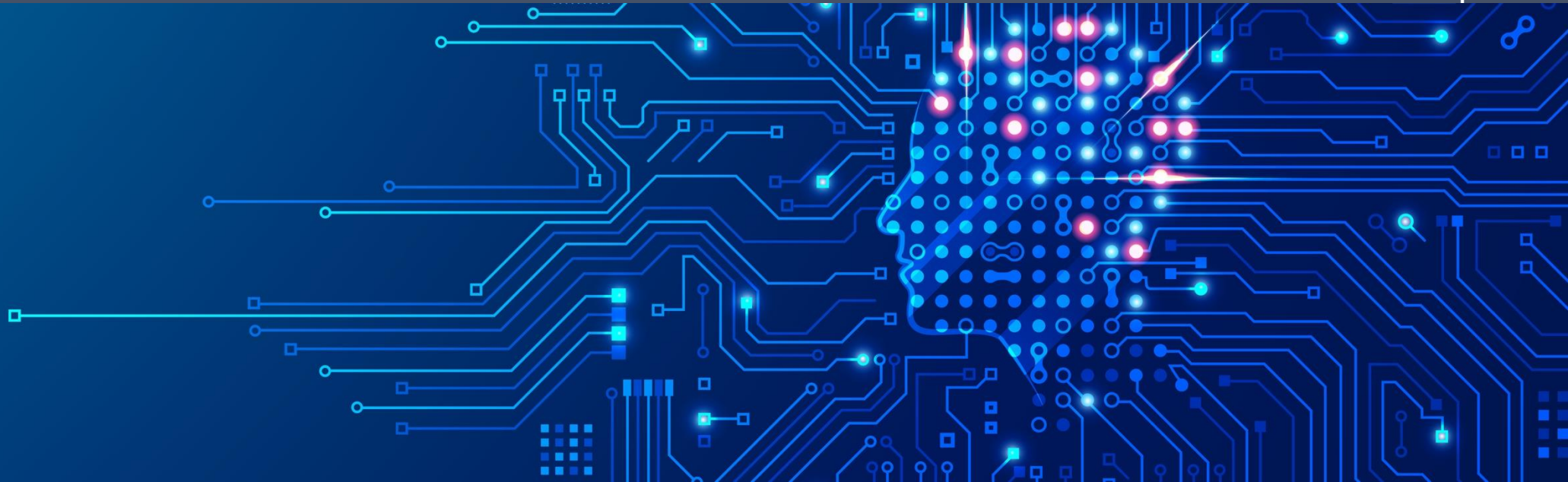


NOVEMBER 2025



From The Benchmark Report:

The Technology Leader's 2025 Report Card

By Craig Powers

RESEARCH PARTNER



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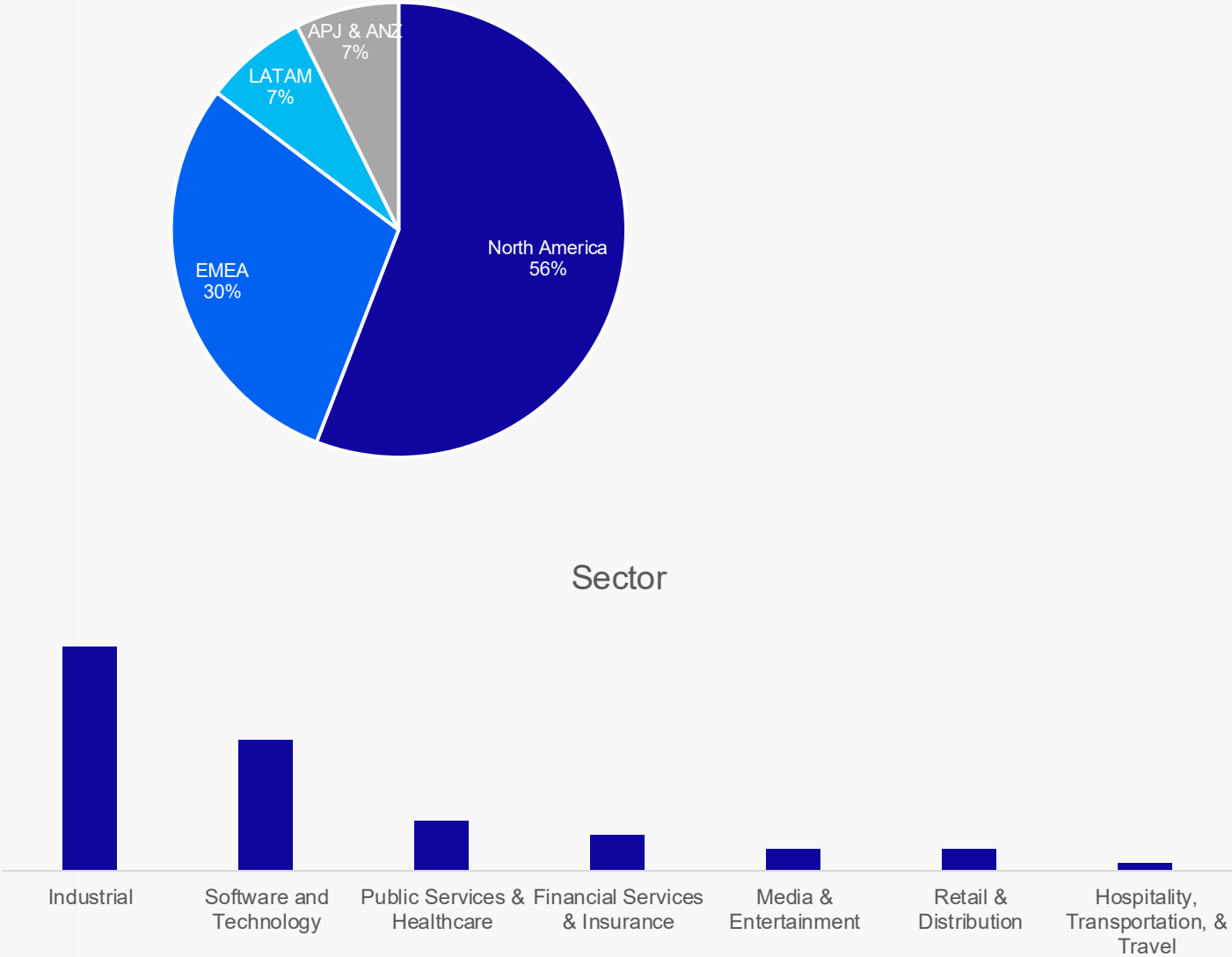


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1

Between July and November of 2025, SAPinsider surveyed technology leaders about their transformation strategies and technologies. The survey assessed the data maturity of each respondents' organization while asking about drivers, challenges, top vendors, and more.

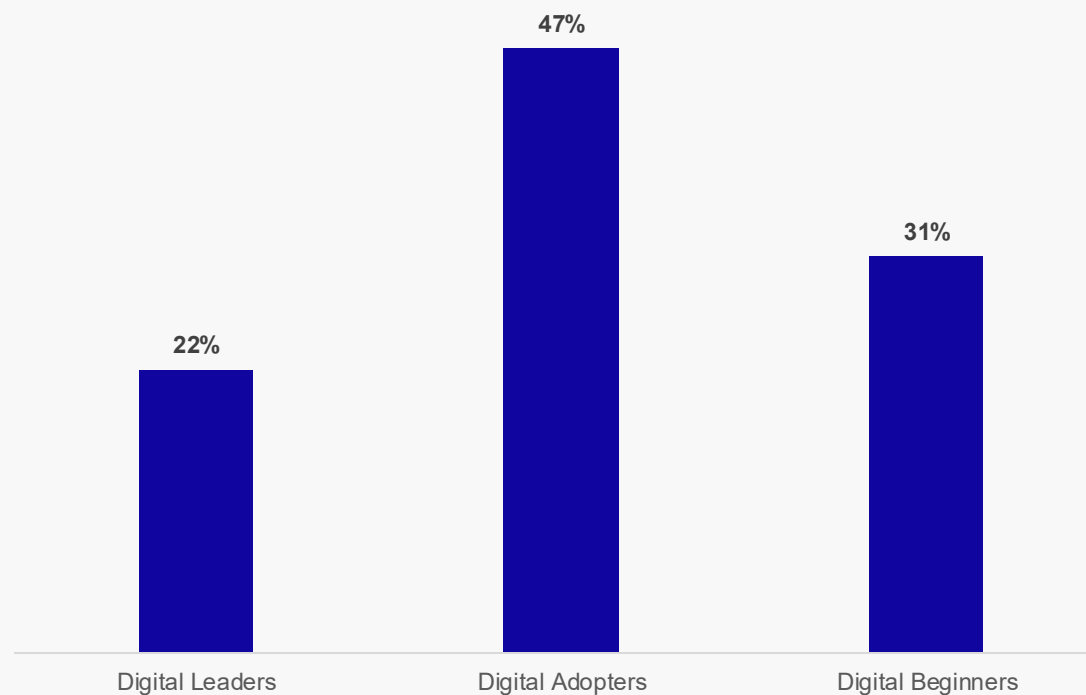


2

Respondents were asked a series of questions to assess the maturity of technology adoption and transformation strategy, then assigned a score out of 100. The average maturity score for all respondents was 56.

