

IoT & I4.0 - From Things to Outcomes

Karol Kalisz
SIT Hamburg
June 2016

Content by
Karol Kalisz and Vitaliy Rudnytskiy

SAP INSIDE TRACK 2016
Hamburg - 11 June

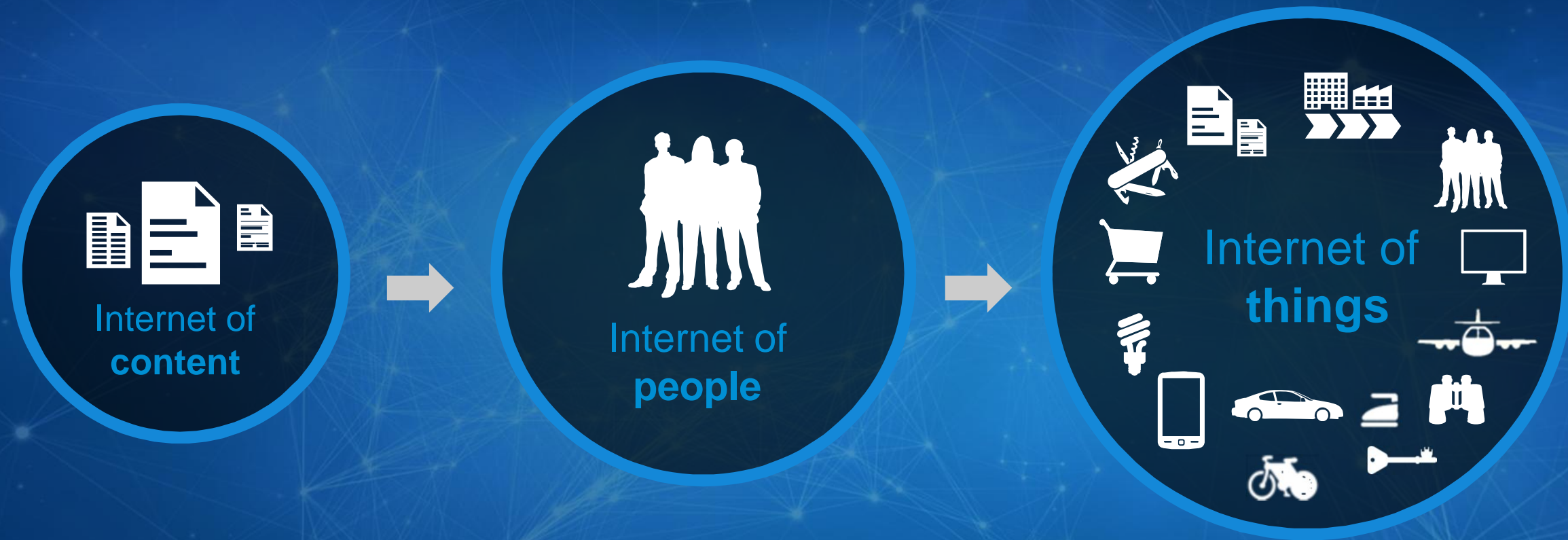
Disclaimer



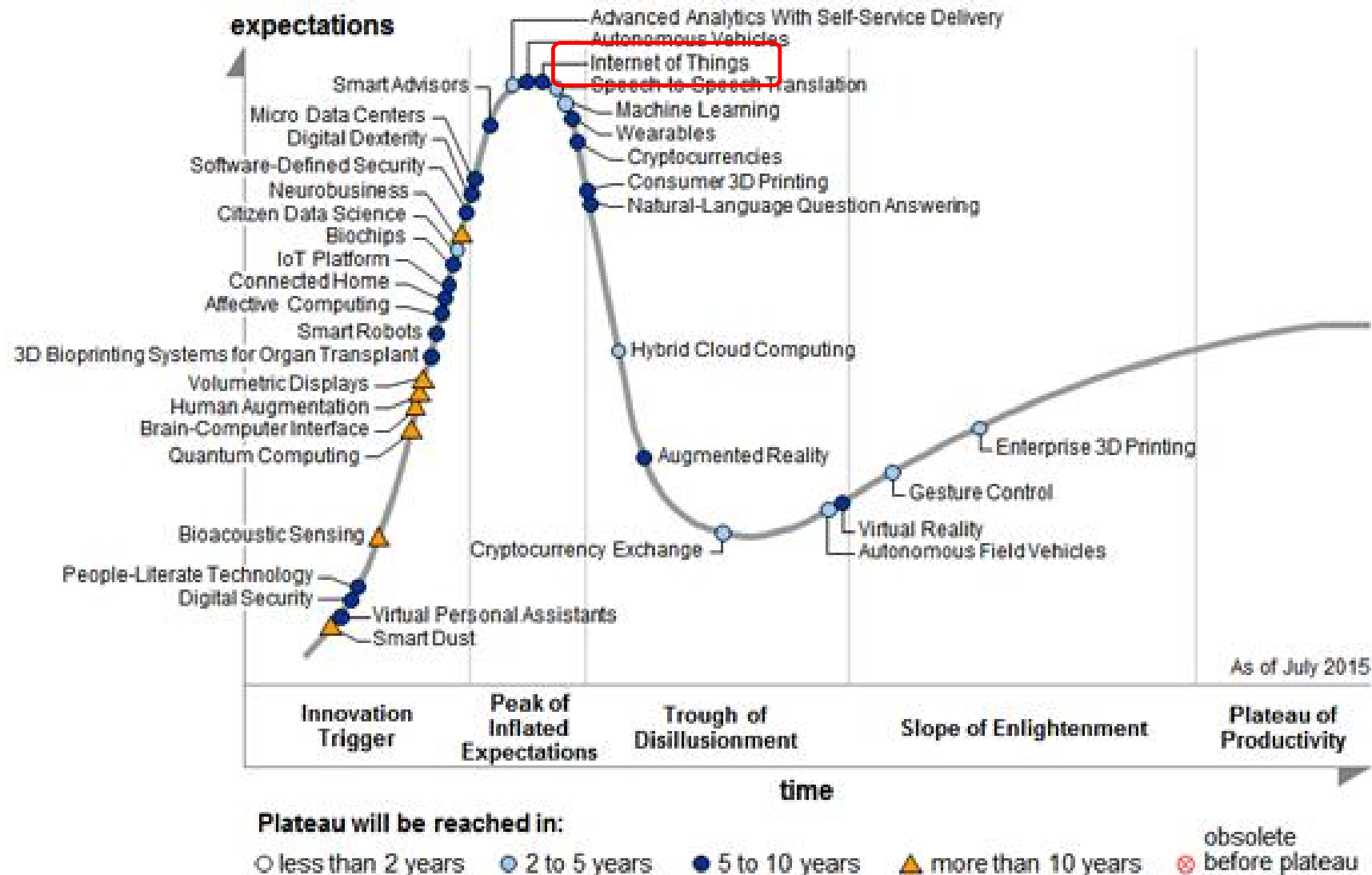
This presentation outlines our general product direction and should not be relied on in making a purchase decision. This presentation is not subject to your license agreement or any other agreement with SAP. SAP has no obligation to pursue any course of business outlined in this presentation or to develop or release any functionality mentioned in this presentation. This presentation and SAP's strategy and possible future developments are subject to change and may be changed by SAP at any time for any reason without notice. This document is provided without a warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement. SAP assumes no responsibility for errors or omissions in this document, except if such damages were caused by SAP intentionally or grossly negligent.



Internet is connecting... information, people, and things



...and IoT inflates expectations :)



Have you heard of “Real-time Awareness”?

www.rfidjournal.com/articles/view?2121/

URNAL Search RFID Journal

ARTICLES

- News Stories
