Enterprise Strategy Group™ by TechTarget

ECONOMIC VALIDATION

Analyzing the Economic Benefits of Moving From SAP APO/Other Legacy Supply Chain Planning Solutions to SAP Integrated Business Planning (IBP)

Validating How SAP IBP Delivers End-to-end Supply Chain Visibility, Predictive Analytics, and Real-time Insights, Empowering Businesses to Make Smarter, More Agile Planning Decisions

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Contents

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Economic Validation: Key Findings Summary

Validated Benefits of SAP Integrated Business Planning

75% Productivity improvement managing KPI's

50% increase in overall employee productivity

38% Lower total cost of ownership (modeled)

- **Risk mitigation** through early detection of disruptions or delays is key to reducing overall supply chain risk. IBP's streamlined risk assessment and management approach empowers organizations to build resilient, responsive supply chains that support continuous operations.
- **Improve business agility** with stronger connections and increased productivity. By breaking down silos and creating a digitally integrated supply chain, organizations can enhance agility. Digital tools that enable rapid collaboration, efficient data sharing, and predictive insights empower companies to anticipate changes and respond effectively to challenges and opportunities. Real time data visualization provides a clear, up-to-the-minute view of supply chain operations, enabling stakeholders to identify trends, spot potential disruptions, and make informed decisions quickly.
- **Achieve end-to-end optimization** by aligning all stages of the supply chain helps companies to reduce waste, prevent delays, consistently meet customer expectations, and respond quickly to market changes.

Introduction

This Economic Validation from Informa TechTarget's Enterprise Strategy Group focuses on the quantitative and qualitative benefits organizations can expect by using SAP Integrated Business Planning (IBP) rather than continuing to rely on legacy systems such as SAP APO. This report evaluates the advantages of SAP IBP as a cloud-based solution for demand planning, inventory optimization, supply planning, and sales and operations planning (S&OP) on a unified platform, highlighting key differentiators for organizations evaluating their planning capabilities.

Why This Matters

Traditional supply chain processes rely on manual planning, fragmented data, and reactive adjustments, creating inefficiencies, raising costs, and limiting the ability to respond to customer demand and supply of material, labor, and capacity changes effectively.

SAP Integrated Business Planning streamlines these processes with real-time visibility, predictive analytics, and automated planning, enabling organizations to cut costs, boost agility, and make data-driven decisions that keep supply chains resilient and aligned with business goals. SAP Cloud ERP, combined with connected AI-driven scenarios and automated intelligent planning, delivers greater benefits for customers transitioning from SAP APO to SAP IBP.

Challenges

In today's business landscape, companies face significant challenges in enhancing their supply chain operations, heightened by the disruptive impact of AI. This transformative technology is redefining the requirements for business survival and growth. The lack of real-time visibility into inventory levels, demand fluctuations, and supplier performance continues to cause inventory mismanagement and operational inefficiencies. These challenges are compounded by inconsistent lead times, hindering timely production and customer fulfillment. In a fiercely competitive market, businesses that fail to adapt risk losing ground to more agile, tech-enabled rivals.

To mitigate these risks, building resiliency into supply chain planning is essential. Leveraging AI-powered tools alongside advanced analytics enables accurate demand forecasting, inventory optimization, and proactive disruption management. Access to comprehensive, real-time data is vital, yet many organizations struggle with disparate systems that hinder visibility and decision-making. Unifying data sources and implementing robust, AI-driven planning tools that provide a holistic view of supply chain operations is crucial. Streamlined processes and workflows further enhance efficiency, requiring seamless coordination across procurement, production, and distribution. AI-powered planning tools align these functions, enabling optimal resource utilization and smoother operations. Additionally, these tools strengthen collaboration with suppliers and stakeholders, significantly improving supply chain efficiency and responsiveness in an AI-disrupted world.

