Buying - SAP Integrated Business Planning FAQs

The purpose of this document is to cover common questions that come up prior to purchasing Integrated Business Planning applications.

If you have technical questions related to an implementation, please see:  SAP Integrated Business Planning FAQs for implementations.

- General Questions:
- Subscription and Services:
- Implementation:
- Cloud and Security:
- Learn More:

**General Questions:**

**What SAP IBP Customer Reference Assets are available?**

Click here to access SAP IBP Customer Reference Assets.

**What is IBP (Integrated Business Planning)?**

The term “IBP” is an industry standard term referring to the process of integrating sales forecasts, inventory targets, supply plans, and financial plans into a single operational plan for the business or business unit, agreed by all parties (sales, operations, logistics, finance) and “blessed” by business leadership.

**What is IBP at SAP?**

In SAP terms, “IBP” is the next generation SAP supply chain planning applications that sit on HANA and support the above Integrated Business Planning process.

SAP IBP for supply chain: 1 Page Product Overview

There are 5 applications in IBP:

1. Integrated Business Planning for sales and operations: “One set of numbers”

   1 Page Product Overview | You Tube Demo

   - Balance demand and supply while providing organizational visibility and alignment
   - What-if scenarios, using “real time” information
   - JAM embedded communication, and analytics
   - SAP Integrated Business Planning for sales and operations

2. Supply Chain Control Tower: “Visibility”

   1 Page Product Overview

   - Achieve end-to-end visibility in the extended supply chain
   - Integrate Data from various Systems
   - Drive visibility and action with configurable Analytics & Alerts and Case Management
   - Pre-delivered Supply Chain Performance (SCOR) metrics.
   - Supply Chain Control Tower

3. Integrated Business Planning for inventory “Master Uncertainty, use inventory efficiently”

   1 Page Product Overview

   - Efficiently position inventory to best respond to forecast error, demand variability and supply uncertainty
   - Multi-echelon (multi-stage) inventory optimization to solve the science of postponement
   - Drive S&OP decisions to inventory target recommendations for Planners (item-location-timeframe specific)
   - SAP Integrated Business Planning for inventory


   1 Page Product Overview

   - Demand Sensing (predict and reforecast, pattern recognition)
• Forecasting statistical techniques
• Collaborative Demand Planning
• SAP Integrated Business Planning for demand

5. Integrated Business Planning for response and supply: “Master supply planning and response intelligence”

1 Page Product Overview

• Plan production, procurement, and distribution
• Respond to daily disruptions through what-if analysis to change supply plans and reschedule demand
• Manage allocations where supply is scarce
• SAP Integrated Business Planning for response and supply

Comparison of each of the IBP solutions and their capabilities: LINK

IBP Overview Blog: Getting started: What is Integrated Business Planning?

IBP Overview Webinar: Supply Chain Transformation with new Integrated Business Planning solutions from SAP

I have APO do I need IBP?

• IBP adds important functionality to APO and other Advanced Planning software, but the true answer depends on YOU!
• Every customer is different. That being said there are different ways of adopting the solution.
• Even if you have APO DP, you can leverage demand sensing (part of IBP for demand), to obtain better short-term forecasting based on pattern recognition and multiple forecast inputs
• APO SNP vis a vis IBP for inventory
  • IBP for inventory is a planning tool, taking in factors around risk and uncertainty (forecast error, supply uncertainty) to most efficiently absorb risk using the lowest amount of inventory to meet customer service levels. It accomplishes this by setting most-efficient safety stock targets across the supply chain.
  • SNP then uses these IBPfor inventory “SS” targets to optimize how to most efficiently supply demand (forecast + demand + any change in SS). This meets both service levels (by supplying safety stock), forecast and existing orders.
  • APO SNP does have a safety stock optimization function, but this is extremely limited in scope: APO SNP only handles an individual location, essentially considering only demand variability. IBP for inventory considers the entire supply, using multi-stage optimization, as well as considering additional uncertainties like supply timing variability. IBP for inventory can meet the same service level targets using (typically) 10-30% less inventory.

What are the benefits of IBP?

• End to end comprehensive view of supply chain current and historical supply chain performance
• Alerts quickly identify current and future potential supply chain problems
• Collaboration enables the quick resolution of issues across functions
• Real-time scenarios and simulation on entire model
• Demand, supply chain, and financial model at aggregate and detailed levels

What is the Value Proposition:

• 1%-2% Top Line Revenue Growth
• 5%-15% Better Inventory turns with improved service levels by using inventory more efficiently
• 5-10% better order fulfillment metrics, better service
• Better user engagement, faster planning cycles and consistent planning processes
• Full support for your monthly or weekly planning processes

What synergy is available when applying 2 or more IBP applications? In other words, why does “one + one” = “more than 2”?