- Editor's Notes
- Expert Views
- Get Started
- Free Case Studies
- Blogs
- Ask the Experts
- Marketing Blog

INDUSTRIES

TOPICS

PREMIUM CONTENT

- Case Studies
- How-to Guides
- Best Practices
- Feature Stories
- Magazine Archive
- RFID RFPs

RFID JOURNAL

SMALL FIRMS EMBRACE RFID

SUBSCRIBE

EVENTS

RFID Lands at Frankfurt Airport

After placing passive tags on such things as fire shutters, emergency lights and even passenger lounges, Fraport has significantly improved the productivity and accuracy of its maintenance operations.


By Jonathan Collins

PDF Email Print Definitions Save Article

Like 0 Tweet 0 Google +1 0 Share 2

Feb 06, 2005—In November 2003, [Fraport](#), the German company that owns and operates [Frankfurt Airport](#), started testing [RFID](#) to help manage the airport's operations. Less than a year later, when its partner in the enterprise, [ERP](#) software giant [SAP](#), publicized the success of the project, the deployment became a very public model for using [RFID](#) in facilities management.

Three years later, after installing many tens of thousands more [RFID](#) tags, the company has seen significant benefits from its use of [RFID](#). However, it still has reservations about the limits of the technology's usefulness.



or “Smart Items”?