Digital Leaders represent those who scored 71 and above. Digital Adopters were respondents that scored between 50 and 70, while Digital beginners are those that scored below 50.

Distribution of Maturity Groups



3

As organizations transform, they are able to adopt emerging technologies such as AI at a greater rate. The transformation also yields positive business outcomes, first in operational efficiency, then in stronger compliance and risk management, then to reduced IT complexity and finally increased revenue and profitability.

The top concerns evolve as organizations move along their transformation journeys. Initially, Digital Beginners are concerned about security and seeking security skills. Security concerns can be a major barrier to getting a transformation project off the ground.

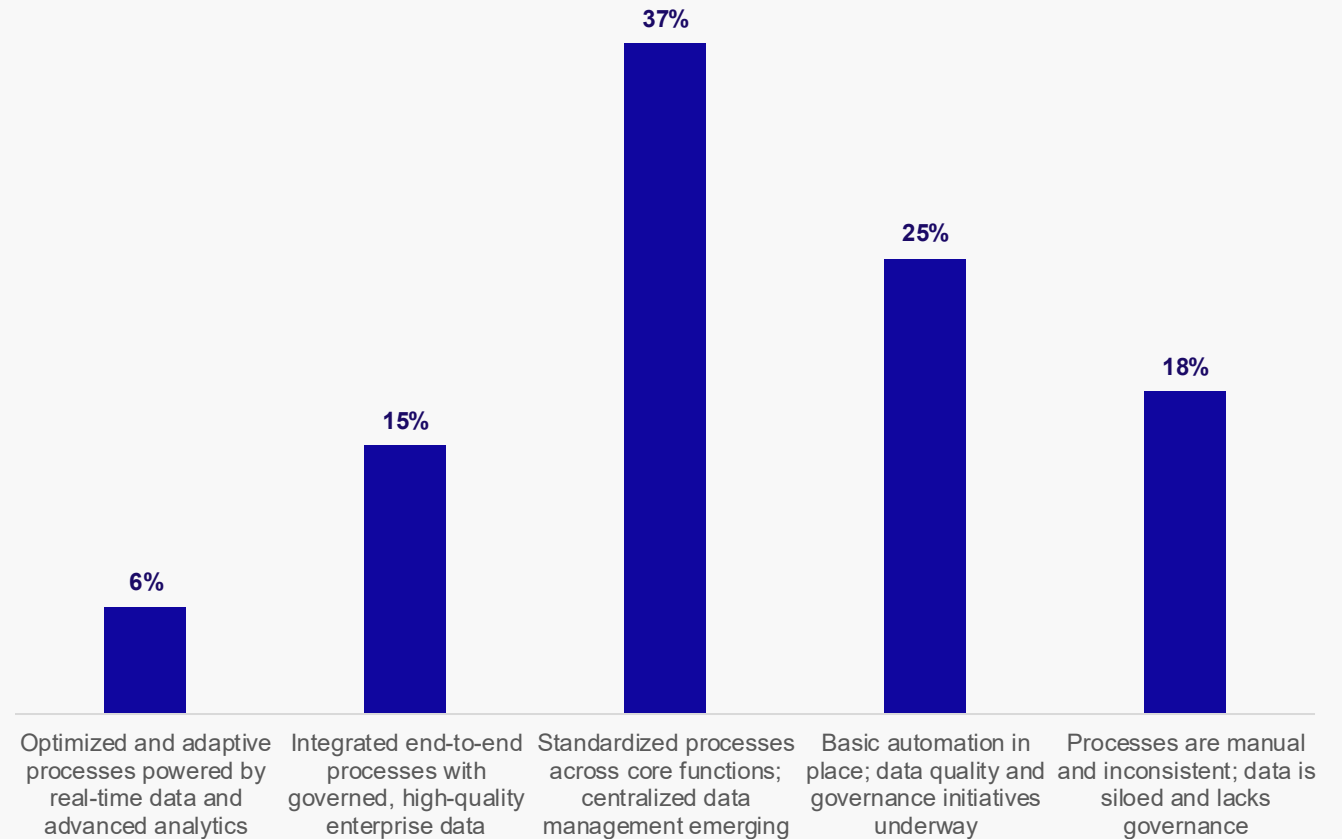
Digital Beginners	Digital Adopters	Digital Leaders
• Cybersecurity is most sought-after skillset • Lower adoption of AI • Concerned about security risks associated with transformation • Initial benefits from transformation efforts are in operational efficiency	• SAP S/4HANA skillsets are most critical to add. • Selective AI adoption • Risks in time to complete transformation and skills shortages are top of mind • Seeing greater results in business outcomes, including stronger compliance and risk management	• Focused on acquiring AI skillsets • Near universal adoption of AI • Time to complete transformation and business process risks are top concerns • Achieving outcomes in reduced IT complexity and increased revenue and profitability as a result of transformation efforts • .

4

Only 6% of respondents' organizations feature optimized and adaptive processes powered by real-time data and analytics, however more than half of respondents have achieved at least some level of standardized processes across core capabilities with data centralization in the works, and 15% of do have integrated end-to-end processes with governed and high-quality data.

So, most organizations are on the right path to adaptive processes and data-driven decision-making. Those 18% that are still dealing with manual and inconsistent data and processes are well behind their peers and lack the benefits of advanced analytics that can drive better decisions in the market.

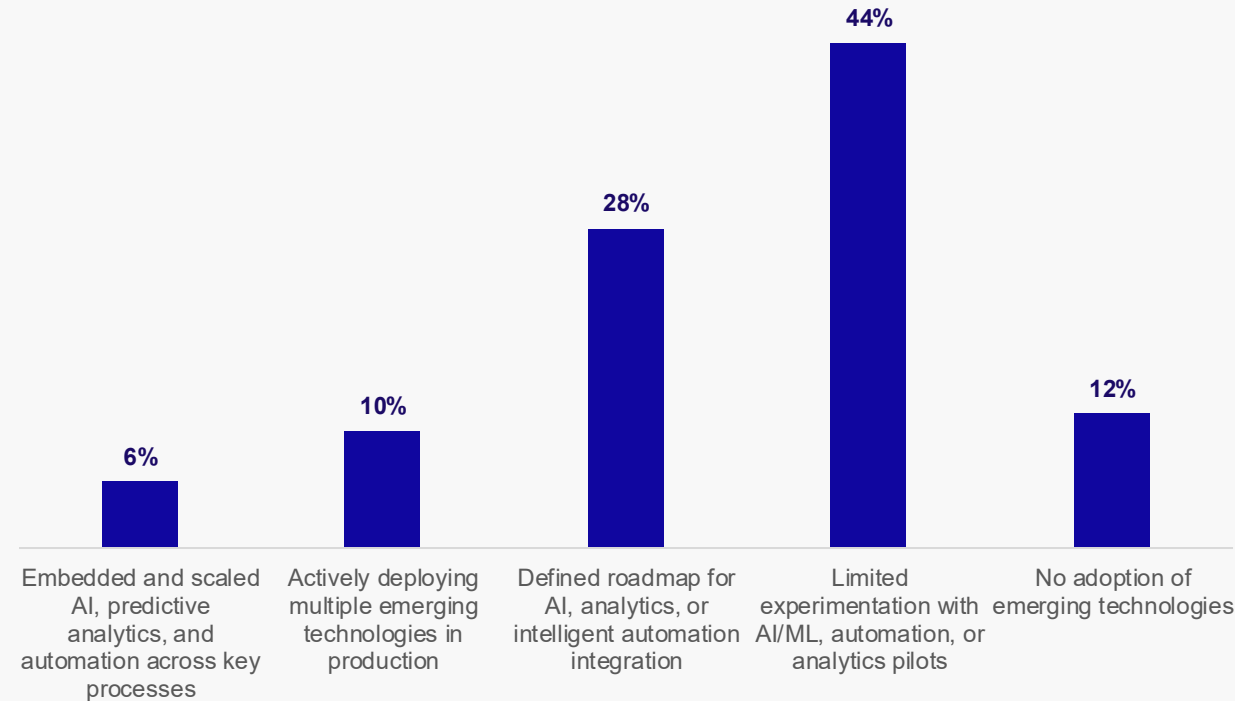
Which best describes your core business processes and enterprise data practices?



5

The adoption of emerging technologies such as AI is still in early stages at most respondents' organizations. Those that are defining roadmaps for emerging technologies are already ahead of the curve, while those that actively deploying or already utilizing embedded AI, predictive analytics, and automation across their key processes are likely to be ahead of the competitors in their markets in terms of adoption.

To what extent is your organization adopting emerging technologies?