• IBP for sales and operations + Supply Chain Control Tower = Management level strategic control and visibility over the business.
• IBP for sales and operations + IBP for inventory = taking S&OP to SIOP, taking S&OP decisions and applying multistage inventory optimization in near-real-time to drive inventory targets to the Planners the same day the S&OP decision is made.
• IBP for inventory + IBP for demand: = A 1-2 punch against uncertainty! Use IBP for demand to improve forecasting and, recognizing that even the best forecast is not 100% accurate (and suppliers aren't 100% reliable either), position inventory most efficiently to buffer the remaining uncertainty in your supply chain.
• IBP for supply and response + Supply Chain Control Tower = Provides instant visibility to global inventory and capacity utilization. It incorporates the ability to understand exceptions and run what-if simulations on a global level to make decisions and effectively orchestrate fast issue resolution.

Does IBP support DDMRP?

• Yes - please check out this blog for more details.
What does IBP look like?

- IBP Overview Video
- SAP S&OP Product overview demo
- SAP IBP youtube channel

How do I get started with IBP?


Please contact l.w.bryan.charnock@sap.com if you have any questions with the Starter Edition on the SAP Store. Starter Edition FAQ

Ready to buy?

Our sales team would be happy to clarify any questions that you may have regarding SAP Integrated Business Planning and the Onboarding Process.

- Contact your SAP Account Executive or our IBP Sales experts below:
  - North America: Laz Uriza
  - Latin America: Rudi Meyfarth
  - MEE: Martin Hill; Eva Hartmann
  - EMEA(Europe): Mike Wade; Jesper Waaben; Matthias Alois Vogel
  - APJ: Jeff Majestic

Where can I learn about customer experiences with IBP?

- We have a large number of SAP Integrated Business Planning customers from many industries including: High Tech, Consumer Products, Life Science, Chemicals, and Industrial Machinery and Components.

Here are some ways to hear from our customers:

1. Listen to recorded SAP IBP Customer Story Webcasts:
   - Sapphire 2018 Panel Discussion
   - Monsanto
   - Allergan
   - Syngenta
   - Corning
   - Tyson
   - Weir
   - Arauco

2. Listen to a short customer story video:
   - Cargill
   - Chassis Brakes
   - HP Inc
   - Prestige Brands
   - Microsoft
   - Roy Hill
   - Vestas

3. Review a case study:
   - Arauco
   - ASR/Florida Crystals
   - BSH
   - Blount
   - Cascades
   - Centrica Hive
   - Fromagerie Bel
   - Grunenthal
   - HP Inc
   - Lennox
   - Merck
   - Prestige Brands
   - Syngenta
   - Varex

3. Reference Call:
   - SAP hosts multiple reference live calls where you can ask your questions directly to our customers.
• Contact your SAP Sales Team to request a recording of a previous session or to be included in a future session.

4. Attend an upcoming Customer Event:
  • Complete SAP IBP Event & Webinar List

**Subscription and Services:**

How long does the system provisioning process take?
  • Starter Edition, Test, and Production systems can be available in as little as 5 business days of completing the order and submitting the completed provisioning checklist.

**What software is included in the IBP subscription?**

  • IBP – licensed Integrated Business Planning application(s)
  • CPI-DS – Cloud Platform Integration - Data Services; CPI-dS gives you the ability to easily load data into IBP and extract data into other systems.
  • IAS – Identity Authentication Service- Single Sign On capability
  • SAP JAM – SAP JAM is SAP’s collaboration platform (Optional additional license required)

**What do I get with my subscription?**

  • System operations support
  • Upgrades
  • Standard application support
  • Data security
  • System monitoring
  • Access to subscribed IBP application(s), IAS, and CPI-DS
  • Access to the SAP IBP Customer Network

![Image of On-Premises and Cloud Computing costs]

*Think about all the IT dollars you will save!*

**What is the Release Cycle and Patch upgrade process?**

  • SAP wants to make sure you get the latest and greatest bug fixes and enhancements, therefore we provide our customers with system updates every 2 to 3 weeks.
  • Updated Releases (with major enhancements) come out 4 times a year.
  • To find out more about the upgrade process and communication Information, please see this [link](http://service.sap.com/sap/support/notes/2089926).

**Where can I get more information on each Patch / Release?**


**Implementation:**
How long does it take to implement IBP applications?

- Implementations can take as little as 3 months. Of course, implementation timelines can range due to scope, implementation approach, data quality, and resource availability.
- Upon request, the SAP Services team and SAP Partners would be happy to provide you with a sample implementation approach and plan.

Which SAP Partners are enabled on IBP applications?

- Please contact L.W.Bryan Charnock for more information regarding SAP Partners for IBP.

Cloud and Security:

How do I access IBP in the cloud?

- Through a URL provided by SAP. You can access IBP through Internet Explorer or Google Chrome.

How do I load and extract data from the cloud?

- SAP’s proprietary SAP Cloud Integration has prebuilt templates that allow you to load and extract data from many standard SAP systems as well as non-SAP systems.

I understand that IBP is available in the cloud, how do I know that my data and system is secure?

- SAP has very high levels of data center and data security meeting all the key certification and audit requirements.
- SAP takes data security and system reliability very seriously. Take a tour of our data centers and learn about data security at the SAP Cloud Trust Center: https://www.sap.com/about/cloud-trust-center.html

Learn More:


What Education Courses are offered for IBP? Training.sap.com