The State of the Utilities Industry in 2021: Research Recap
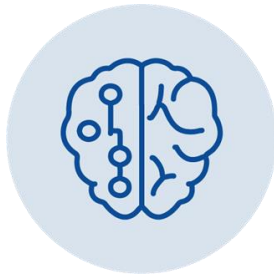
ASUG Research

September 28, 2021

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About ASUG Research

The ASUG research team uses quantitative and qualitative research methods to capture a unique view of what the largest group of SAP users in North America is thinking, doing, and planning for their road maps.
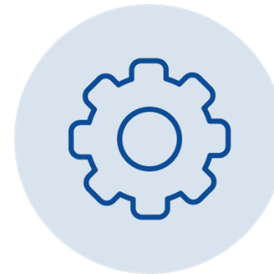
Examples of Topics We Cover

cloud strategies

emerging technologies

SAP S/4HANA myths and ROI

industry tech trends
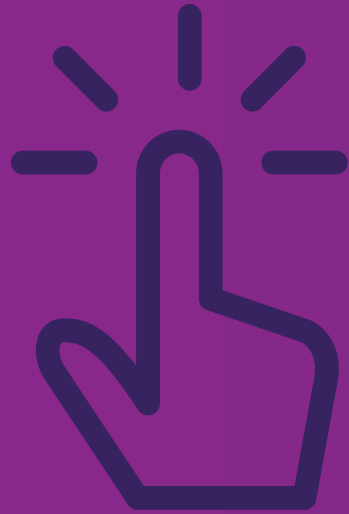
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Utilities Insights for 2021

1   Key Trends and Pressures for SAP Utilities Customers

2   The Secrets Behind Satisfaction for SAP Utilities Customers

3   What Does it All Mean?

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Key Trends and Pressures for SAP Utilities Customers

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What's on the Minds of SAP Utilities Customers

Customer Trends

Incorporating emerging technologies internally, and externally via technology like smart metering

Focusing on customer needs and experience

Addressing and preventing external data security threats

Incorporating the best solutions given limited budgets

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Data Management Is a Critical Factor and Expected to Affect Daily Work

52%
of participants predict data analytics/dashboards will significantly affect their work within the next 12 months
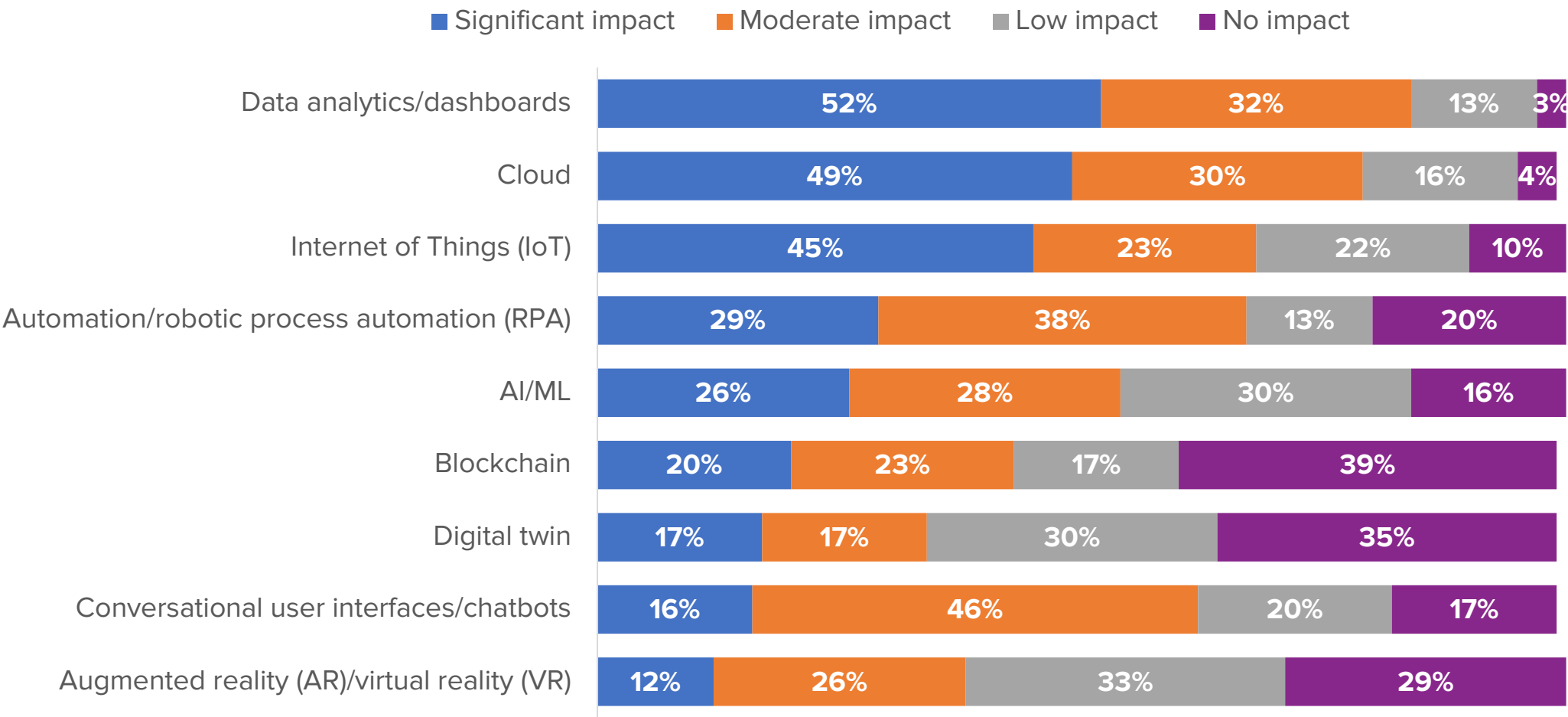
85%
of participants cite access to data/data management as one of the most important factors relating to their job