Digital transformation is pivotal in enhancing supply chain management through cloud migration and AI enabled, enabling faster throughput, automation, and greater agility. These technologies improve data access and visibility, which is crucial for effective risk mitigation, planning, and decision-making. To embrace these advancements, businesses are justifying their supply chain digital transformation efforts by making significant investments in ERP systems (59%), supply chain management/purchasing and procurement (34%), and inventory management (30%), according to research from TechTarget's Enterprise Strategy Group (see Figure 1).[1] The drive for innovation intensifies the pressure on management teams to expedite infrastructure and application deployments, prompting organizational leaders to prioritize substantial efforts across their ecosystems.

[1] Source: Enterprise Strategy Group Complete Survey Results, *2024 Technology Spending Intentions Survey*, February 2024

Figure 1. Top Supply Chain Business Application Spending Priorities

Source: Enterprise Strategy Group, a division of TechTarget, Inc.

Key Trends

As companies invest in digital transformation to enhance their supply chain management, several key trends shape the industry's future. These trends reflect the broader impact of technological advancements and shifting market demands on supply chain operations. By understanding and leveraging these trends, businesses can further optimize their supply chain processes, improve resilience, and maintain a competitive edge. Here are some of the most significant trends currently influencing modern supply chains:

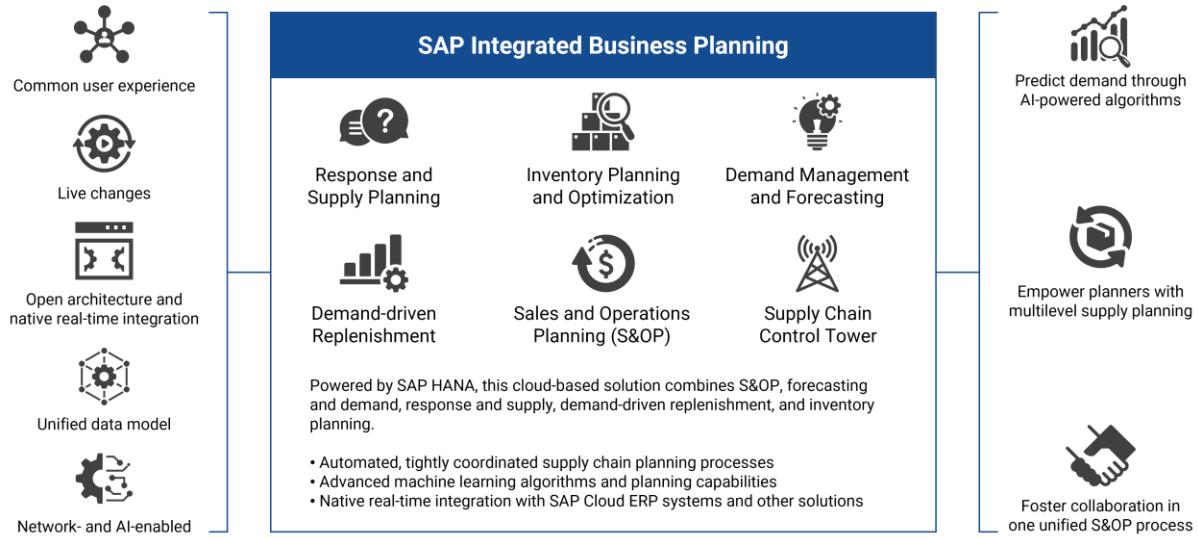
- **AI and machine learning.** These technologies are used for demand forecasting, predictive maintenance, predicting lead times for suppliers, manufacturing, and transportation, and improving decision-making processes.
- **Cloud computing.** Cloud-based solutions offer scalability, real-time data access, improved collaboration across the supply chain, and enhanced cybersecurity to protect sensitive data and ensure secure operations.
- **Scenario planning.** Advanced analytics help companies anticipate potential disruptions and develop contingency plans.
- **Data-driven decision-making.** Leveraging big data helps companies gain insights into consumer behavior, optimize inventory, and improve supply chain efficiency.