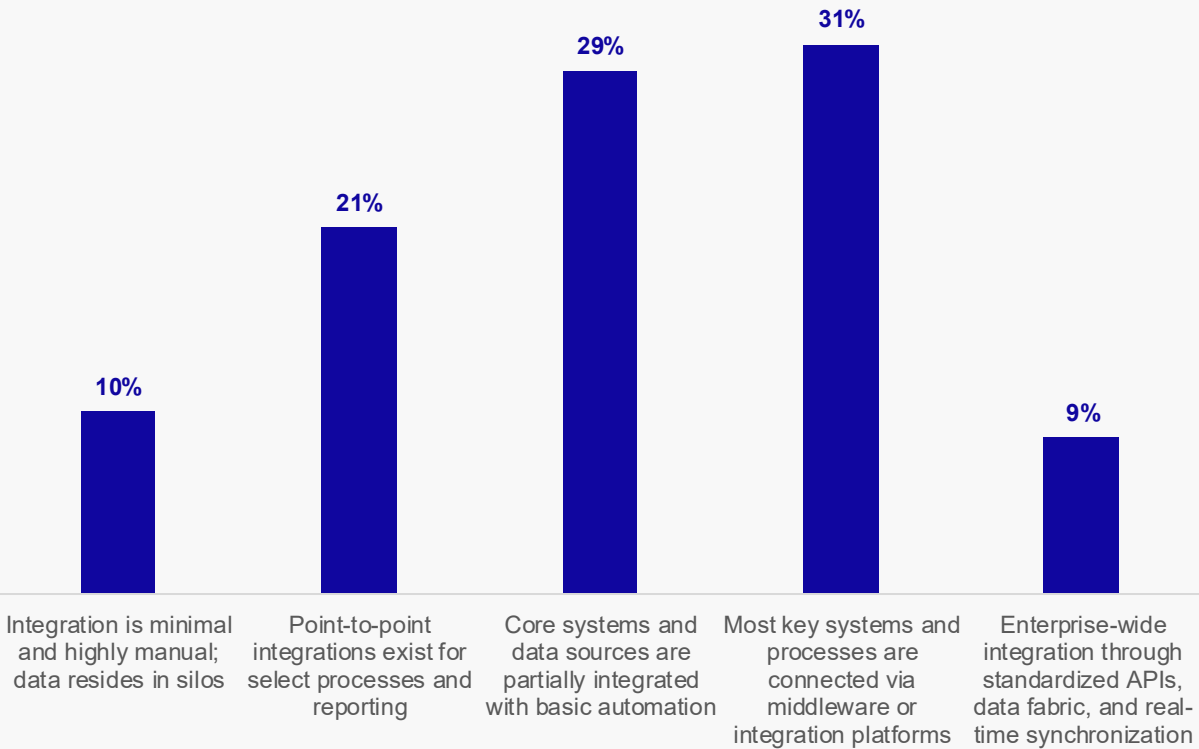


6

Less than 10% of those we surveyed say their organizations have enterprise-wide integration across SAP and non-SAP systems. Nearly one-third are on the path to that level of integration maturity, with most key systems and processes connected through middleware or integration platforms. Another significant portion has core systems and data sources somewhat integrated and automated.

Still, many organizations are either relying on selective integrations or working with siloed data and minimal integration.

How would you describe the level of integration across your SAP and non-SAP systems?

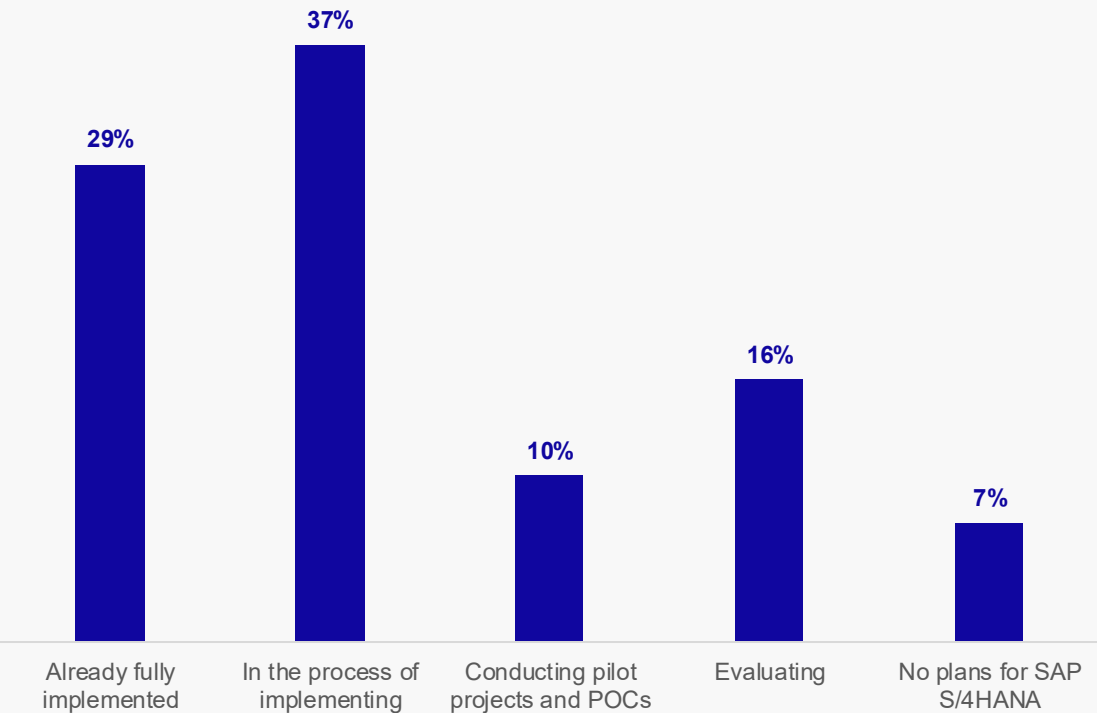


7

Two-thirds of our respondents' organizations have either fully implemented SAP S/4HANA or are in the process of implementing the ERP system.

Just 7% indicating have no plans for SAP S/4HANA, while just over a quarter are either evaluating the product or conducting pilot projects and POCs.

What is your organization's SAP S/4HANA implementation status?



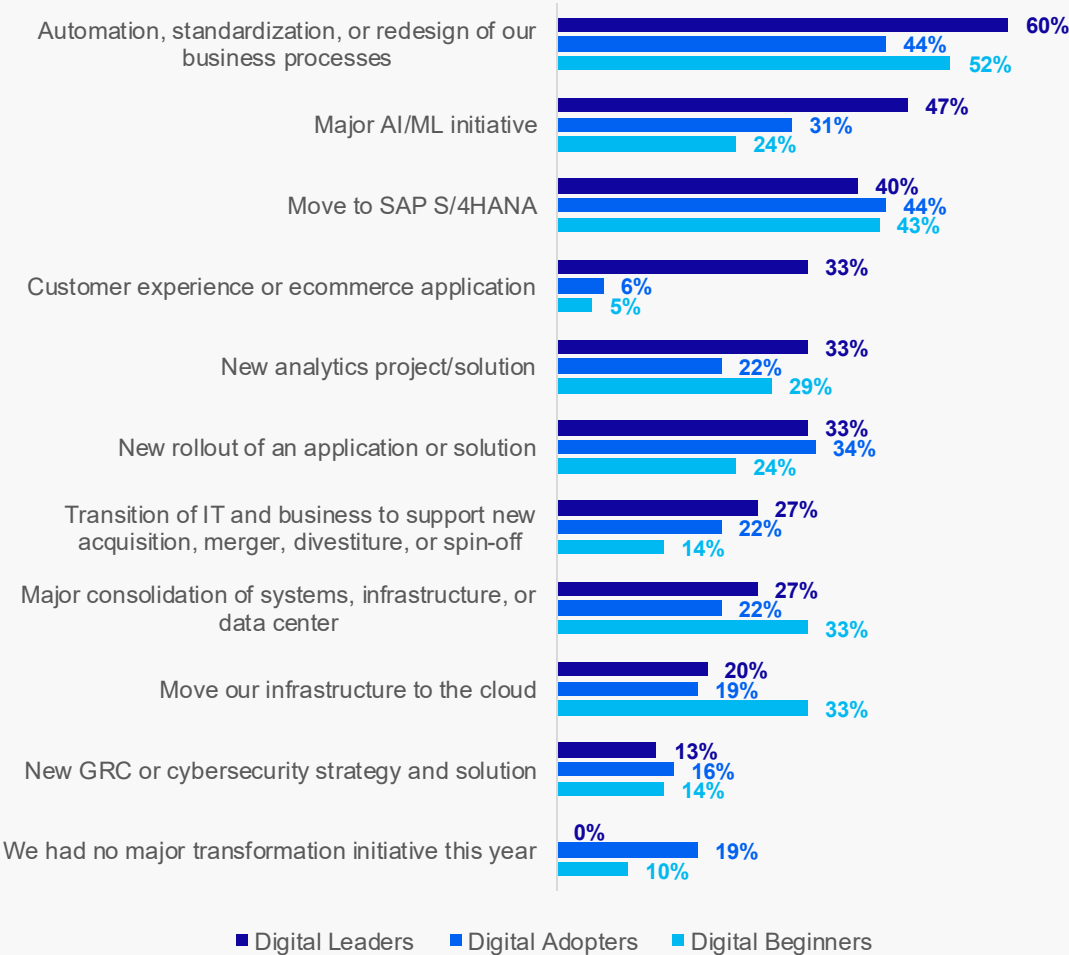
8

No matter their level of digital maturity, organizations were focused on business process automation, standardization, or redesign as much or more often than any other transformation project.

Major AI initiatives were high on the list for many digital leaders, while all groups were roughly equally likely to cite moving to SAP S/4HANA as a top project.