Source: ASUG State of the Industry research (May 2021; n=69)

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Impact of Business Challenges on SAP Utilities Customer Jobs

Legend: ■ Significant impact ■ Moderate impact ■ Low impact ■ No impact

Category	Significant impact	Moderate impact	Low impact	No impact
Data analytics/dashboards	52%	32%	13%	3%
Cloud	49%	30%	16%	4%
Internet of Things (IoT)	45%	23%	22%	10%
Automation/robotic process automation (RPA)	29%	38%	13%	20%
AI/ML	26%	28%	30%	16%
Blockchain	20%	23%	17%	39%
Digital twin	17%	17%	30%	35%
Conversational user interfaces/chatbots	16%	46%	20%	17%
Augmented reality (AR)/virtual reality (VR)	12%	26%	33%	29%

Source: ASUG State of the Industry research (May 2021; n=69)

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Pain Points for SAP Utilities Customers

Pressures They're Feeling

Keeping costs low and working with limited budgets

Keeping data secure

Keeping up with the pace of technology changes

Working with limited resources

Where Utilities Customers Run SAP Instances

46%
Hybrid on-premises solution
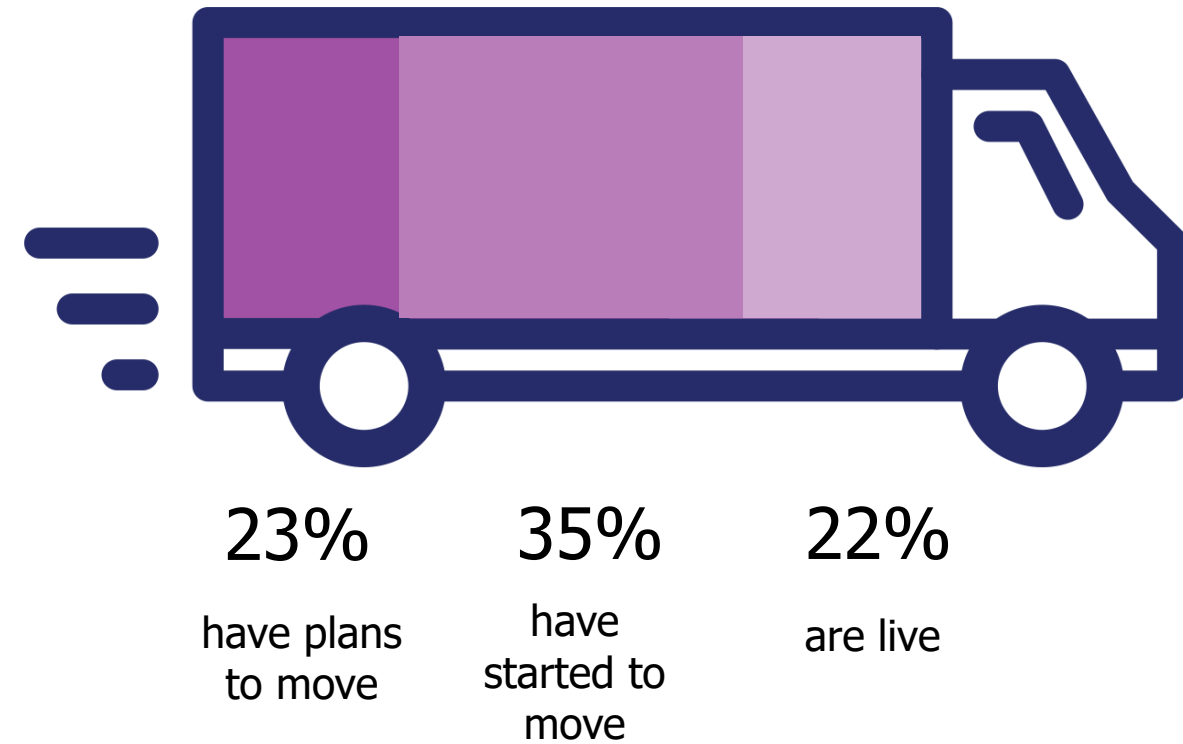
29%
Private cloud