- **Real-time tracking.** IoT devices provide real-time data on the location and condition of goods, enhancing visibility and reducing losses.
- **Smart sensors.** These sensors monitor environmental conditions (e.g., temperature, humidity) in real time to ensure the integrity of sensitive products.
- **Eco-friendly practices.** Companies are adopting sustainable practices, such as reducing carbon footprints and utilizing renewable energy sources.
- **Circular supply chains.** Increased emphasis on recycling, reusing, and refurbishing products minimizes waste.
- **Risk management.** Companies are focused on building more resilient supply chains that can withstand disruptions through supplier diversification and strategic stockpiling.
- **Predictive analytics.** Anticipating future trends and demand with predictive analytics enables companies to proactively adjust the supply chain.
- **Enhanced transparency.** Blockchain provides a secure and immutable ledger for tracking products through the supply chain, improving transparency and trust.
- **Fraud prevention.** These technologies help in verifying the authenticity of products and preventing counterfeiting.
- **Personalization.** Tailoring products and services to meet specific customer needs and preferences is a common trend across all industries.
- **Faster delivery.** Increased demand for same-day and next-day delivery options is driven by e-commerce growth.
- **Global supply chains.** Managing complex, international networks of suppliers and customers is important in today's world.
- **Localization.** Many companies are moving toward more localized supply chains to reduce dependencies and improve response times.
- **Compliance and regulation.** Adhering to global standards and regulations maintains ethical supply chain operations.
- **Warehouse automation.** Robotics and automated guided vehicles (AGVs) are improving efficiency and reducing warehouse labor costs.

The Solution: SAP Integrated Business Planning

SAP Integrated Business Planning for Supply Chain is a cloud-based supply chain planning solution that scales to accommodate business growth and integrates with other SAP and third-party systems. It integrates key aspects of the planning process, including demand, supply, inventory, and sales and operations planning. Designed to help streamline planning and improve performance, SAP IBP supports data-driven decision-making and simplified collaboration to increase operational efficiency. This is accomplished with the help of advanced analytics, artificial intelligence, and powerful optimization algorithms that enable real-time visibility, better forecasting, and faster decision-making across the entire supply chain. See Figure 2.

Figure 2. SAP Integrated Business Planning (IBP)



Source: Enterprise Strategy Group, a division of TechTarget, Inc.

Enterprise Strategy Group Economic Validation

Enterprise Strategy Group completed a quantitative economic analysis of SAP's IBP solution. Our process is a proven method for understanding, validating, quantifying, and modeling a product or solution's value propositions. The process leverages Enterprise Strategy Group's core competencies in market and industry analysis, forward-looking research, and technical/economic validation.

Enterprise Strategy Group conducted in-depth interviews with end users to better understand and quantify how SAP IBP has impacted their organizations' supply chain management digital transformation through cloud migration and AI integrations. We conducted a comprehensive evaluation encompassing vendor-generated technical documentation, established case studies, independent analyses, and our team's expert insights into the industry, markets, and alternative technologies. The qualitative and quantitative data were then used for a simple economic analysis comparing the costs and benefits of implementing SAP's IBP supply chain management solution.

SAP Integrated Business Planning Economic Overview

Enterprise Strategy Group's economic analysis SAP's IBP supply chain solution provided its customers with significant savings and benefits in the following categories:

- **Risk mitigation.** Early detection of disruptions or delays is the key to reducing overall risk in the supply chain process. SAP IBP's streamlined risk assessment and management approach empowers organizations to build resilient, responsive supply chains that support continuous operations.
- **Improved business agility.** Stronger connections and increased productivity help organizations become more agile by breaking down silos and creating a digitally connected supply chain. Through digital tools that enable rapid collaboration, efficient data sharing, and predictive insights, SAP IBP empowers companies to anticipate changes and respond effectively to challenges or opportunities.
- **End-to-end optimization.** A responsive, efficient, cost-effective supply chain is essential for success. Aligning supply chain stages helps companies reduce waste, avoid delays, consistently meet customer expectations, and quickly adapt to market changes. SAP IBP unifies the supply chain into one streamlined process, from demand forecasting and inventory management to production and delivery.