Digital beginners are focused on consolidating systems, infrastructure, or data centers and moving infrastructure to the cloud more often than the more advanced maturity groups. This suggests those projects as a first step in transformation.

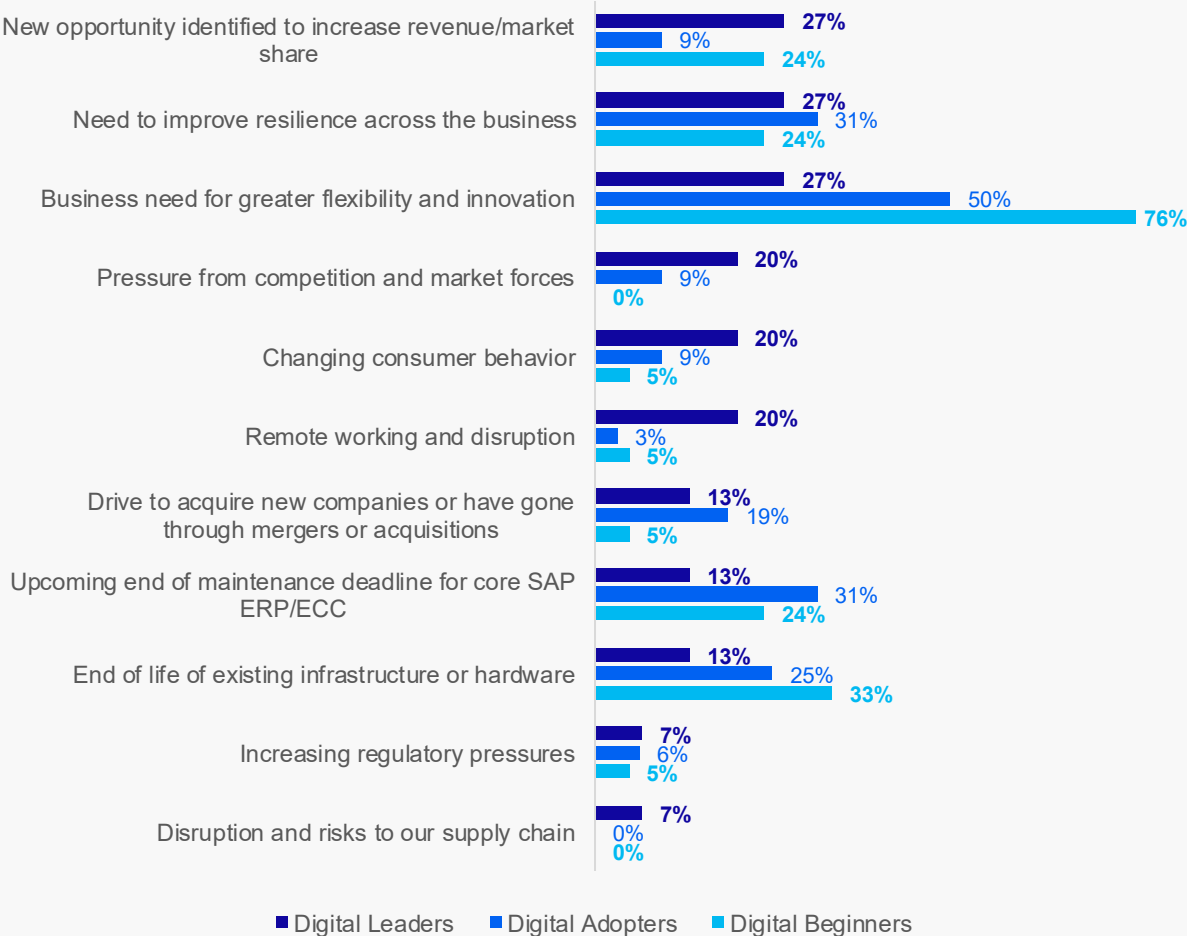
What were your top transformation projects or initiatives for 2025?



9

What stands out the most is that more than three-quarters of Digital Beginners and half of Digital Adopters cited the business need for greater flexibility and innovation as a core driver for their transformation initiatives. While digital leaders may already have the processes and technology in place to support flexibility and innovation, those beginning their transformation journeys are still seeking those capabilities.

What were the core drivers of your transformation initiatives?

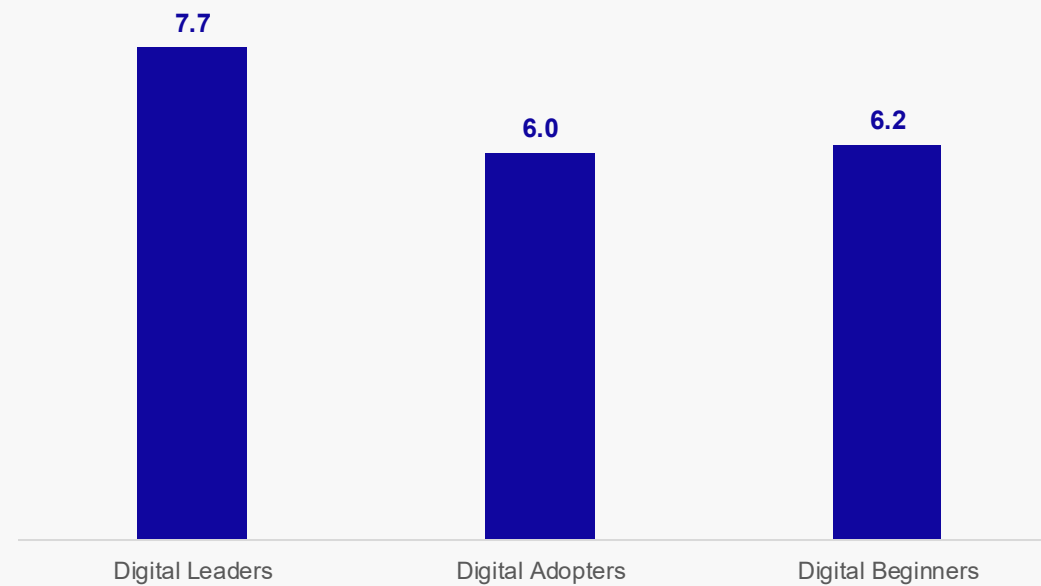


10

Digital Leaders feel they are making better progress on their 2025 transformation projects than digital adopters and digital beginners.

Better data integration and governance, higher levels of automation, and more centralized strategies are leading to more progress on transformation.

How would you rate the progress of your 2025 transformation projects so far (scale of 1-10)?

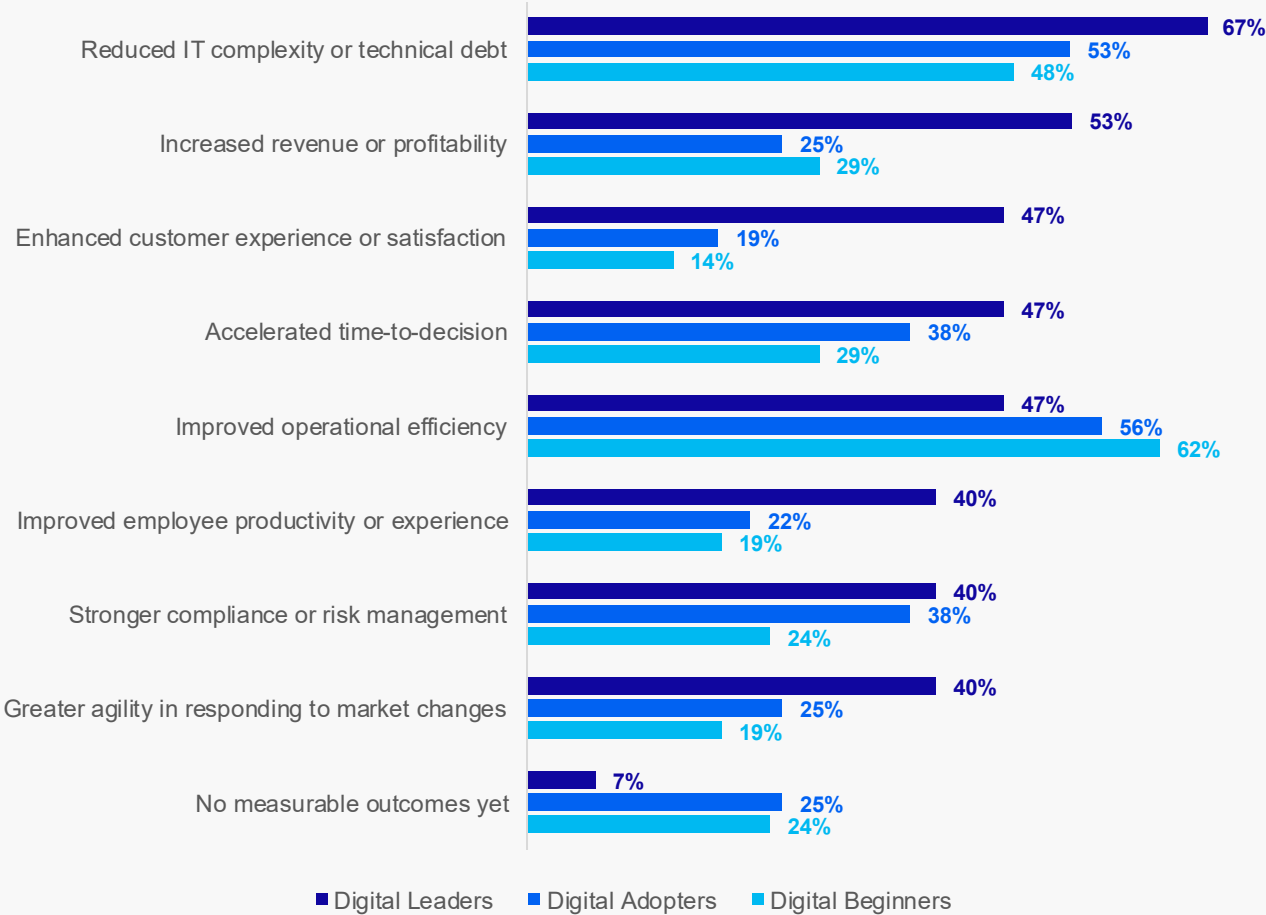


11

As our respondents' organizations mature into digital leaders, they are more likely to realize the business outcomes of reduced IT complexity or technical debt, increased revenue or profitability, enhanced customer experience or satisfaction, accelerated time-to-decision, and more.

