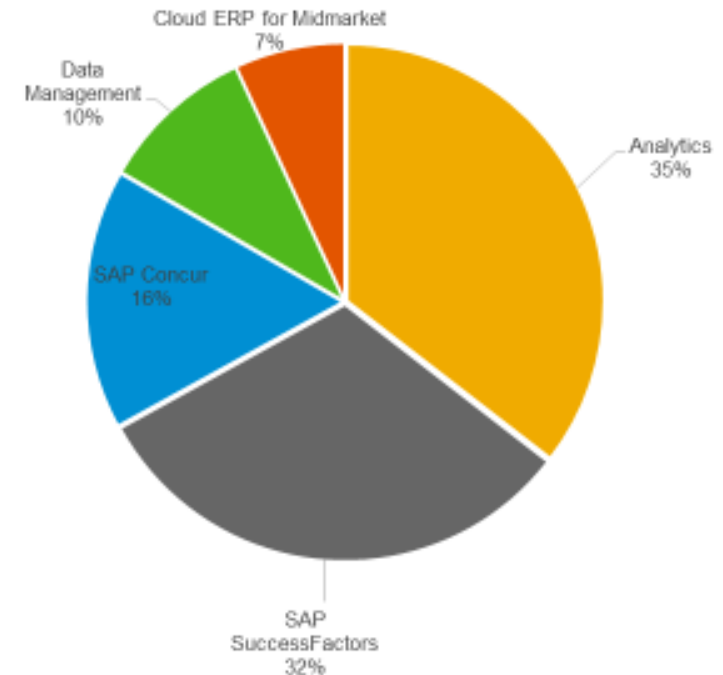
How We Deliver Our Value (part 2)

Including **Gartner Peer Insights** in Quarterly Earnings Talk Track

Our customer's experience with SAP continues to grow in a positive direction. Take for example SAP product reviews on Gartner Peer Insights, considered a key source of enterprise software customer sentiment. SAP enterprise customers completed over **1,100 new reviews of SAP products in 2019**, the highest ever in a single year, with 87% citing a 4- or 5-star experience. In fact, **the number of 5-star SAP reviews has surged 42% from last year!**

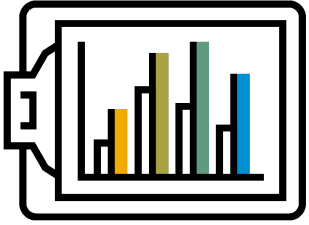


Top 5 categories for SAP 5 star reviews on Gartner Peer Insights



Source: Gartner Peer Insights

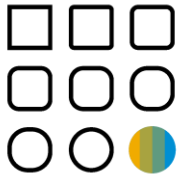
What have we learned about using analytics (so far)?



Fast data analytics can generate highly relevant insights and create new value for stakeholders



Fast data analytics must be part of a larger stakeholder engagement strategy



Analytics creates efficiency and new use cases, but does not replace human analysis



Delivering value is as much about packaging as it is about the insights themselves

Thank you.

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