Gain the Full Benefit of Profitability Analysis with In-Memory Computing from SAP

Quick Facts

**Summary**
Successful firms use profitability analysis to help with product mix, sales, and pricing decisions and high-quality financial reports. The faster profitability analysis runs and the more data it considers, the more valuable the results. But data volume and processing speed conflict at times in traditional enterprise resource planning systems, forcing compromises. The SAP® CO-PA Accelerator software uses in-memory computing to process massive amounts of data for immediate results.

**Business Challenges**
- Maximize profitability of products, customers, and services
- Equip executives to make sound, timely decisions about products, sales, and pricing

**Key Features**
- Speed up financial closing and improve report quality, depth, and self-service analytics
- Ease the burden of and dependency on IT
- Gain competitive advantage

- **Applied in-memory computing** – Get lightning-quick results in enterprise resource planning and with SAP BusinessObjects™ solutions through use of the SAP HANA® platform as a secondary database
- **Accelerated process execution** – Process reporting and month-end allocations at faster speeds
- **Deployment without disruption** – Implement in existing SAP ERP application environments with no impact on software, no new training, and no disruption to the business

**Business Benefits**
- Faster delivery of profitability information for more timely decisions
- Higher-quality profitability analysis results for increased confidence when making decisions
- Real-time decisions enabled through self-service, ad hoc views of business results, challenges, and opportunities
- Ability to influence the “business to come” rather than reviewing results at month-end after the fact
- Efficient management of growing data volume and reduced IT infrastructure costs

**For More Information**
To learn more, call your SAP representative or visit us at www.sap.com/hana/index.epx.
Optimizing profitability requires a full understanding of the revenue a product or service generates and the costs entailed in providing it. Performing a thorough profitability analysis in time to take appropriate action with conventional enterprise resource planning (ERP) systems is now easier than ever: meet the SAP HANA™ platform and SAP® CO-PA Accelerator software.

Like every businessperson, you know that a company must charge more for a product or service than it costs to provide. But you also know that this is often easier said than done. In today’s complex business world, developing an accurate and complete view of costs is a very substantial challenge for an organization and its ERP tools. Companies have direct and indirect costs of many kinds, many of them interrelated and hard to pinpoint. If costs are poorly understood, you are only making best guesses when deciding on a pricing strategy. A price might be so low that profits are impossible without you even realizing it. Just as bad, a price might be unnecessarily high, rendering you even realizing it. Just as bad, a price on a pricing strategy. A price might be so high that a company must charge more for a product or service than it costs to provide. Performing a what-if scenario to determine the effect of making changes to the cost structure, the supply chain, the pricing structure, resource allocation, and more. Answers vary by region, channel, and other variables, and so the mountain of analysis requirements grows ever more formidable.

**SMOOTHLY INTEGRATING BREAKTHROUGH TECHNOLOGY**

SAP CO-PA Accelerator uses SAP HANA as a secondary database. Profitability data is replicated onto SAP HANA after CO-PA processing in the SAP ERP application. There are no changes required to the setup or existing processes such as allocations and reporting in CO-PA in SAP ERP. However, business users can reevaluate the way processes are set up to take advantage of improved process-
data” using technologies like in-memory computing can improve their operating margins significantly.

The CO-PA acceleration breakthrough from SAP is achieved with the latest in hardware technology innovations. SAP HANA appliance software works with hardware that employs multicore architectures and a main memory with a huge capacity, enabling it to process massive amounts of data with few if any disk transfers. SAP CO-PA Accelerator is designed to take maximum advantage of the acceleration by using SAP HANA as a secondary database: data for reporting or allocations is now read from the in-memory database instead of the ERP system. These software differences are transparent to the external environment, so no changes to existing CO-PA implementations for the SAP ERP application are necessary, nor is new training required. Business continues undisturbed.

ELIMINATING THE LIMITATIONS

Runtime is no longer the severe limitation it has been on profitability analysis. In fact, it is not a limitation at all – the number of dimensions that you can assess in controlling and profitability is limited only by the amount of tailoring performed in SAP CO-PA Accelerator. By cutting runtimes by several orders of magnitude, SAP CO-PA Accelerator and SAP HANA let you capitalize fully on the potential of profitability analysis. Freed from runtime concerns, you can now perform ad hoc analyses that were unthinkable before.

Closing the books for the year? Tell your managers and stakeholders just what you accomplished in every area of your business, why you made the decisions you did, and just what impact they had on profitability. Present analyses of overhead and other costs at an unprecedented level of detail. And publish that report faster than you ever did before.

Trying to decide where to put your resources? Analyze the profitability potential of every avenue and choose the path that maximizes income. Drill down as deep as you would like.

Rehabbing an underperforming product line? Figure out exactly where the problem is, simulate as many remedies as you can think of, and resuscitate a winner.

NO REASON TO WAIT

SAP CO-PA Accelerator is here. It is straightforward to deploy and use, and it delivers instant value. It comes with a complementary SAP rapid-deployment solution for low-risk, fixed-cost implementation. Most new solutions add to the burden on IT, but this one eases it. Whether you currently use CO-PA software from SAP, are an existing SAP customer but new to CO-PA, or have yet to experience the benefits of our innovations, transform your business with SAP CO-PA Accelerator and SAP HANA.

FIND OUT MORE

To learn more, call your SAP representative or visit us at www.sap.com/hana/index.epx.

ABOUT SAP

As market leader in enterprise application software, SAP (NYSE: SAP) helps companies of all sizes and industries run better. From back office to boardroom, warehouse to storefront, desktop to mobile device – SAP empowers people and organizations to work together more efficiently and use business insight more effectively to stay ahead of the competition. SAP applications and services enable more than 109,000 customers to operate profitably, adapt continuously, and grow sustainably.
The SAP product portfolio comprises enterprise resource planning and related applications such as supply chain management, customer relationship management, product lifecycle management, and supplier relationship management, along with business intelligence and analytic applications. And our software is available on demand, on premise, and on device. Essential to the SAP product portfolio is the enablement of complete data and process consistency for our customers, no matter which environment they are operating in.

Optimizing Business Performance Through Innovative Solutions

Our mission is to make every customer a best-run business. Our software and services help customers optimize their business processes. SAP customers can use business analytics to attain insight, efficiency, and flexibility to respond to changes in the business environment with more agility and effectiveness and capture the full benefits of business networks. By leveraging innovative technologies to help companies become best-run businesses, we help customers around the globe perform at a significantly higher level of effectiveness and efficiency. In reaching for this goal, we are also contributing to global economic development on a grand scale.