

# Report: Third-party Support Helps SAP Customers Get Control of Their ERP Strategy and Associated Costs

***With Rimini Street, SAP customers can drive value from existing ERP investments while assessing, implementing, or avoiding S/4HANA***

LAS VEGAS--(BUSINESS WIRE)--Aug. 31, 2022-- [Rimini Street, Inc.](#) (Nasdaq: RMNI), a global provider of enterprise software products and services, the leading third-party support provider for Oracle and SAP software products, and a Salesforce partner, has announced the availability of a 2022 Valoir Research report titled “Maximizing SAP Value with Rimini Street,” which explains the many benefits of utilizing third-party SAP support services. The 2022 report is a follow-on piece to [the 2020 report](#), “Assessing an SAP-Rimini Street Strategy.” The latest version provides an update on ERP implementation plans and drivers and acknowledges SAP’s continuous effort to improve S/4HANA.

“Our customer relationships have become more strategic over time as enterprises strive to drive value from legacy assets while planning and executing thoughtfully for the future,” said Seth Ravin, CEO and chairman of the board at Rimini Street. “Valoir confirmed this trend in both the 2020 and 2022 reports when it interviewed our customers. It also discovered some interesting SAP customer types who are approaching S/4HANA differently.”

## **The 2020 report defined the SAP-Rimini Street landscape**

SAP appears eager to replace traditional on-premises ERP with its cloud ERP product, otherwise known as S/4HANA. Since ERP is a core suite of enterprise applications running mission-critical workloads, it cannot be “ripped and replaced” with a more modern version of the software, so companies must decide whether they want to move to S/4HANA or not, and if they do, what the migration strategy should look like. As the 2020 report notes, “A move to S/4HANA is not simply an upgrade: it is a new implementation effort, with a new platform and database. Valoir estimates that the migration effort, beyond the business disruption, would cost customers currently paying \$1 million annually in SAP support and maintenance from \$15 to \$30 million to migrate to and operate S/4HANA.”

Two Rimini Street customers Valoir interviewed for the 2020 report said they did not believe S/4HANA was mature enough to adopt because it lacked the breadth of features present in the on-premises ERP suite. The third said it needed to improve its processes and rationalize the move to prepare for “a big transformation.” The customers interviewed for the report offered three distinct reasons for using third-party support. Specifically, they were using Rimini Street services to:

- **Defer the S/4HANA decision** because it involved significant investment and business disruption;
- **Leverage existing SAP investments for innovation** rather than waiting for S/4HANA to deliver innovation; or
- **Plan a move to S/4HANA** when the product is more mature and shows clearer value.

Essentially, third-party support facilitates a rational ERP strategy that does not necessarily have to be limited to one product or vendor.

## **The 2022 report explains how enterprise ERP strategies have evolved**

SAP is now positioning S/4HANA as an important element of customers’ digital transformation strategies. However, many SAP customers don’t want the adoption time frame dictated by SAP, so many have turned to third-party support which gives them time to decide what their long-term ERP strategy should be, how it should be implemented and when. In the meantime, they may also assess non-SAP ERP solutions.

In 2022, SAP-Rimini Street customers fell into four groups:

- **Early adopters** of S/4HANA who use Rimini Street for its SAP expertise and service offerings, including managed and security services. They are using Rimini Street to manage their entire SAP portfolio, including cloud applications, to streamline vendor and service provider management and focus their internal resources on digital transformation and innovation.
- **Planners** who see the benefits of S/4HANA and are willing to adapt their functional requirements to what the platform offers. In some cases, this includes a hybrid strategy in which S/4HANA is used for some critical business functions and the on-premises version which continues to support others. Many planners are using the application support cost-savings to fund their eventual S/4HANA project.

- **Evaluators** who believe there are benefits to S/4HANA but want to take the time to prove it's the right cloud ERP solution. They are also considering the cost and technology implications of moving from an on-premises application to a cloud application because they want to be sure they can use S/4HANA as an enabler of digital transformation, not just a replatforming effort.
- **Skeptics** who don't perceive the benefits of S/4HANA or who believe the cost, risk and disruption associated with a new ERP deployment outweighs any benefits.

Irrespective of approach, all SAP-Rimini Street customers have been able to gain control of their SAP application lifecycle, reduce risks and maximize returns on their SAP investments while delivering on digital transformation and innovation. Other benefits Valoir identified include a 50% reduction in application support fees versus the annual SAP maintenance fees, up to a 75% reduction in total internal application support costs and the ability to achieve business continuity while maximizing the value of their SAP investment. The skeptics are using the savings to fund innovation in mobile, analytics, human capital management (HCM) and other areas of innovation around their SAP core.

"In 2022, SAP-Rimini Street customers have some best practices in common. They have moved to third-party support to avoid upgrade costs, increase staff productivity and retention," said Rebecca Wettemann, CEO and Principal Analyst at Valoir Research. "They are also utilizing third-party support strategically so they can devote adequate time and effort to planning before the move. Many of them have decided to take advantage of additional Rimini Street services to simplify vendor management and reduce the time their staff spends on resolving issues that span multiple applications or go beyond the SAP footprint."

A webcast discussing the report findings will be available on September 1, 2022, from 1:00PM to 1:30PM EDT. [Register](#) to hear more about third-party support and how it's enabling CIOs to innovate around the edges of their high-performing SAP systems and engage and retain key talent. Attendees will receive an early release copy of the report.

#### **About Rimini Street, Inc.**

Rimini Street, Inc. (Nasdaq: RMNI), a Russell 2000® Company, is a global provider of enterprise software products and services, the leading third-party support provider for Oracle and SAP software products and a Salesforce partner. The Company offers premium, ultra-responsive and integrated application management and support services that enable enterprise software licensees to save significant costs, free up resources for innovation and achieve better business outcomes. To date, over 4,800 Fortune 500, Fortune Global 100, midmarket, public sector and other organizations from a broad range of industries have relied on Rimini Street as their trusted application enterprise software products and services provider. To learn more, please visit <http://www.riministreet.com>, follow [@riministreet](#) on Twitter and find Rimini Street on [Facebook](#) and [LinkedIn](#). (IR-RMNI)

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members of Rimini Street's management team; our ability to attract and retain qualified personnel; uncertainty as to the long-term value of Rimini Street's equity securities; the effects of seasonal trends on our results of operations, including the contract renewal cycles for vendor supplied software support and managed services; our ability to prevent unauthorized access to our information technology systems and other cybersecurity threats, protect the confidential information of our employees and clients and comply with privacy and data protection regulations; and those discussed under the headings "Risk Factors" and "Cautionary Note About Forward-Looking Statements" in Rimini Street's Quarterly Report on Form 10-Q filed on May 4, 2022, and as updated from time to time by Rimini Street's future Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings by Rimini Street with the Securities and Exchange Commission. In addition, forward-looking statements provide Rimini Street's expectations, plans or forecasts of future events and views as of the date of this communication. Rimini Street anticipates that subsequent events and developments will cause Rimini Street's assessments to change. However, while Rimini Street may elect to update these forward-looking statements at some point in the future, Rimini Street specifically disclaims any obligation to do so, except as required by law. These forward-looking statements should not be relied upon as representing Rimini Street's assessments as of any date subsequent to the date of this communication.

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