Risk Mitigation

Prioritizing risk mitigation in supply chain solutions helps organizations maintain stability, reduce disruptions, and protect revenue. This proactive approach enables them to respond quickly to unexpected challenges, meet customer demands, and preserve their reputation. SAP IBP strengthens these efforts by providing real-time visibility, scenario planning, and advanced analytics for data-driven forecasting. By integrating external risk data and fostering cross-functional collaboration, organizations can unify and strengthen responses to potential disruptions, ensuring continuous operations. Customers reported savings and benefits in the following categories:

- **Reduced risk of revenue loss.** In a world where supply chains must reliably deliver goods to consumers and production facilities alike, SAP IBP's real-time visibility and virtual modeling capabilities support resilience against disruptions. Customers used predictive analytics and scenario planning to help anticipate supply chain shifts, enabling them to address disruptions quickly. This agility helped them to minimize missed sales opportunities and maintain service levels, thereby protecting revenue. By connecting end-to-end business processes, SAP IBP ensures that each decision point in the supply chain reflects its broader impact, helping to balance profit, speed, service levels, and risk throughout planning and execution.

> **"With [SAP] IBP, we can move from constantly putting out fires to planning ahead, so we're prepared for smoother operations when the time comes."**
>
> -Head of Customer Supply Chain

- **Reduced risk of supply chain planning costs.** As disruptions become the norm, effective supply chain planning requires digitally connected and integrated solutions that foster collaboration across functions. SAP IBP addresses this need by aligning production and synchronized supply plans, coordinating with external partners, and detecting potential delays early, which prevents costly last-minute adjustments and ensures efficient resource allocation. Customers used advanced analytics and insights to improve forecasting accuracy, connecting internal and external data sources to directly incorporate risks like forecast errors and logistical delays into planning. Customers found this helped minimize overproduction and resource misallocation, ultimately reducing planning costs and streamlining overall planning efficiency.
- **Reduced risk of access and obsolescence costs**. As market demands shift rapidly and unexpected changes become routine, SAP IBP helps companies reduce obsolescence risk by aligning inventory with actual demand. Minor fluctuations in sales and uncertainties in requirements planning often create significant variations in production or procurement needs, resulting in excess inventory in some areas and shortages in others. SAP IBP uses precise, AI-enabled demand forecasting and simulation techniques to help companies optimize stock levels, minimize imbalances, and reduce unsold inventory. SAP IBP's virtual modeling capabilities provide a current view of the supply chain, enabling companies to detect weaknesses and make timely adjustments. By collaborating with trading partners and logistics providers, SAP IBP ensures coordinated and efficient decisions across the supply chain. One customer noted that, with SAP IBP's collaboration features, advanced alerts, control tower, and dashboard, the visibility and alert system was so effective that not a single product expired within seven months after implementation.

Improved Business Agility

Business agility empowers supply chains to respond quickly to disruptions, accurately forecast demand, manage inventory efficiently, and ensure on-time delivery. SAP IBP helps organizations achieve this with modules like Demand Planning for adaptive forecasting, Inventory Planning for maintaining optimal stock levels, and Response and Supply Planning to align supply with real-time demand. These modules help organizations stay resilient and competitive in a constantly changing world. Customers reported savings and benefits in the following categories:

- **Improved demand forecasting accuracy.** Accurate demand forecasting is essential for ensuring products are available without overstocking. SAP IBP enhances this accuracy through advanced, AI-enabled forecasting methods, including gradient boosting and machine learning algorithms, which automate forecasts and deliver reliable sales projections with minimal effort. Additionally, Demand Sensing refines forecasts by adjusting daily predictions based on current sales data and pattern recognition, enabling businesses to respond precisely to short-term shifts. Companies can test demand and supply scenarios with scenario planning to anticipate potential impacts. At the same time, cross-functional collaboration, from sales to logistics, ensures that forecasts reflect insights from all parts of the organization.

> **"We can predict demand more accurately, allowing us to produce what's needed without relying heavily on extra inventory to meet customer needs."**
>
> -SVP and Head of Supply Chain