Improving operational efficiency is the most common business outcome for Data Beginners and Data Adopters.

Which of the following business outcomes has your organization realized as a result of its transformation efforts?

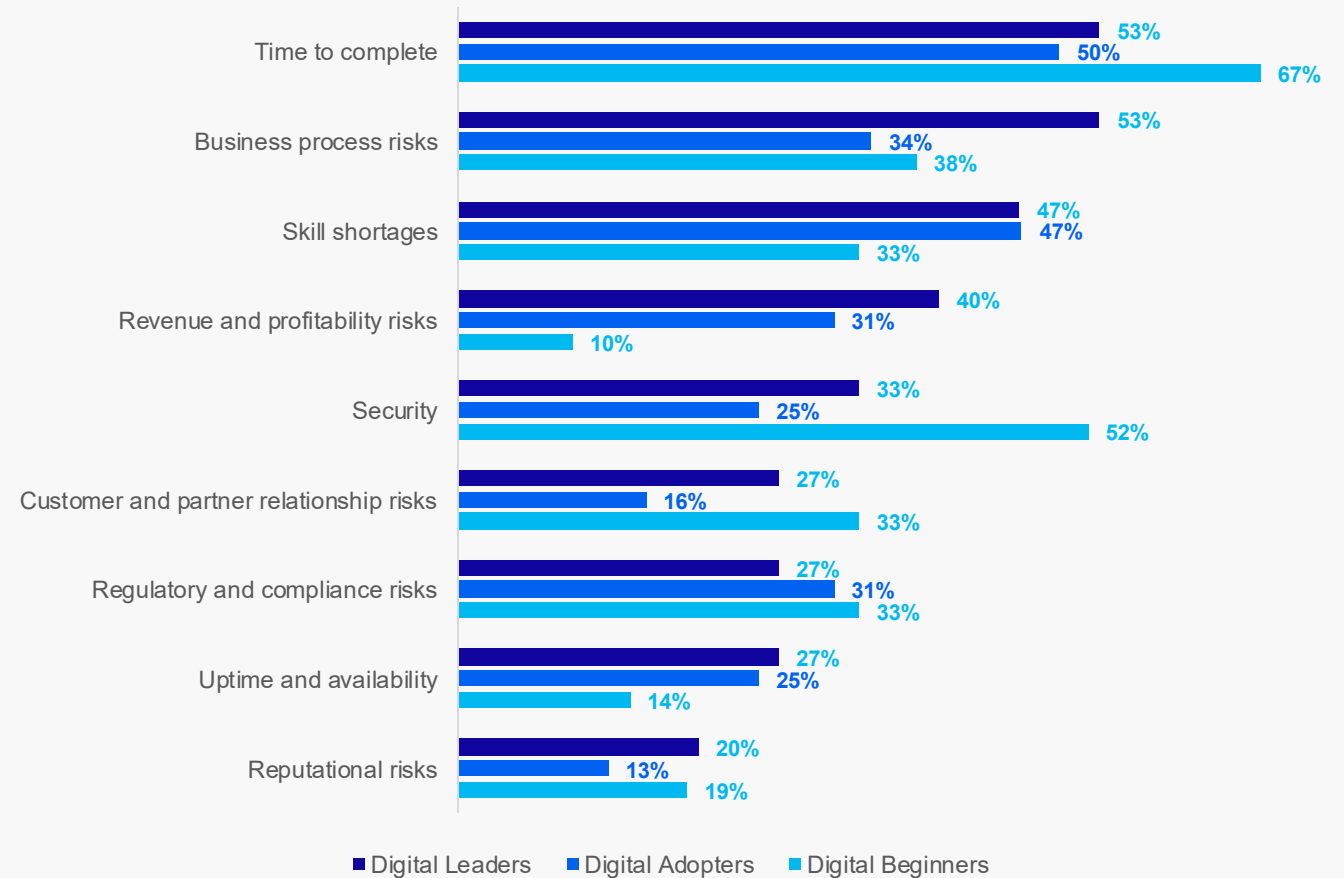


12

Time to complete is the top transformation project concern for Digital Beginners, followed by security. These concerns are the biggest barriers to digital maturity for those early in their transformation journeys.

Digital Leaders and Digital Adopters also view time to complete as a top concerning risk, while digital leaders are worried about business processes risks most often.

What are the key risks that you are most concerned with related to transformation projects?



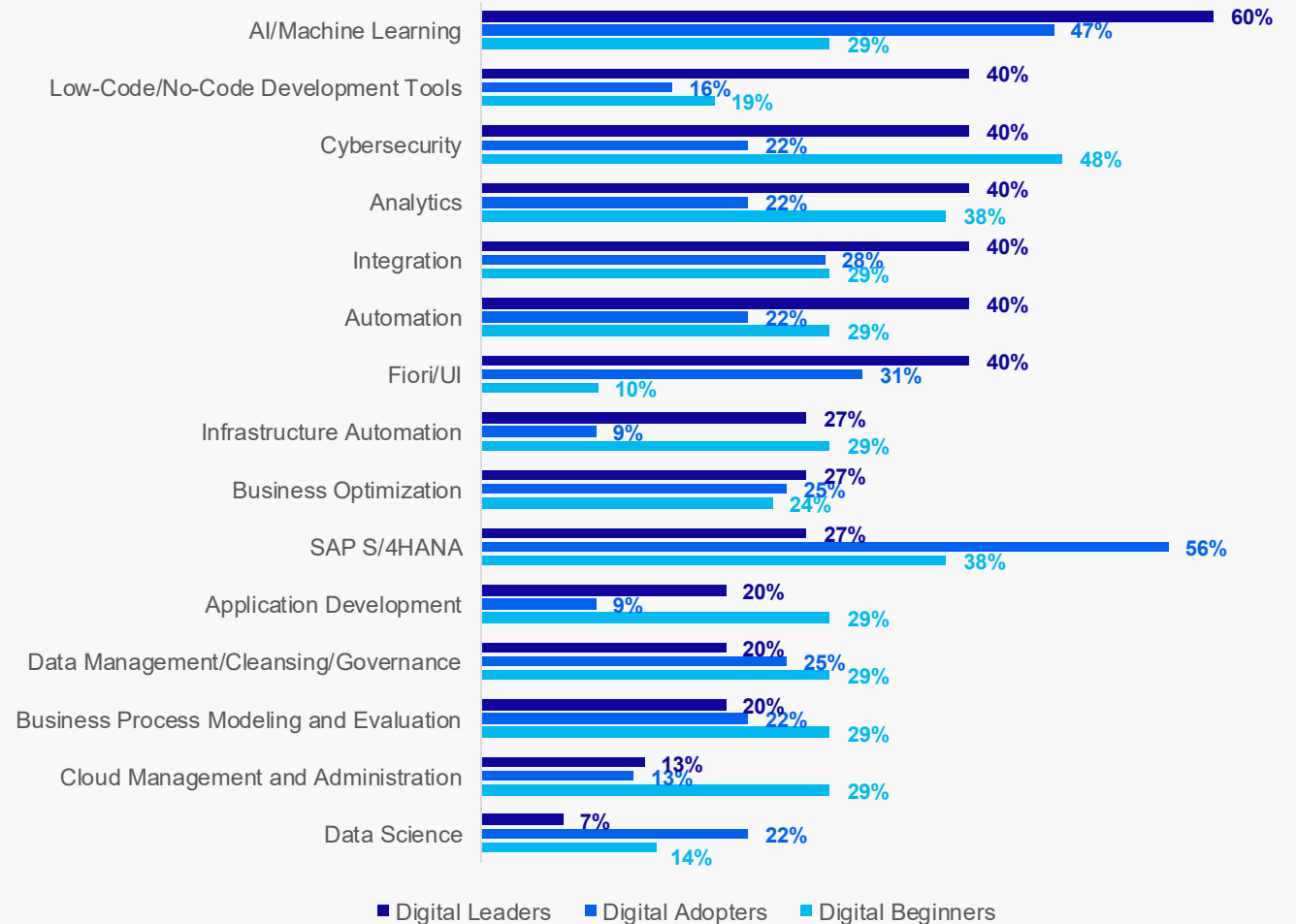
13

The most cited critical skillset for each maturity group is indicative of where they are at along their transformation journey. Digital Leaders are seeking AI and machine learning skills as they have built the foundation for adopting emerging technologies.

