



## SAP Optimization

# Commercial & Contractual Optimization

As SAP customers face the challenges of rapidly increasing complexity and cost, a variety of causes need to be considered and addressed if organizations are to remain in control, compliant and on budget.

These challenges are being driven by the required migration to S/4 Hana by 2030 and the Business Process Transformation that happens in conjunction with S/4Hana and cloud migration and digitization - RISE with SAP. These are not just major technical considerations, but they also have important commercial and contractual implications that need to be carefully planned and managed.



S/4HANA Migration



Evolving Pricing



Complex Contracts



Increasing Audits



Indirect Access Focus



Cloud Migration



Business Transformation

### Complex Commercial Contracts

With compliancy audits on the increase, rapidly changing demand for new services, SAP's push to move to the Cloud via RISE with SAP and an "all-in" contract approach with SAP, many organizations now face significant unplanned SAP related expenditure and potentially unfavorable commercial terms if negotiations are not managed correctly. SAP has a complex pricing and contractual model, that is dependent on various factors such as deployment option (cloud vs on-premis) and flavor, product family, Indirect Access rights (Digital Access Model) and user base. It has never been more important to have access to specialist expertise to navigate this landscape. It doesn't end there - what reporting tools, 3rd party products, databases and middleware an organization uses can also have a significant impact on cost, especially when major contracts renewals are being negotiated.

Many organizations enter SAP contract negotiations badly prepared and often too late on in the process, only to find that their costs have drastically increased. This can often be attributed to a suboptimal negotiation starting point, poor underlying usage data, heavy discounts on licensing subscriptions and cloud services that were once enjoyed having been removed and new list pricing that has often risen beyond indexed inflation.

Clients can save an average of 38% on their mega vendor renewals. Livingstone Group are independent and do not carry SAP revenue targets, therefore will act in your organization's best interests validating your actual requirements, offering unbiased advice and support your team through complex negotiations with SAP.



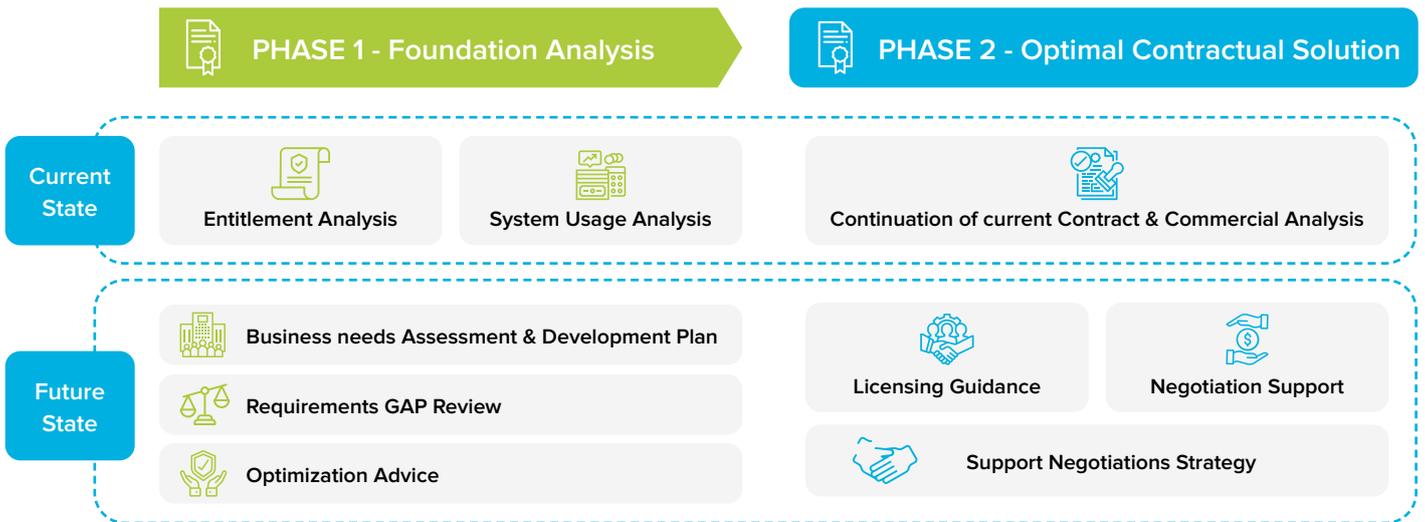
### Clarity, Preparation & Expertise

Whether your organization is embarking on new SAP contract negotiations, planning for significant organizational change (e.g. merger, acquisition or divestment) or is faced with a potentially damaging SAP audit, it is imperative to align SAP's evolving technology and service platforms to an agreement that delivers best value to your organization. This requires specialist unbiased SAP knowledge, experience and leadership.

Livingstone Group is independent and does not carry SAP revenue targets, therefore will act in your organization's best interests, validating your actual requirements, offering unbiased advice and support your team through complex negotiations with SAP, that will deliver proven outcomes, savings and control.

### Proven Methodology & Outcomes

Our approach is made up of two key phases, typically delivered over a 3 to 9 month period prior to and during the engagement with SAP. During this engagement period we work in partnership with key stakeholders to help them articulate their overall requirement and harmonize it across all stakeholder groups, to define an optimal Bill of Materials (BOM) and contract solution.



Our methodology provides complete clarity for decision makers, delivering a strategic procurement and negotiation plan. We then work alongside or on behalf of our clients during vendor negotiations to deliver best in class commercial and contractual terms.

### Leaders in our field

Our team of industry experts have negotiated some of the largest and most complex SAP contracts globally, for a wide variety of clients including domestic and international enterprises and a wide variety of Public Sector organizations. They have many years experience of working with and for mega vendors like SAP, working to proven methodology to deliver specified client outcomes.