- **Improved inventory management.** Effective inventory management is vital for meeting customer demand, controlling costs, and ensuring product availability without tying up excess resources. SAP IBP helps organizations maintain optimal stock levels by tracking inventory, setting reorder points, and managing warehousing and distribution. By accounting for factors like supplier reliability, delivery times, and seasonal patterns, SAP IBP automates inventory adjustments, reducing warehousing and production costs. With integrated demand planning and cross-departmental insights, SAP IBP enables companies to minimize waste, avoid costly stockouts, and build a responsive supply chain that closely aligns with customer demand.
- **Improved on-time delivery performance.** On-time delivery is crucial for maintaining customer satisfaction, building trust, and staying competitive. SAP IBP improves on-time delivery performance by providing real-time visibility, accurate demand forecasting, and advanced planning tools. Using predictive analytics, companies align supply with demand to ensure inventory is available precisely when and where it's needed. SAP IBP also connects departments and external partners, fostering collaboration across the supply chain to address potential delays and bottlenecks proactively. SAP IBP enables companies to consistently meet delivery timelines, enhance customer satisfaction, and maintain service reliability by improving coordination and insight.

> **"By improving our forecast accuracy, we've been able to plan production more effectively, ensuring products are made, delivered, and received by our customers right on time."**
>
> -SVP and Head of Supply Chain

End-to-end Optimization

In today's fast-paced and unpredictable market, constant disruptions and shifting demands make SAP IBP essential for building a resilient and efficient supply chain. SAP IBP integrates real-time data, predictive analytics, and synchronized planning to help companies anticipate demand, align supply with production, and avoid bottlenecks. The Supply Chain Control Tower provides end-to-end visibility, using flexible alerts and machine learning to detect issues early and enable quick, effective responses. SAP IBP connects internal teams and external partners, fostering collaboration, boosting productivity, and improving visibility for rapid change responses. Companies can monitor supply chain performance with customizable KPIs to increase efficiency, reduce costs, optimize capacity utilization, and ensure product availability exactly when and where needed to enhance customer satisfaction. Customers reported savings and benefits in the following categories:

- **Improved employee productivity.** Employee productivity directly impacts the effectiveness and efficiency of supply chain operations. With increased productivity, employees manage and analyze large amounts of data quickly, make faster decisions, and respond promptly to changes in demand or disruptions. IBP streamlines supply chain processes, automates routine tasks, and enhances department collaboration. Its real-time data and integrated planning tools enable employees to make faster, data-driven decisions, cutting down on manual data gathering and analysis. By centralizing information and improving communication between teams, such as sales, logistics, and production, IBP breaks down silos, creating smoother workflows and more coordinated efforts. One customer reported that by automating tasks and reducing time spent on manual data collection, cross-departmental collaboration, and data alignment, their team became 75% more productive in managing KPIs. Another customer noted a 50% increase in overall productivity with IBP compared with their previous solution.

> **"We've cut out a lot of wasted time and made our work way more efficient."**
>
> -Head of Customer Supply Chain

- **Improved customer satisfaction.** Customer satisfaction is important, as it directly affects a company's reputation, customer loyalty, and profitability. Customers receiving products on time and in full are more likely to trust the brand, make repeat purchases, and recommend it to others. IBP improves customer satisfaction by ensuring that products are available when and where customers need them, enhancing service reliability and responsiveness. With accurate demand forecasting that aligns inventory with actual demand, IBP helps reduce stockouts and fulfill orders promptly. Its advanced scenario planning and predictive analytics enable companies to proactively address disruptions or shifts in demand, minimizing delays and keeping customers informed. By connecting teams and streamlining processes across the supply chain, IBP enhances coordination, enabling companies to meet delivery promises and quickly adapt to customer needs consistently.
- **Increased capacity utilization.** Optimizing capacity utilization is paramount in supply chain management because it enables companies to fully leverage resources, reduce idle time, and minimize waste. Companies use equipment, labor, and facilities efficiently to lower operational costs and boost productivity. SAP IBP enhances capacity utilization by optimizing production planning and aligning capacity with actual demand. With advanced forecasting and scenario planning, IBP helps companies accurately predict demand and adjust production schedules to maximize resource use. It also provides current visibility into capacity constraints and bottlenecks, enabling organizations to proactively address issues before they disrupt operations. By synchronizing production with supply and demand planning, IBP reduces idle time and underutilized resources, driving more efficient use of equipment, labor, and facilities.