Project: Smart Vending Center

SAP RESEARCH

Objectives

- Integrate vending machines into business process
- Provide platform for low-risk RoI analysis
- Gain experience from real world

Application Areas

- (Near) real-time and predicted inventory
- Advanced Data Analysis
- Remote Management
- Remote Monitoring
- Cash Accounting

Current Partners

- Harting Vending GmbH
- Lantec AG
- M-Lab
- TecO

Running Prototypes

- Cigarettes (Dietz)
- Prepaid phone cards (Baumann)
- Cafeteria accounting (SAP)



Photo: Harting



SAP RESEARCH SYSTEMATIC TI

© SAP AG 2004. SP Workshop SAP Research

THE BEST-RUN BUSINESSES RUN SAP



Smart Items Research

Thomas Odenwald
Research Program Manager
SAP Research, RC Palo Alto

THE BEST-RUN BUSINESSES RUN SAP

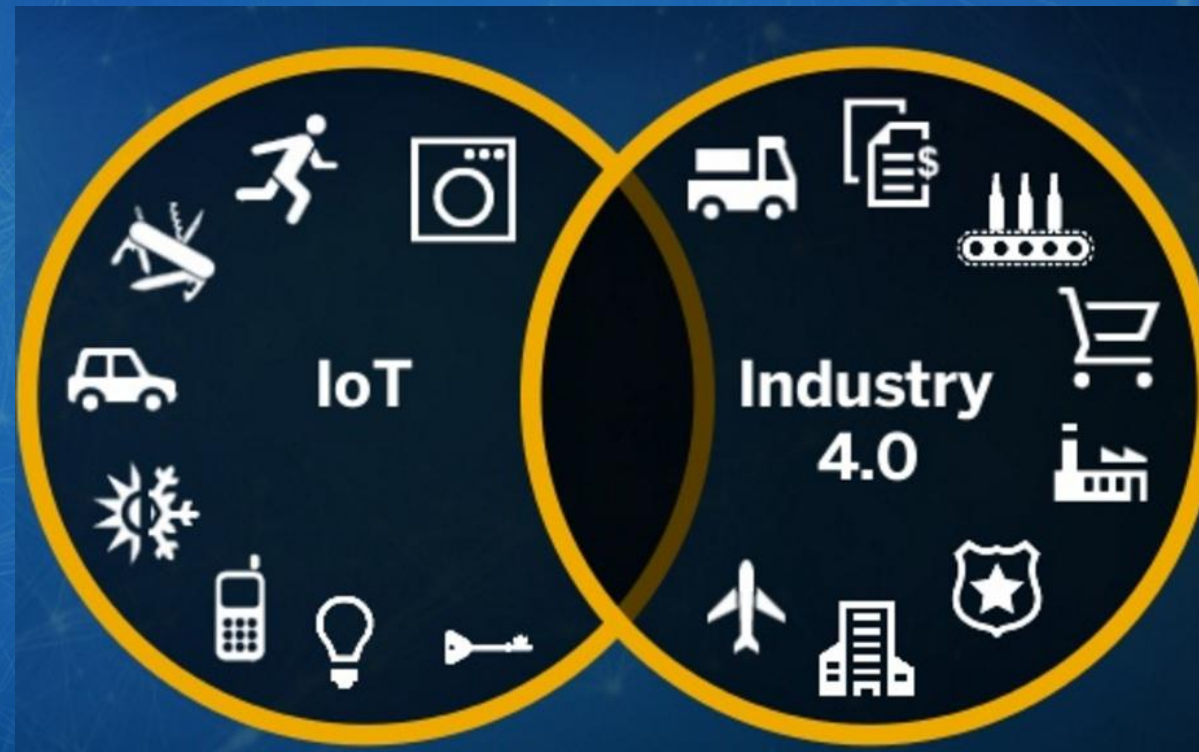


IoT and Industry 4.0

“Internet of Things” ← Smart Devices, Personal Area Networks

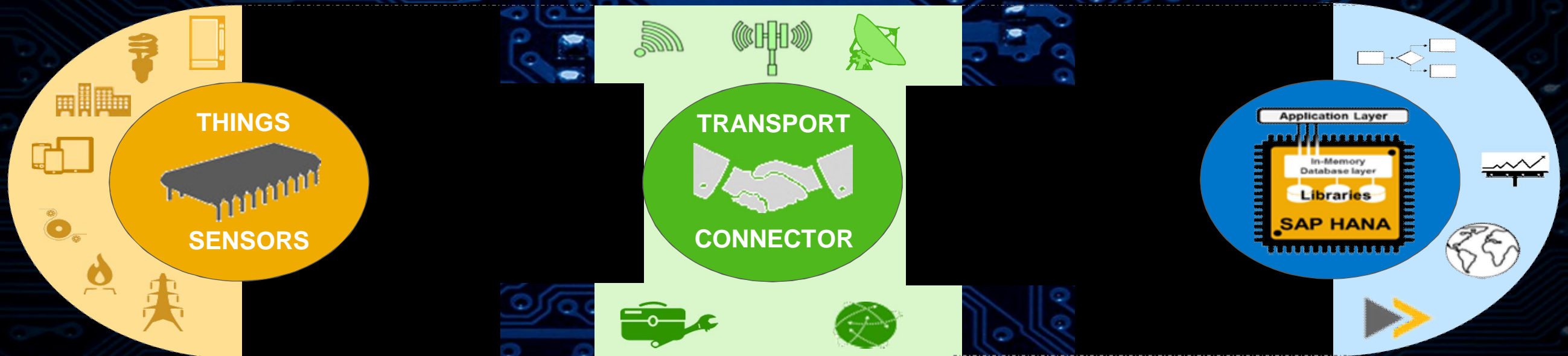
Industrial Automation → “Industrial Internet” / Industry 4.0

