



Accelerate Your Profitability with SAP HANA Accelerator for SAP CO-PA



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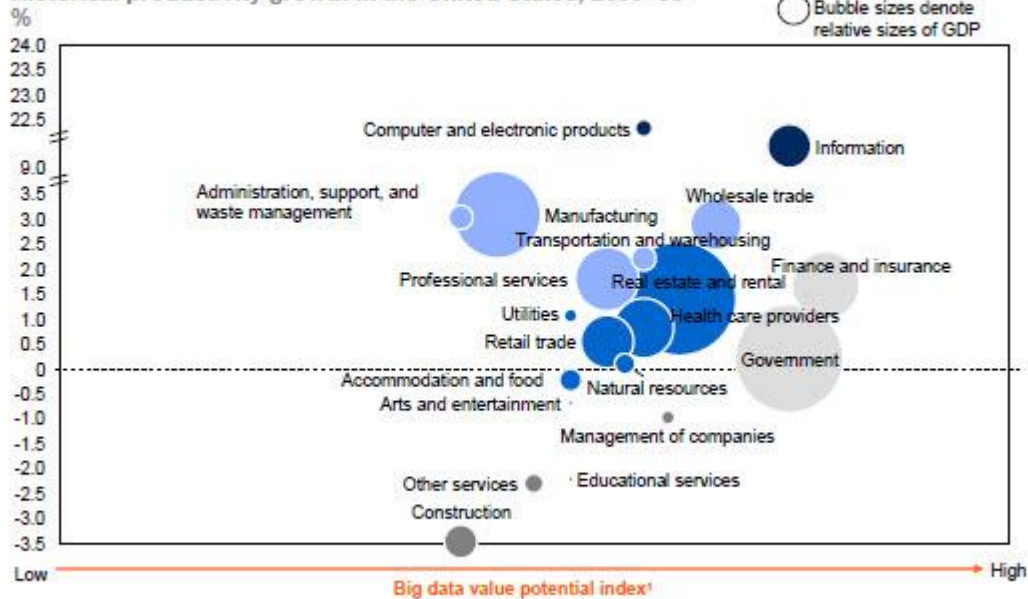
Businesses with high transaction volumes or high complexity factors are transformed with SAP HANA Accelerator for SAP CO-PA. In-memory technology can deliver massive calculation power that is necessary for analyzing profitability in today's business environment.

COMPANIES NEED TO MOVE FASTER. DECISIONS NEED TO BE MADE QUICKER AS CUSTOMERS EXPECT IMMEDIATE ANSWERS.

Today, companies are harvesting massive quantities of data on their products, customers, distribution channels and more. According to McKinsey's Global Institute¹, "**retailers have a potential 60% increase in operating margins possible with big data**". Many industries have the potential for greater gains, if only they could find a superior way to gather and filter their data.

Some sectors are positioned for greater gains from the use of big data

Historical productivity growth in the United States, 2000–08

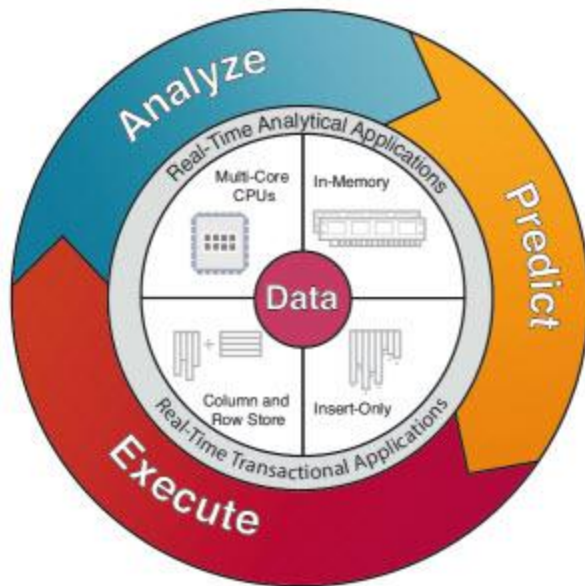


1 See appendix for detailed definitions and metrics used for value potential index.
SOURCE: US Bureau of Labor Statistics; McKinsey Global Institute analysis

Controllers and managers alike are continually trying to get the best information from their system, but often encounter slow performance issues, technical limitations, or are forced to compile non-integrated information. These limitations remained evident with few advancements until research surfaced from the Hasso Plattner Institute² showing that solutions could be found using **in-memory technology** – a technology that allows the processing of massive quantities of data performed in real-time, from the main memory of the server and provide immediate results from the collected data.

SAP's HANA (**HIGH PERFORMANCE ANALYTIC APPLIANCE**) is a combination of the latest hardware components available and the most recent development of in-memory data management. Its column data storage is optimized for reporting and complex analysis, while its massive calculation power delivers amazing response times, up to 100-200 times faster. SAP HANA can now build reports and applications that were previously deemed unthinkable.





Enterprise Performance In-Memory Circle (EPIC) Model
 Courtesy of Hasso-Plattner-Institut, Universität Potsdam

volumes and/or high complexity factors will be transformed since in-memory technology can deliver the massive calculation power that is necessary for analyzing profitability. SAP recognized this and took the initiative to enhance one of their existing applications – SAP CO-PA, releasing SAP HANA Accelerator for SAP CO-PA. It works with your existing SAP CO-PA, where the postings remain in ERP but queries are processed in HANA. SAP CO-PA accelerator, powered by SAP HANA offers a seamless integrated performance booster, where previously an external application was always required with one or more interface producing a more complex data integration chain. With in-memory technology, assume no limitations for which data processes can be enhanced. Questions like “Which current analytics or reports run too long?”, “Where do your analytics or reports fail in their desired level of detail?” or “Where do you still have to run large un-integrated sources of data?” are just the beginning. SAP HANA CO-PA Accelerator calculates multi-level profitability; planning and simulation to optimize future profitability; speeds up data loads and queries (beta customer: 8 hours down to 10 minutes); is not limited to predefined aggregate levels; and can compare multiple months or years worth of data for seasonal analysis or benchmarking purposes.