> **"We would be dead in the water without SAP IBP."**
>
> -Director of Digital Supply Chain

Enterprise Strategy Group Analysis

Enterprise Strategy Group leveraged the information collected through vendor-provided material, public and industry knowledge of economics and technologies, and the results of customer interviews to review, audit, and contribute to the TCO model that compares the current and future costs and benefits of implementing SAP Integrated Business Planning solution. Our interviews with customers who have recently made the transition, combined with experience and expertise in economic modeling, helped form the basis for our modeled scenario.

Modeled Organization

For this analysis, we interviewed six customers who have either transitioned to SAP IBP or are in the process of transitioning. We interviewed seven customers across different industries to understand their experiences and outcomes. These organizations represent a diverse range of revenue sizes, from $750 million to over $200 billion. For purposes of this analysis, we created a modeled scenario of an organization using a composite revenue amount from these interviews of $48 billion, $8.16 billion in operating income, and a cost of goods sold (COGS) of

$31.2 billion. The company holds an average annual inventory valued at $4.8 billion to cover warehousing, handling, and capital costs, ensuring stock availability. Supply chain planning costs total $120 million annually, including expenses for demand forecasting, inventory planning, procurement, and logistics coordination, representing approximately 0.25% of revenue, which aligns with the 0.2–0.3% range typical for above-average performers in the consumer industry.

Our modeled organization maintains an operating margin of 17%, demonstrating solid profitability and cost control. Inventory costs of 10% of revenue demonstrate efficient inventory management to balance availability with cost. It prioritizes high service levels, inventory optimization, and accurate demand forecasting to enhance agility and customer satisfaction.

Operational and Productivity Savings

Customer interviews revealed significant improvements in employee productivity and cost savings from process automation and data integration enabled by SAP IBP. By streamlining workflows and automating time-intensive tasks, organizations reduced manual intervention, freeing up employees to focus on higher-value activities such as strategic planning and decision-making. This shift enhanced workforce efficiency and improved resource allocation across the supply chain.

SAP IBP also facilitated seamless data integration across disparate systems, eliminating silos and enabling real-time visibility into key supply chain metrics. This visibility empowered organizations to make more informed decisions, reducing errors and accelerating response times to disruptions. Optimizing processes like demand forecasting and inventory planning led to measurable savings by aligning inventory levels more closely with actual demand. This improved alignment not only minimized excess stock and obsolescence but also reduced the costs of storage and management. Ensuring the availability of the right products at the right time enhanced the organization's ability to meet customer expectations, fostering stronger customer relationships and loyalty.

These efficiencies support the organization's goals of enhancing customer satisfaction by achieving higher on-time delivery rates and maintaining consistent service levels. Furthermore, SAP IBP's advanced analytics and scenario planning capabilities allowed businesses to proactively anticipate and mitigate potential supply chain risks. This level of agility minimized costly inefficiencies and provided a competitive edge in rapidly changing markets.

Using the information from customer interviews, the validation performed by Enterprise Strategy Group shows that organizations saw an increase in operational efficiency and productivity by up to 51% with SAP IBP (see Figure 3). These savings reflect reduced costs associated with manual processes, inventory management, and inefficiencies while amplifying the value derived from streamlined operations. SAP IBP positions organizations to maximize profitability and achieve sustainable growth in a dynamic business environment by providing a robust framework for evaluating and enhancing supply chain agility and customer satisfaction.

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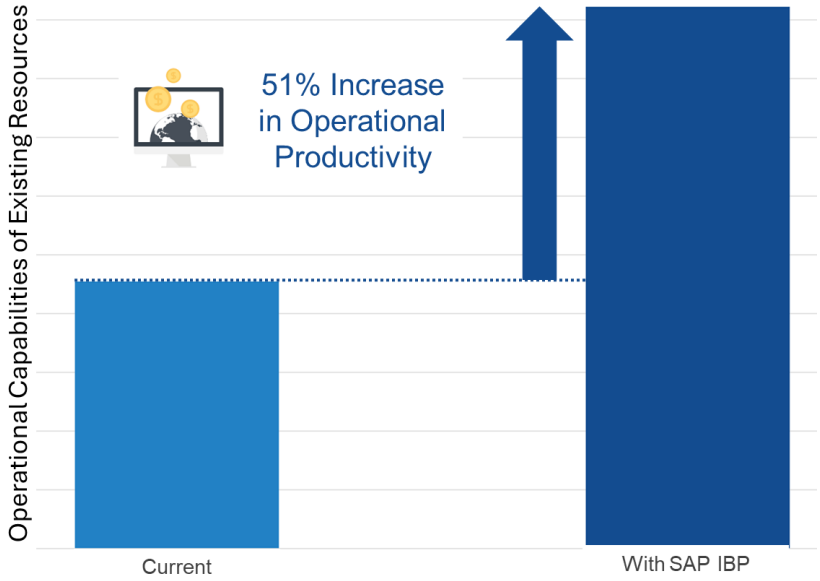
Figure 3. SAP Integrated Business Planning Operational and Productivity Savings

