

A close-up photograph of a hand holding a blue pen, with the pen tip pointing towards the left. The background is dark, and the lighting highlights the texture of the skin and the color of the pen.

Unlocking Growth with Corporate Market Insights *Data, Context, Credibility*

Dirk Kansky, SAP
February 12, 2020

SAP is a growth company

↑ **56%**

Total
revenue

2X

Market
capitalization

↑ **45%**

Brand
value



What's driving growth?



The understanding of **what customers want to buy and when, where, and especially why** they want to buy it is the foundation for any strategy geared toward growth.”

The Boston Consulting Group



...but reality bites!

Everyone has biases



Business leaders are often overconfident, believing in optimistic ‘hockey stick’ projections and big bets.

Tyranny of averages



Variability is often much more significant across granular market segments within one business unit than across large business units.

Unforeseen events



Major events, such as the Brexit vote, trade restrictions, and sudden oil-price declines need a re-evaluation of demand projections.

Imagine...



you could run an entire company based on **one set of market data**, one set of assumptions, and one set of beliefs



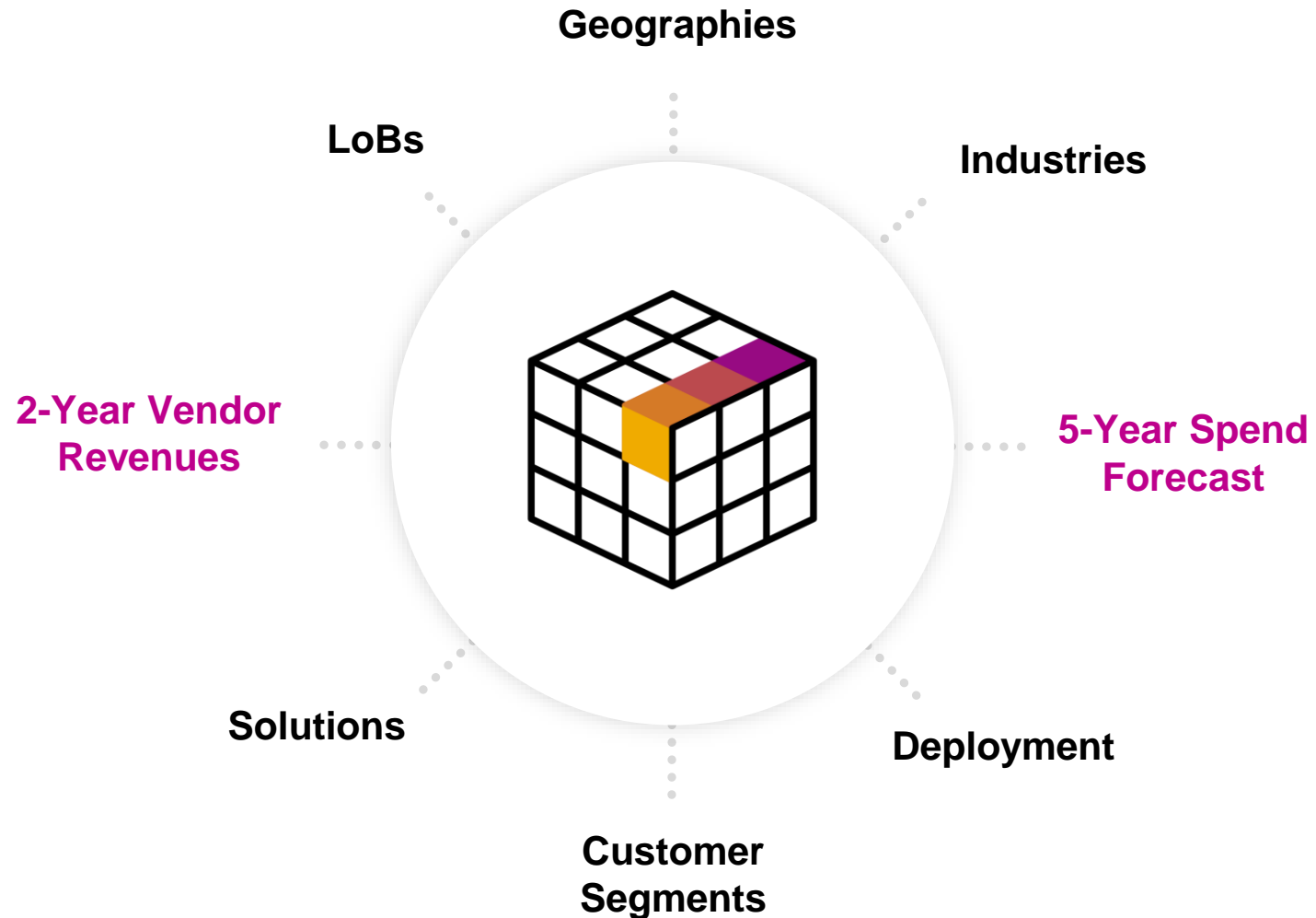
the data would be available for **any segment in the market** you are operating in



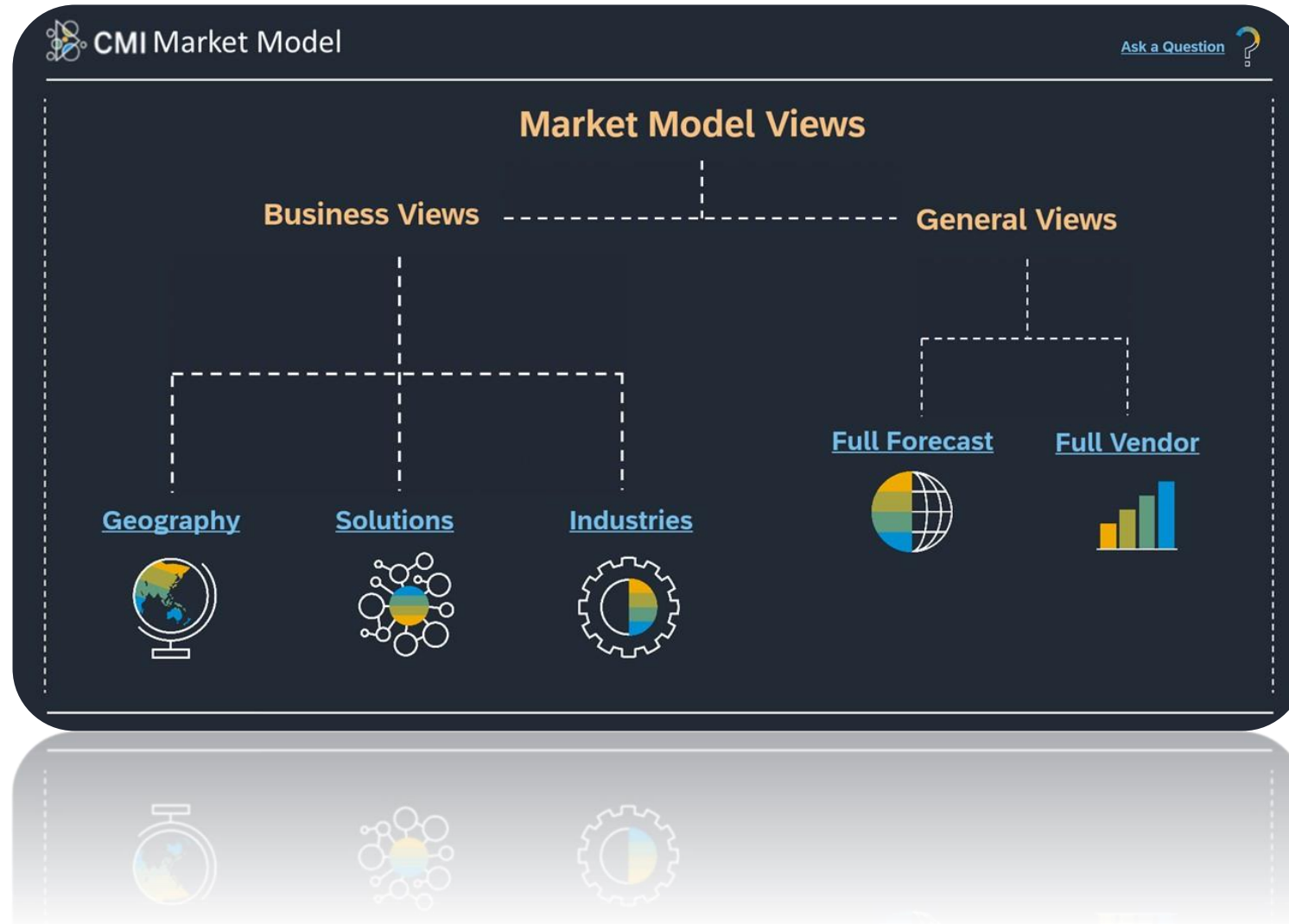
a central Competitive and Market Insights function that could guide the company toward the **most promising routes to growth**