Digital Adopters are in the process of updating their ERP core with SAP S/4HANA and building the foundation, so they are seeking SAP S/4HANA skills.

Meanwhile, Data Beginners are faced with establishing a security framework at the beginning of their transformation journeys.

What are the most critical skillsets that you have had to add to your team or source from partners as part of your transformation projects?



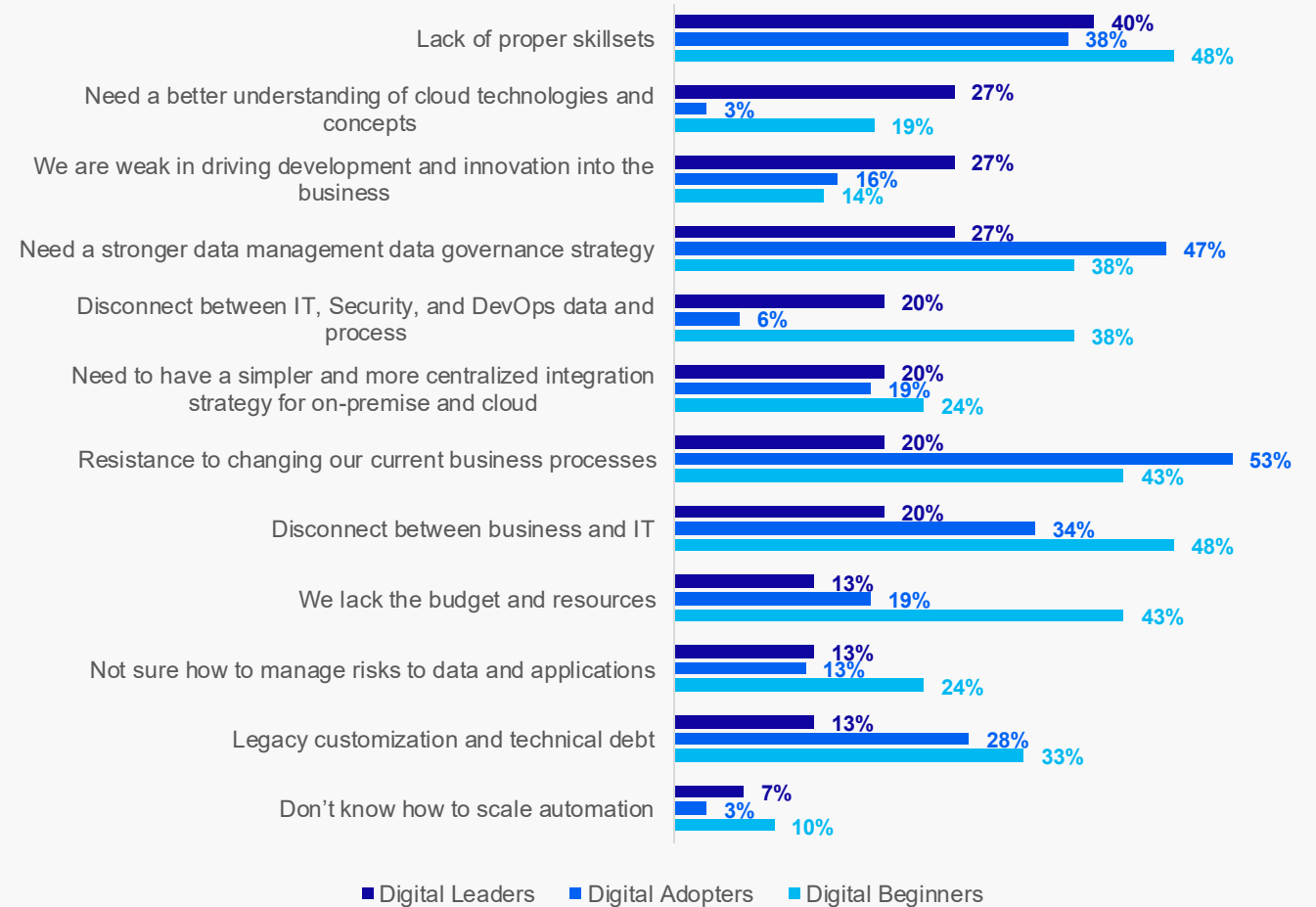
14

Digital Beginners are facing myriad challenges as they try to get their transformation projects off the ground, with skills shortages, disconnect between the business and IT, budget, and resistance to change being the most cited roadblocks.

More than half of Data Adopters are also facing resistance to change even as they are farther along in implementing systems and updating processes. They are also faced with a need for stronger data management and data governance.

Data Leaders may be seeking different skillsets, but their core challenge of skill shortages is still the same.

What are the biggest challenges that you faced or that are currently holding your transformation progress back?

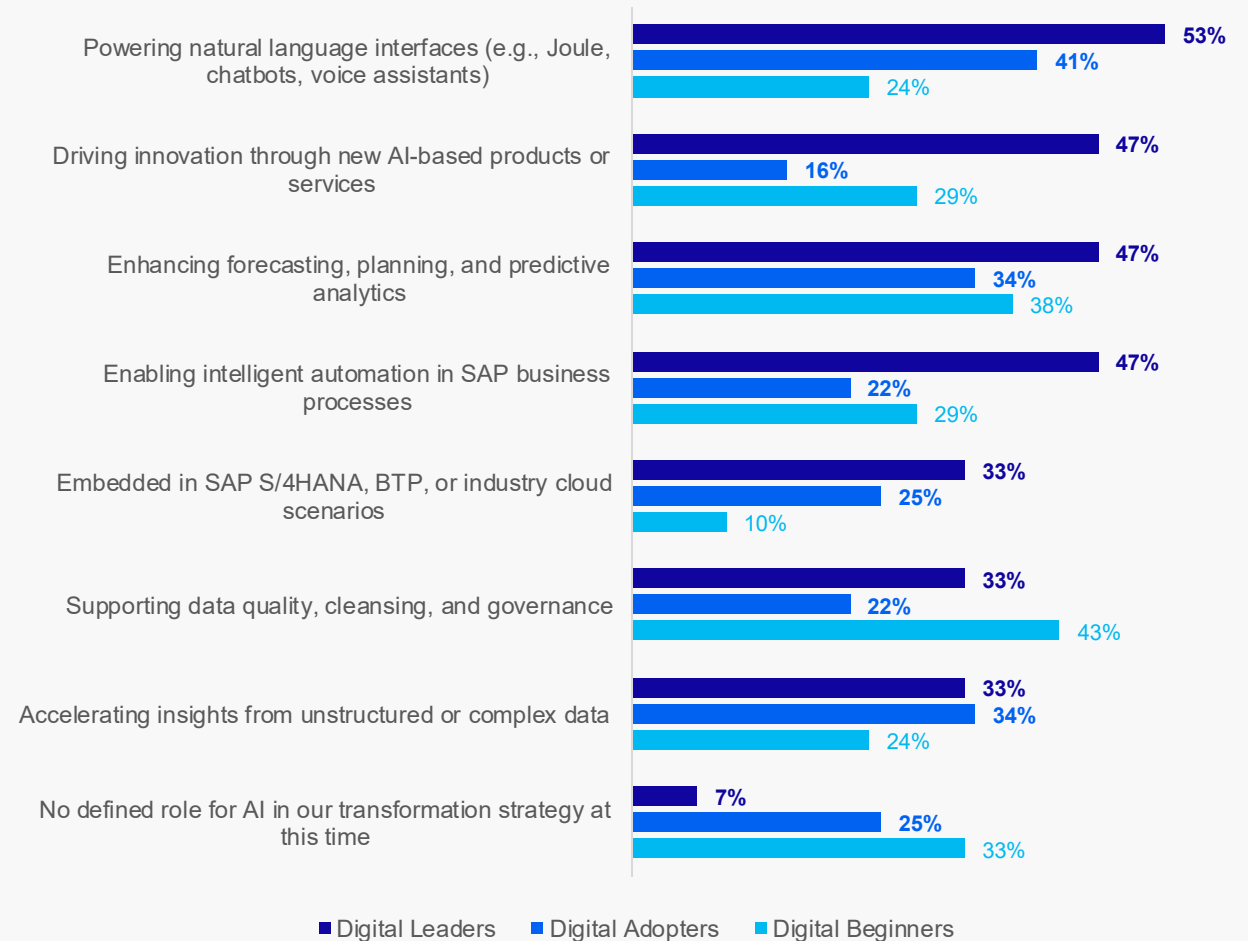


15

Nearly all (93%) of Digital Leaders are using AI within their transformation strategy, with natural language interfaces being the most common utilization. Additionally, seeking new AI-based products and services, enhancing forecasting, planning, and analytics, as well as enabling intelligent automation are also among the most common AI usages among Digital Leaders.

Digital Adopters (25%) and Digital Beginners (33%) or much more likely to have no defined role for AI in their transformation strategies.