28%
Third-party public cloud

25%
Our on-premises solution

Source: ASUG State of the Industry research (May 2021; n=69)

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SAP S/4HANA Is On Their Road Map

23%

have plans
to move

35%

have
started to
move

22%

are live

0% currently have **no** plans to move

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Cloud Strategy Developments

We have a cloud strategy in place.

35%

We have a cloud strategy in place, but we are in the early stages.

38%

We do not have a cloud strategy in place yet but are exploring it.

26%

We do not have a cloud strategy in place and are not exploring it.
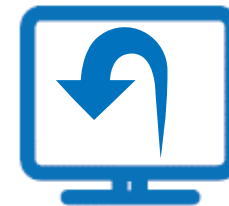
1%

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Where Utilities Customers Need the Most Help

29%
Optimizing current technology products
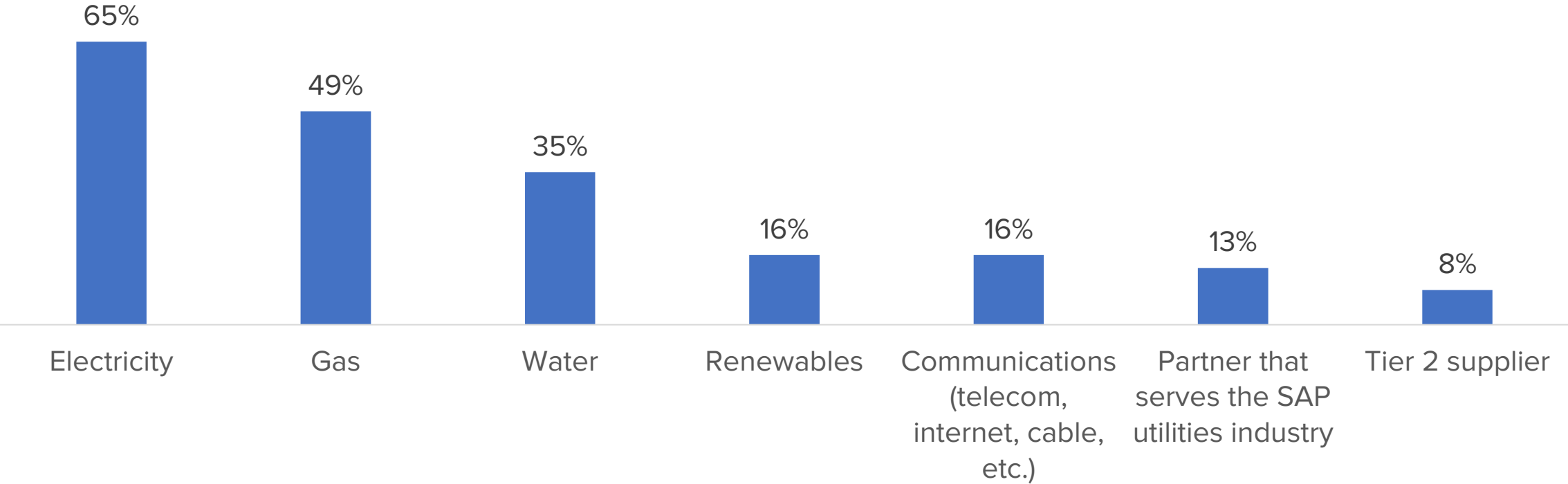
22%
Exploring new products to buy in the future