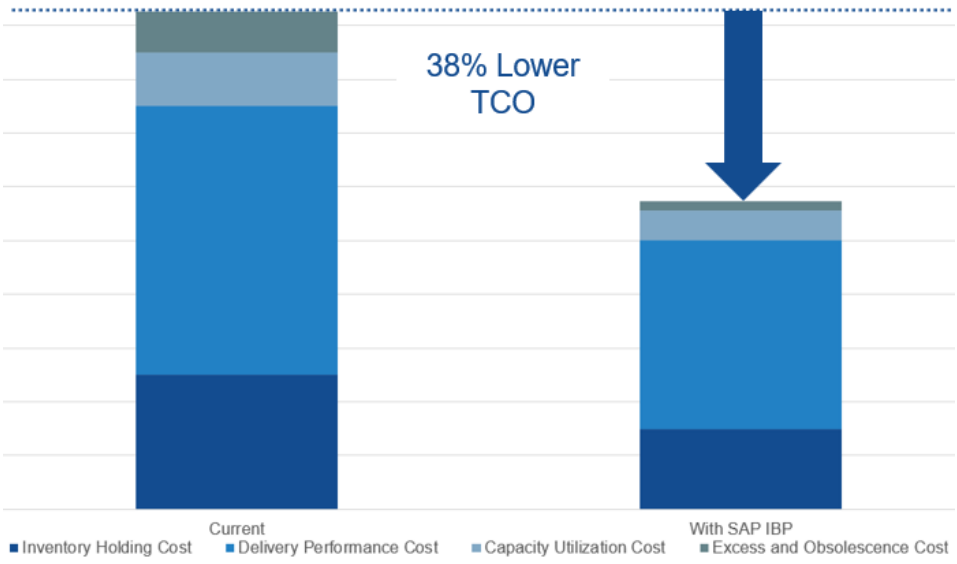


Source: Enterprise Strategy Group, a division of TechTarget, Inc.

Total Cost of Ownership

Enterprise Strategy Group conducted a comprehensive cost analysis of the SAP Integrated Business Planning solution, leveraging the vendor-provided model and insights from customer interviews. The analysis used conservative assumptions to forecast potential benefits and calculate the TCO, covering savings in inventory holding costs, delivery performance costs, capacity utilization costs, and excess and obsolescence costs (see Figure 4).

Figure 4. SAP Integrated Business Planning Total Cost of Ownership



Source: Enterprise Strategy Group, a division of TechTarget, Inc.

Inventory Holding Costs

Organizations can achieve significant savings in warehousing, insurance, and capital costs by reducing the storage of unsold goods. SAP IBP helps minimize these costs by optimizing inventory levels through precise demand forecasting and real-time adjustments. Accurate predictions enable companies to lower excess stock, reduce warehousing needs, and free up capital tied to inventory. By improving inventory turnover and reducing holding costs, businesses can enhance cash flow, ensuring that capital is available for strategic investments rather than being locked in excess stock.

Delivery Performance Costs

SAP IBP improves customer delivery performance by providing end-to-end supply chain visibility and predictive analytics to anticipate and mitigate potential delays. Companies consistently meet customer expectations and avoid costly penalties by identifying issues before they impact delivery timelines. Meeting or missing deadlines directly influences delivery performance costs, customer satisfaction, and the organization's reputation.