How do you use AI within your organization's transformation strategy?



16

Digital Leaders cite a variety of drivers that influence their organization’s approach to AI, but for Digital Adopters and Digital Beginners to the clear No. 1 driver is the ability to automate repetitive and time-consuming tasks with AI.

Digital Leaders are more likely to have enterprise-wide automation in place, so it’s not as pressing of an AI need.

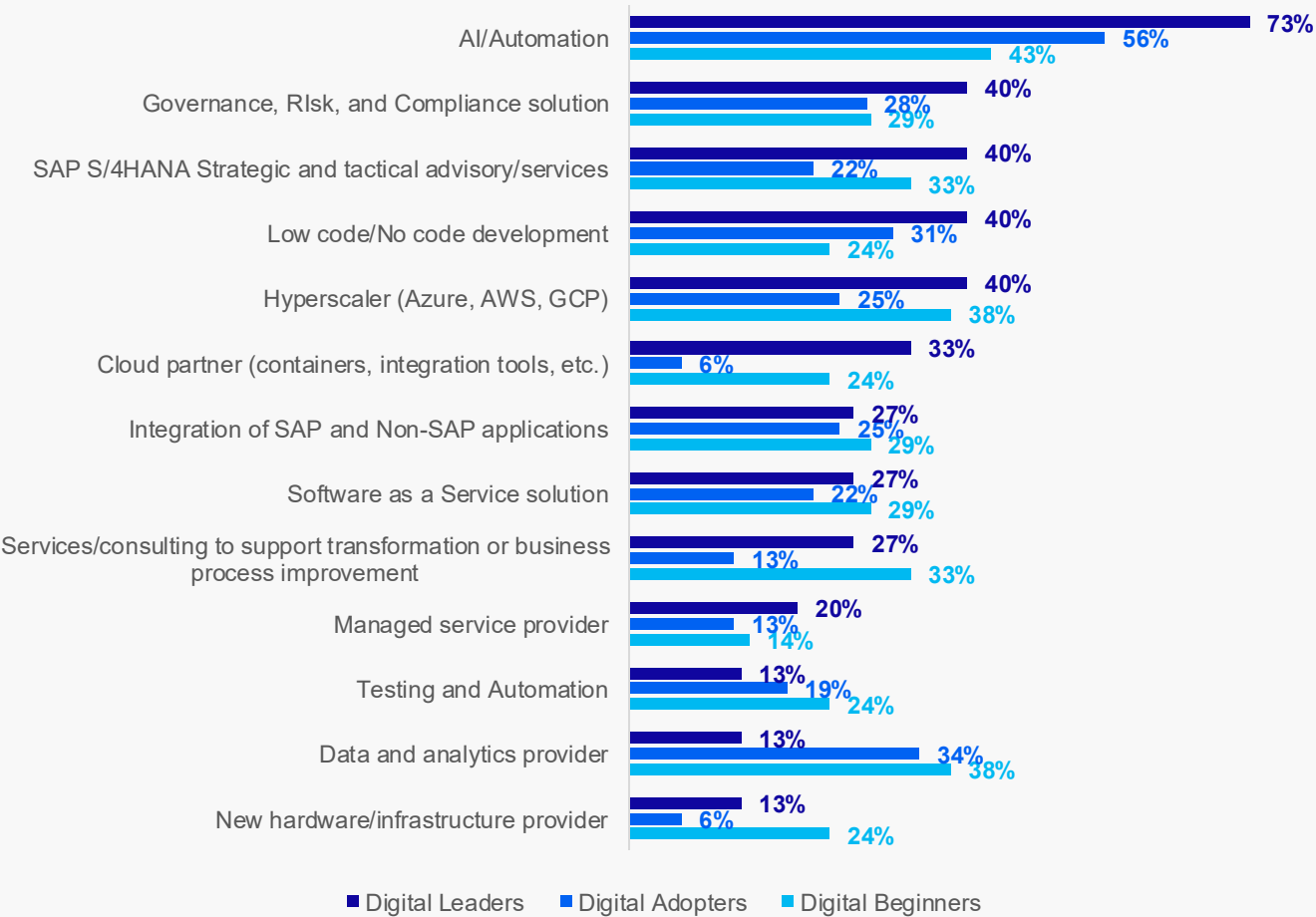
What are the primary drivers influencing your organization's approach to AI?



17

AI and automation are the top potential investment targets for our respondents in any maturity group and nearly three-quarters (73%) of Digital Leaders are expecting to invest in that areas. AI has been a top focus for tech leaders in 2025 and that will continue into 2026.

What are your top areas for investment in 2026?

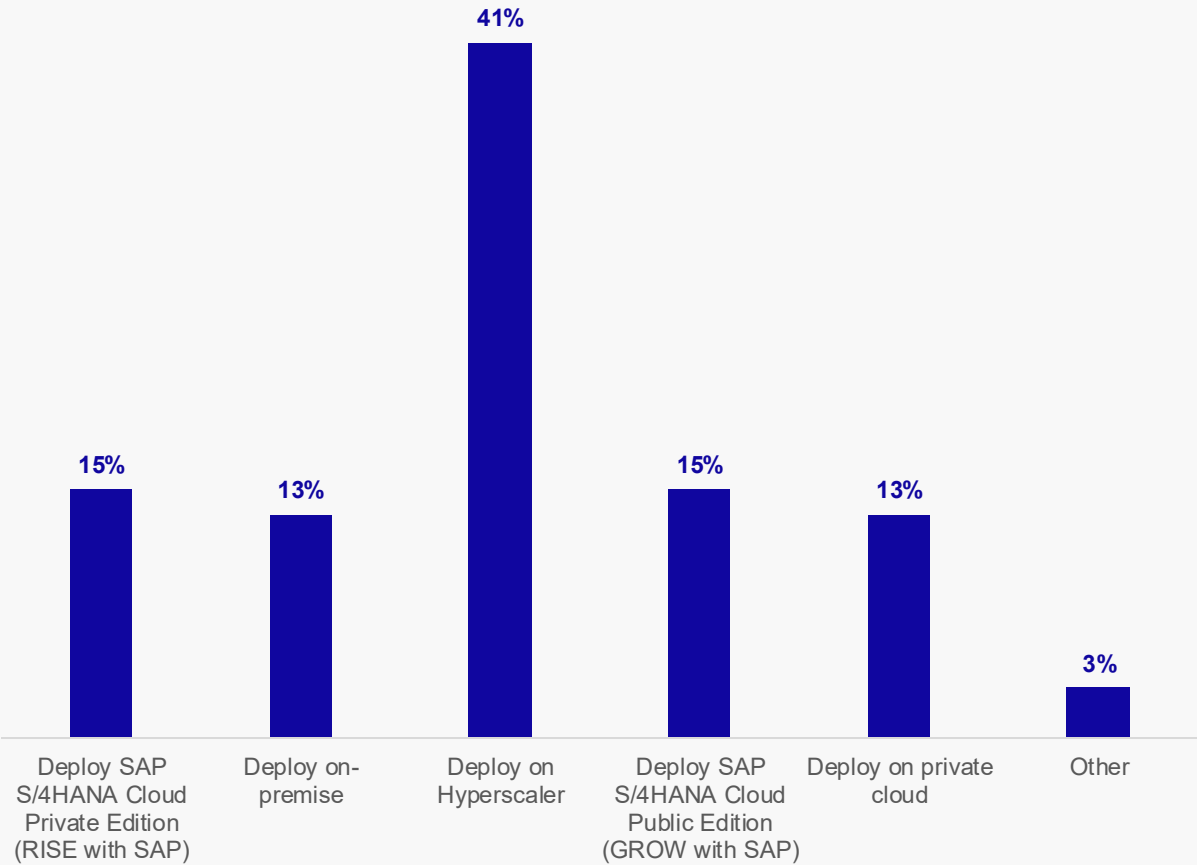


18

Hyperscalers are the top choice for SAP S/4HANA deployment. Overall, 84% of respondents indicate some sort of cloud infrastructure underpinning a planned or current SAP S/4HANA implementation.

Slightly more indicate a preference for the SAP S/4HANA Public Cloud Edition than those that prefer to deploy on-premise.

What infrastructure are you planning to use, or do use, for SAP S/4HANA?