Internet of Things represents the opportunity available to companies in leveraging smart, connected, devices in building, distributing, and managing their products and services for customers



Industry 4.0 represents the opportunity for manufacturing businesses to reinvent their processes by leveraging a confluence of new technologies in the process of building their products

Deconstructing the Internet of Things



10's of billions of
connected things

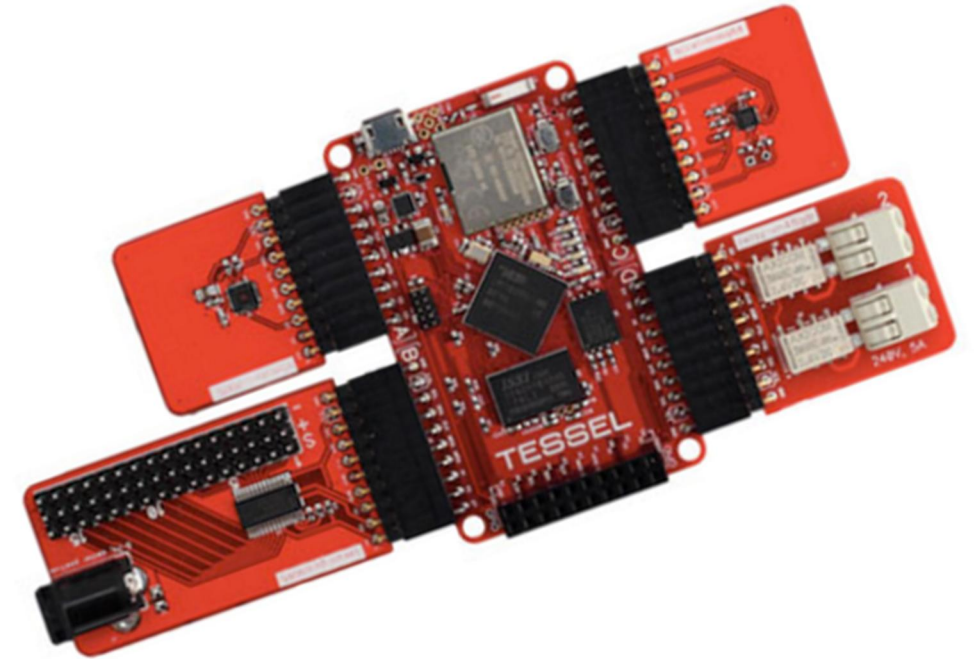
Private and public
networks

High-performance compute
infrastructure

Mobile Devices for IoT

Technical Characteristics of IoT Mobile Devices

- ❑ Connectivity module
- ❑ At least one interaction (input / output)
- ❑ Integrated program logic for forwarding data
- ❑ (Display & keyboard is optional)



Business Characteristics of IoT Mobile Devices

- ❑ Is must be cheap
- ❑ It should be easy to install
- ❑ and it has to be maintenance free

```
LOG → node_modules/climate-si7005/index.js (5.67 KB)
LOG → node_modules/climate-si7005/package.json (3.37 KB)
LOG → test.js (0 bytes)
LOG → wifi.js (772 bytes)
LOG Total file size: 21.51 KB
Bundling directory /Users/timryan/examples (~21.51 KB)
Deploying bundle (46.50 KB)...
Running script...
Starting up si7005... on port bank A
Connected to si7005
Degrees: 82.7938F Humidity: 22.3719%RH
Degrees: 82.7375F Humidity: 22.1150%RH
Degrees: 82.7938F Humidity: 22.2223%RH
```

<http://start.tessel.io/modules/climate>

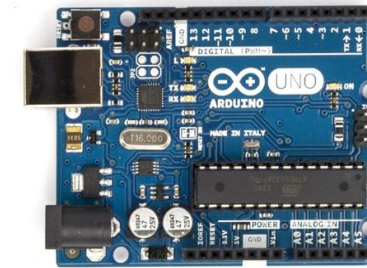
IoT Hardware prototyping platforms

An electronics board and associated software for easily connecting electronics to software and the Cloud.

How they differ from “professional” electronics development kits:

- ❑ Self-contained
- ❑ Cheap
- ❑ Easy to program and extend
- ