

The Business Value of SAP Cloud ERP for Supply Chain Management



Eric Thompson



Matthew Marden

IDC’s research demonstrates how both enterprise and SMB organizations using SAP Cloud ERP supply chain management capabilities achieve **substantial supply chain operational efficiencies and cost savings** through **improved inventory management, predictive demand planning, and automation**. Further, they linked benefits such as **enhanced order fulfillment and delivery performance** to SAP Cloud ERP’s capabilities in integrated planning, real-time analytics, and AI-driven forecasting.

Key Results

\$367,900 average annual benefits per 100 employees

406% three-year return on investment

9-month payback on investment

Supply Chain Operational Benefits

- **79%** increase in inventory automation
- **21%** faster inventory turns
- **25%** fewer orders not successfully fulfilled

Customer Quote (SMB):

“SAP Cloud ERP has significantly reduced inventory costs and stabilized fluctuating demand. We now maintain consistent volumes aligned with our clientele, which is a major help, and forecasting has greatly improved.”

Supply Chain-Related Productivity Benefits

- **24%** higher productivity for inventory management teams
- **34%** higher productivity for supply chain teams
- **75%** higher productivity for pricing teams

Customer Quote (Enterprise):

“With SAP Cloud ERP, we can execute a full customer order forecast to drive sales and revenue, while tracking overall supply chain costs. We also ensure customers receive the right orders, in the right quantity, at the right time, and meet their service-level agreements.”

Supply Chain Business Benefits

- **\$100,900** inventory cost savings per year per 100 employees
- **\$539,900** higher revenue per year per 100 employees
- **\$42,600** equipment cost savings per year per 100 employees

Customer Quote (SMB):

“We save on electrical consumption, more than \$1 million per year because SAP Cloud ERP helps us track and optimize energy use across our supply chain operations.”

Supply Chain Sustainability and Cost Benefits

- **4%** lower overall energy costs
- **21%** more efficient supply chain platform management
- **\$37,500** supply chain platform and infrastructure cost savings per year per 100 employees

Customer Quote (Enterprise):

“SAP Cloud ERP helps us address waste such as aged inventory, scrap, and similar issues, at both the plant and central levels. Eliminating that waste delivers significant operational benefit.”

[Read the full white paper →](#)