20%
Integrating current technologies

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A Breakdown of Industry Segments That Participated

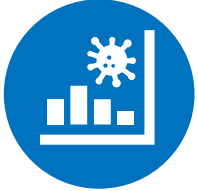| Segment	Percentage
Electricity	65%
Gas	49%
Water	35%
Renewables	16%
Communications (telecom, internet, cable, etc.)	16%
Partner that serves the SAP utilities industry	13%
Tier 2 supplier	8%

Source: ASUG State of the Industry research (May 2021; n=69)

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What Does it All Mean?

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What Does it All Mean?

The industry has a lot of adjustments to make due to COVID, like adapting to a remote workforce and doing more with limited resources and budgets.

Innovate using AI/ML, IoT, integration, data/analytics and mobile technologies.

Making the most of the move to cloud

Need for data driven decisions and accessible, accurate, understandable, and secure data.

Source: ASUG State of the Industry research (June 2020; n=54)
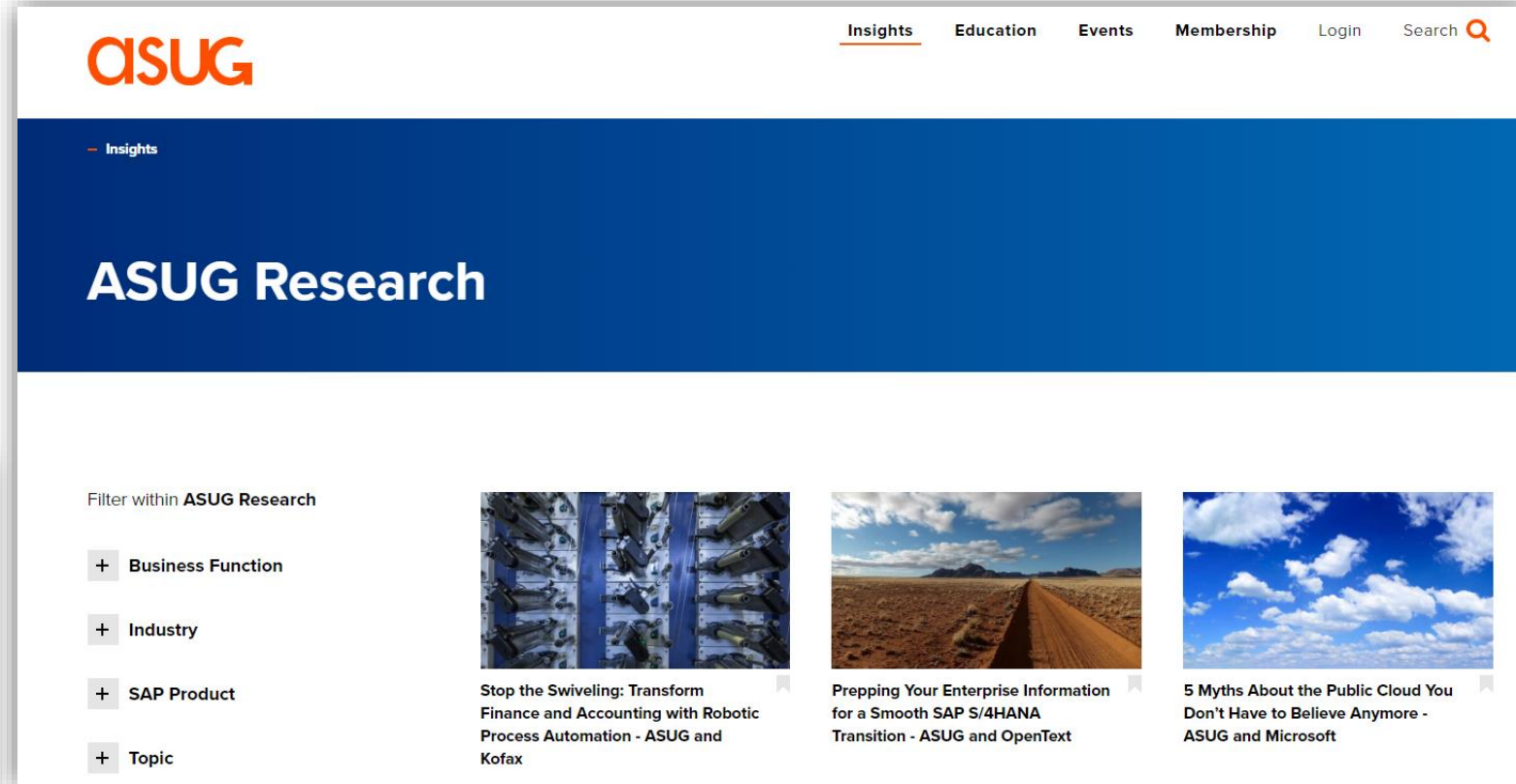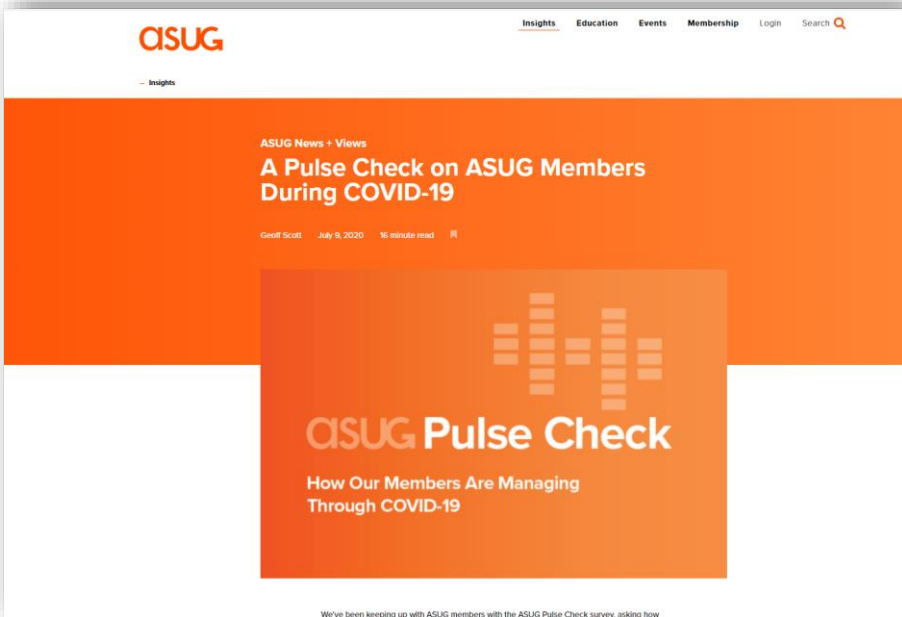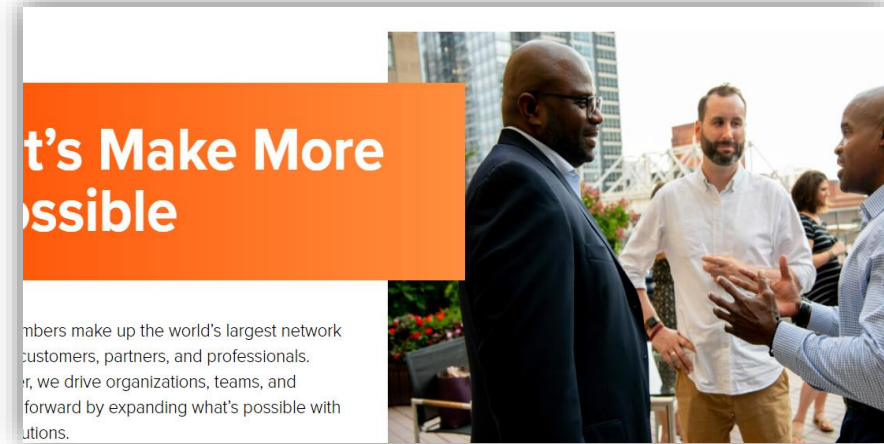
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Questions?

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- Create or update your ASUG member profile
- Browse our library of upcoming and on-demand webcasts on ASUG.com
- Sign up for the ASUG First Five
- Join an ASUG Think Tank
- Contact an ASUG Customer Success Manager for more specialized assistance

Don't miss this upcoming ASUG event:

- SAP for Utilities Presented by ASUG – October 17-19, 2021, join us in San Diego or virtually
- asug.com/events

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