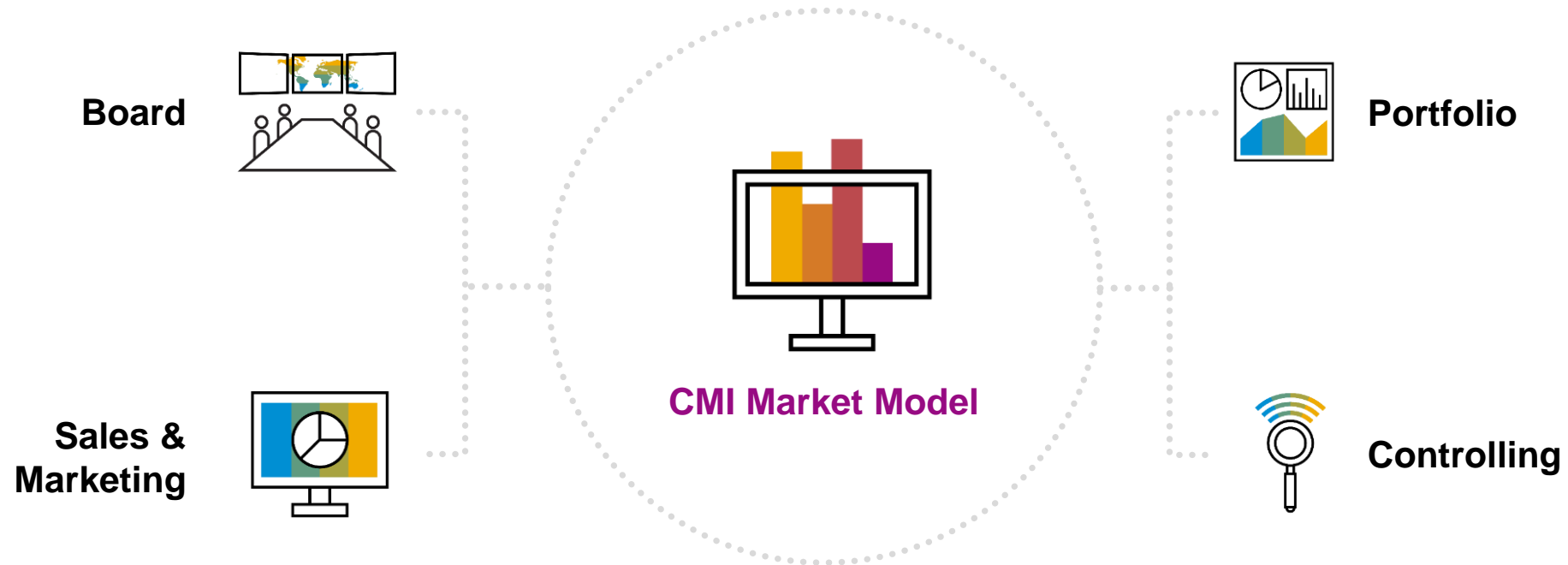
Building a digital twin of SAP's addressable market ...



The CMI Market Model



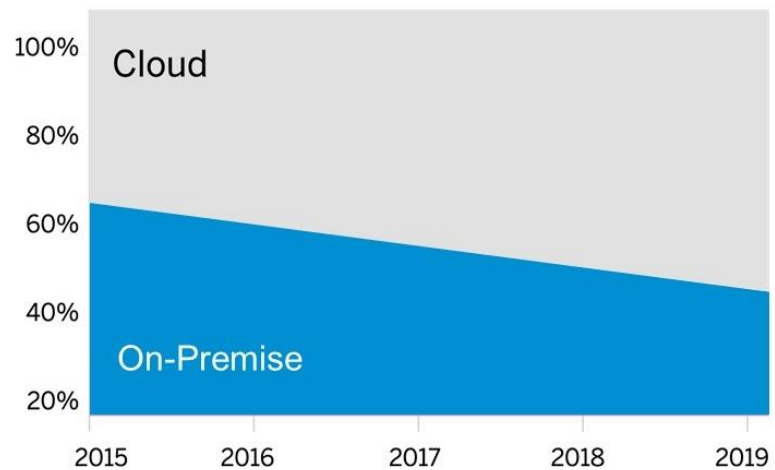
The “one source of truth” for market data and insights across SAP



From insights to action – the corporate strategy use case

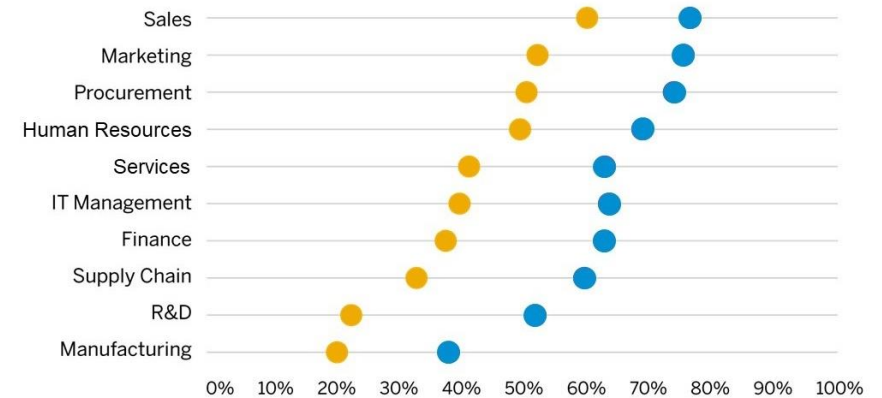
How fast are workloads moving to the cloud?