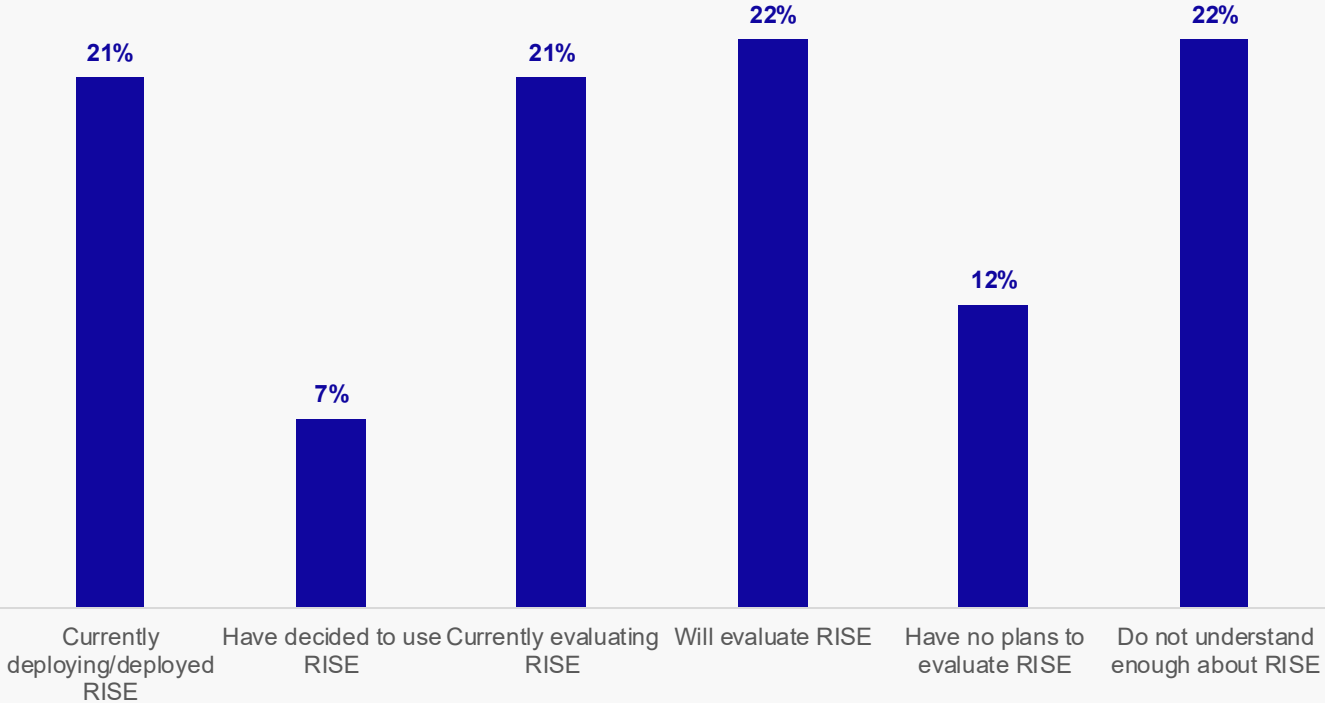


19

Just over a quarter of respondents (28%) indicated that they have decided to use RISE with SAP, are currently deploying SAP S/4HANA Cloud Private Edition with the offering, or have already deployed.

With 22% of tech leaders surveyed saying they do not understand enough about RISE with SAP, that indicates SAP and its partners still have work to do on educating SAPinsiders about the SAP S/4HANA deployment option.

What role does or will RISE with SAP play in your plans?

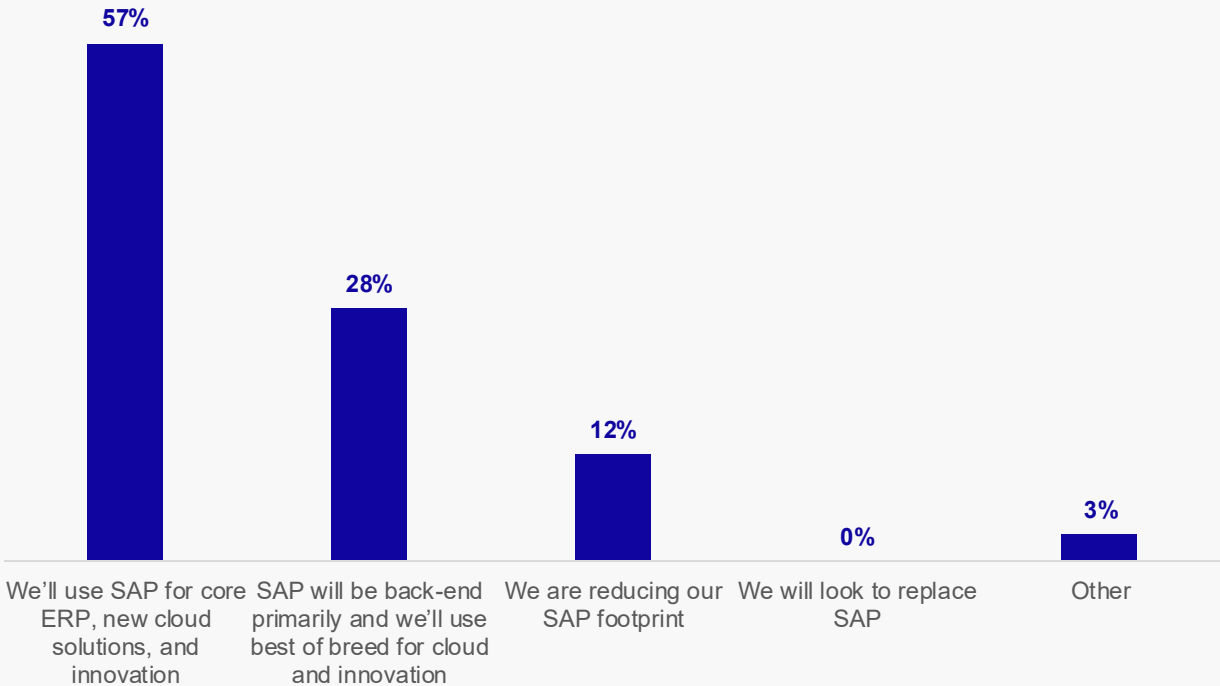


20

The majority (57%) of respondents plan to use SAP for core ERP as well as new cloud solutions and innovation, while 28% will use SAP in the back end while looking at best of breed cloud offerings.

Just 12% plan to reduce their SAP footprint, with no respondent indicating that they will totally replace SAP.

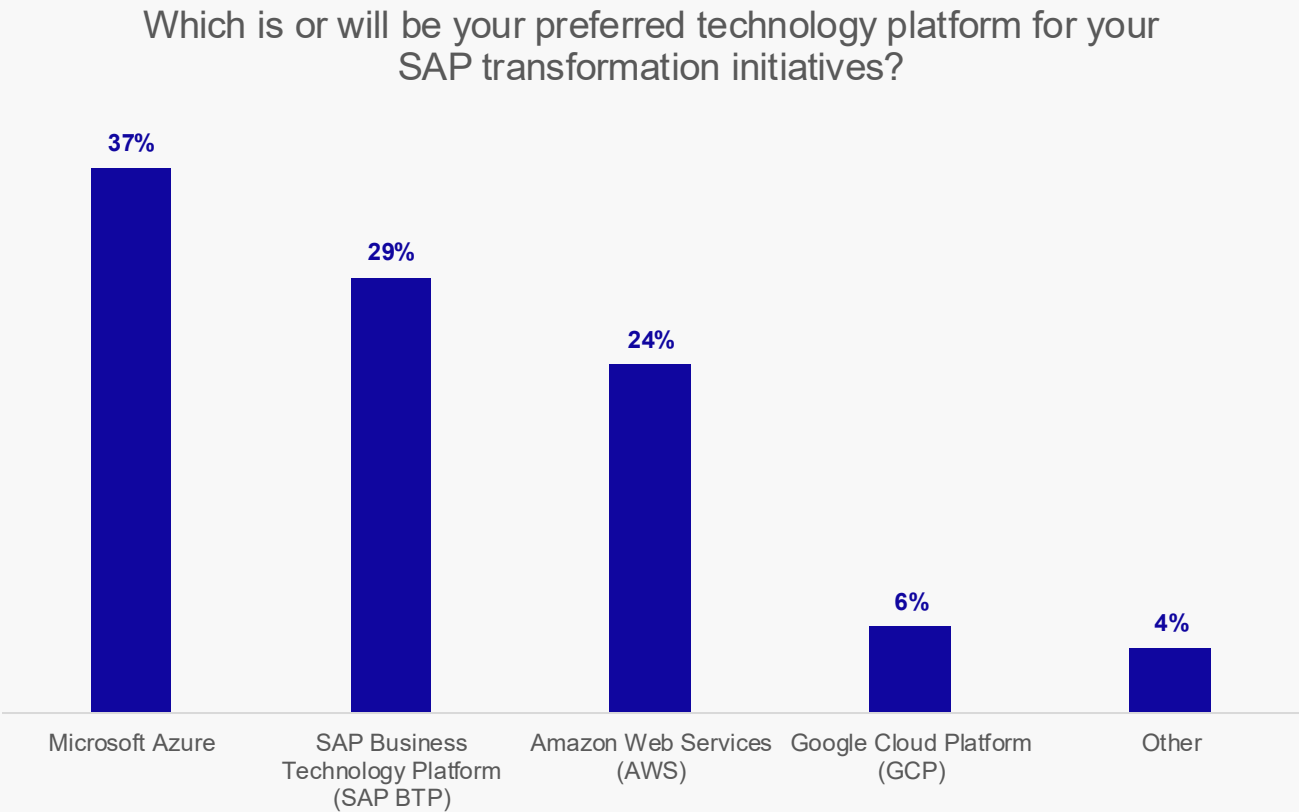
Which best characterizes your plans and view of SAP?



21

Microsoft Azure is the preferred technology platform for our respondents to support SAP transformation initiatives, while SAP Business Technology Platform (SAP BTP) is the second-most often cited answer over Amazon Web Services.

This suggests has done well presenting the value of SAP BTP to its customers.



THANK YOU

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