ARCHITECTURE OVERVIEW

Over the last 20 years, SAP CO-PA has provided significant value across all industries with its ‘matrix data’ architecture. This architecture inspired the development of SAP BW. However, companies with high transaction volumes (e.g. retail, consumer products, bank/insurance services, health care) and/or companies with high complexity that demand detailed analysis such as tradeshow promotions or CRM analysis had reached or exceeded their ‘matrix data’ capabilities. If the organization fell into this category they were frequently forced to make the following trade-offs:

- Product groups instead of products
- Customer groups or channels instead of customers
- Monthly/quarterly analysis instead of a daily/hourly basis

In-Memory technology, embraced by SAP as High Performance Analytic Appliance (HANA), now unlocks the gateway to rapidly run multiple reports, compare consolidated lines of business performance, view multi-year time series and lifetime profitability reports enabling organizations to make better decisions out of their vast amounts of data. Data manipulation for advanced cost management procedures, like performing top-down distribution, would often take too much time to calculate. By moving these critical and highly analytical operations into an in-memory environment, not only will it allow for new variables of analytical reporting to exist but execution time will move from hours to seconds, forever improving the ERP landscape.



WHAT IS IN-MEMORY TECHNOLOGY?

As written by Plattner and Zeier in the first book on in-memory database systems called *In-Memory Data Management: An Inflection Point for Enterprise Applications*,

“Instead of using mechanical disk drives it is now possible to store the primary data copy of a database in silicon-based main memory resulting in an orders-of-magnitude improvement in performance and allowing completely new applications to be developed. This change in the way data is stored is having, and will continue to have a significant impact on enterprise applications and ultimately on the way businesses are run. Having real-time information available at the speed of thought provides decision makers in an organization with insights that have, until now, not existed.”³

MEANINGFUL ROI

One of the key areas where in-memory could significantly validate its return on investment is **profitability analysis**. Businesses with high transaction





IMPORTANT CONSIDERATIONS FOR ESTABLISHING SAP HANA

When exploring how SAP HANA can be leveraged alongside SAP CO-PA for accelerated calculation and data analysis capabilities, begin by learning how Profitability Analysis is set up and replicated with in-memory technology. Once you see the calculation power it delivers, then strategic and business decisions will become much simpler. However, rebuilding your current business logic and integration is not always the most effective way to transition to new practices. As with any ERP landscape, it is crucial to understand the source applications and the logic behind existing CO-PA tables for a successful SAP HANA integration. Thoughtful questions and discussion with a trusted SAP partner will allow you to grasp the incredibly wide scope and the widespread opportunities for improvement in your day-to-day operations. In-memory computing must be experienced to be believed.

ALTA VIA'S ROLE

Alta Via is a trusted SAP Partner and the sole external provider of the SAP CO-PA Accelerator business transformation service as included in the SAP HANA CO-PA Rapid Deployment Solutions (RDS) because of our expertise and knowledge. Simply, our success relies on your success. It is built on achieving your goals and vision that demands better analytics, performance, and decisions out of your system. We can help align with what your BI strategy should look like and how to competently implement it. The complete integration of in-memory technology is what Alta Via Consulting brings to your SAP HANA Accelerator for SAP CO-PA experience.

FREQUENTLY ASKED QUESTIONS (FAQ'S)

What if we don't have SAP CO-PA yet?

Alta Via can get you up and running with SAP CO-PA right away. Combining this with an SAP HANA project ensures that the required decision support reporting will not be limited by the technology.

What about our BW strategy?

Companies that have already implemented BW reports out of their CO-PA data will be able to leverage and consolidate functional data warehouses and data marts into HANA. This will reduce landscape complexity and administrative overhead by consolidating data warehouses. Companies that have not yet implemented BW will have the opportunity to either integrate SAP BW 7.30 with HANA or connect reporting solutions from SAP Business Objects directly to the SAP HANA database.


Do we need any Business Objects application?

SAP Business Objects reporting tools like Dashboards, Web Intelligence, Explorer or Analysis are capable of connecting to the SAP HANA database. However, this deployment is only optional since the SAP CO-PA Accelerator is reusing the standard SAP ECC reports. Contact us for a better overview of the available solutions.

What are the most significant benefits of HANA?

To summarize SAP HANA's focus, it is to reduce TCO, increase system performance, with minimum interruption to the user.

ABOUT US

Alta Via Consulting's practice focuses on being trusted advisors for management processes that include blueprinting, planning, analysis, control and decision support tools to meet our customers costing needs. We thrive on addressing specific challenges related to advanced cost management, highlighting solutions and best practices to help managers achieve their optimization objectives. 



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¹ Big data: The next frontier for innovation, competition, and productivity, McKinsey Global Institute, May 2011 http://www.mckinsey.com/mgi/publications/big_data/pdfs/MGI_big_data_full_report.pdf

² In-Memory data management: An inflection point for enterprise applications, Hasso Plattner / Alexander Zeier, June 2011 <http://www.amazon.com/dp/3642193625/>

³ In-Memory data management: An inflection point for enterprise applications, Hasso Plattner / Alexander Zeier, June 2011 <http://www.sap.com/platform/pdf/In-Memory%20Data%20Management.pdf>