Capacity Utilization Costs

SAP IBP reduces inefficiencies from underused storage resources by aligning production schedules with accurate demand forecasts. This alignment helps companies avoid capacity utilization costs, minimize idle time, and fully utilize available resources. Companies can then operate more efficiently, reduce waste, and respond more effectively to market demands.

Excess and Obsolescence Costs

Businesses use SAP IBP to reduce excess and obsolescence costs by leveraging advanced demand sensing and scenario planning to adjust inventory levels in response to changing demand patterns. While the ability to use recent history to drive accurate forecasts remains a challenge, companies that excel in execution are gaining a competitive advantage by sensing near-term demand and ensuring inventory is positioned in the right place at the right time. SAP IBP's demand sensing capabilities enable companies to analyze short-term trends and fluctuations, aligning inventory more precisely with current market needs. Scenario planning empowers businesses to model various demand shifts, supply capacity changes, material constraints, lead time adjustments, and other variables, enabling proactive decision-making to avoid overstocking or understocking. Shelf-life planning, particularly valuable for industries where obsolescence due to product shelf life is a concern, allows the system to propose strategies to minimize wastage by ensuring inventory turnover aligns with expiration timelines. Customers free up capital, lower storage costs, and enhance overall inventory efficiency by minimizing the risk of holding outdated or surplus inventory.

Issues to Consider

While Enterprise Strategy Group models are built in good faith upon conservative, credible, and validated assumptions, no single modeled scenario will ever represent every potential environment. The costs and benefits of using SAP Integrated Business Planning solution depend on an organization's requirements and practices. Enterprise Strategy Group recommends that organizations perform an analysis of available products and consult with their SAP representative to understand and discuss the differences between the solutions through their proof-of-concept testing.

Conclusion

In a constantly shifting and accelerating business landscape, digital transformation reshapes supply chain management to meet demands for faster throughput, automation, and agility. These technologies enable companies to access real-time data and enhance visibility, which is essential for effective risk mitigation, planning, and decision-making. SAP Integrated Business Planning (IBP) plays a central role in this transformation by providing visibility into extensive data and processes, enabling synchronized, data-driven decisions across the organization.

Enterprise Strategy Group validated the advantages of transitioning to SAP IBP, including:

- **Modernization from SAP APO.**
  - Legacy systems like SAP APO, while effective for traditional supply chain challenges, lack the AI and ML capabilities needed for modern supply chains.
  - SAP IBP is digitally connected in real-time with SAP Cloud ERP, offering predictive analytics, automated scenario planning, and real-time insights.
- **Modular adoption and scalability.**
  - SAP IBP's modular design allows organizations to adopt features incrementally based on process functions and business needs.
  - This flexibility minimizes disruption, optimizes costs, and ensures a tailored modernization journey.
- **AI-driven decision-making.**
  - AI-powered tools enhance agility, enabling organizations to respond quickly to market disruptions.
  - Built-in intelligence supports demand sensing, capacity planning, and inventory optimization for a competitive edge.
- **Validated business benefits.**
  - Enterprise Strategy Group validated that SAP IBP improves supply chain predictability, efficiency, and flexibility.
  - Customers experienced measurable gains in inventory management, demand forecasting, and capacity utilization while reducing inventory surplus and waste.
  - Additional benefits emerge when combined with SAP Cloud ERP and connected AI scenarios, including multi-agency coordination.

As companies pursue digital transformation through cloud migration and AI integration, SAP Integrated Business Planning provides a unified, cloud-based platform for demand planning, inventory optimization, supply planning, and S&OP. With tools and insights to build resilient, efficient supply chains, SAP IBP positions organizations to meet the challenges and seize the opportunities of a digitally transformed future. As such, Enterprise Strategy Group encourages you to evaluate how SAP IBP can align with your organization's needs.

Click here to learn more about SAP Integrated Business Planning for Supply Chain

Click here to learn more about the SAP Customer Evolution Program

About Enterprise Strategy Group
TechTarget's Enterprise Strategy Group provides focused and actionable market intelligence, demand-side research, analyst advisory services, GTM strategy guidance, solution validations, and custom content supporting enterprise technology buying and selling.

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