Cloud vs. On-Premise Demand Forecast



Illustrative example data

Pace of LoBs Moving to the Cloud

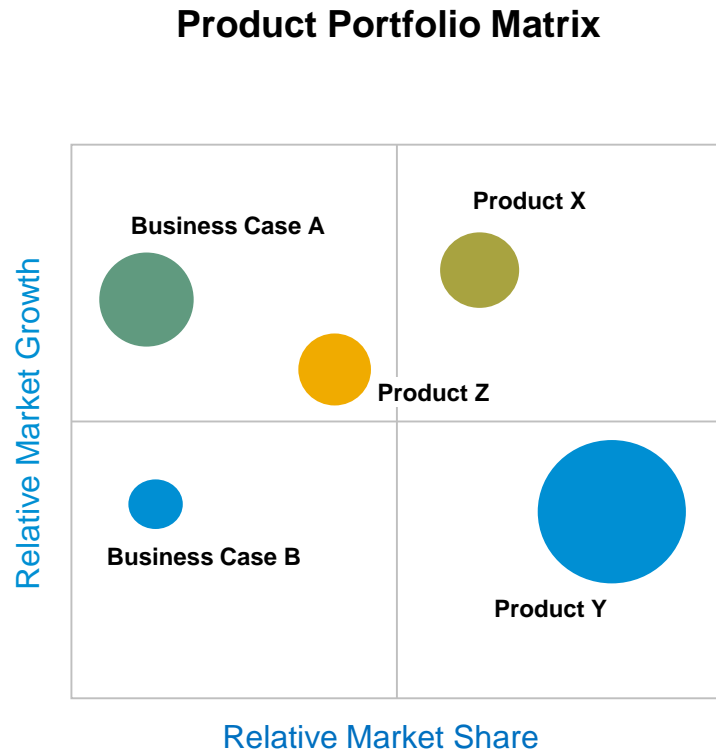


Illustrative example data

● 2015 ● 2019

From insights to action – the R&D use case

Where should we put development resources?



Illustrative example data



The CMI Market Model is key to making fact-based decisions, reducing product failures, and building a successful portfolio.”

SAP Portfolio Manager

From insights to action – the marketing use case

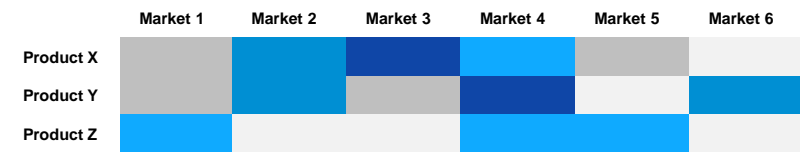
Where should we allocate the corporate advertising budget?

Market Positions Under Attack

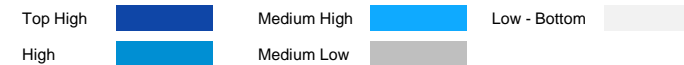


Illustrative example data

Propensity to Buy



Segments of Interest



Illustrative example data

What have we learned?



Data

Know your source

Understand the source and quality of your data. Is the data provider credible? Can you defend the numbers?



Context

Go granular

Drill down to the smallest meaningful business, where a shift in resources will produce a material impact.



Credibility

Go multi-dimensional

Ensure all dimensions come together in one consistent model and add up to one top number.

What have we learned?



Data



Context



Credibility

Speak one language

A common taxonomy framework – ideally aligned to your company taxonomy – is critical for a clear comparison of market size, growth rate, and share.

Turn insights into action

Understand how the business is using the data and connect to specific use cases. Tailor analysis and smart insights to user roles to ease decision making and taking action.

Deliver a great UX

Don't underestimate the way you provision the data. A professionally designed dashboard, delivered across multiple devices, makes a huge difference in adoption and usage.

What have we learned?



Data



Context



Credibility

Find a sponsor

Having a true top-down mandate makes it all work – an executive-level sponsor who realizes the power of having one consistent strategy powered by one consistent, powerful set of insights.

Overcome biases

Acknowledge that everyone has biases. Make it your key belief that any prioritization and planning exercise must be grounded in hard data so decisions are driven by facts and logic.

Align and adapt

Clarify the major assumptions about market evolution with the business early in the process. Keep up the dialogue with the business, and revisit decisions to ensure the planning process is continuous.

“

Data-centric decision making is a key culture and capability change in a management system that hopes to thrive in the digital age.”

Mark Raskino, Vice President and Distinguished Analyst, Gartner

Questions?



Thank you.

Contact information:

Dirk Kansky

SAP SE

Global Vice President, Market Insights

dirk.kansky@sap.com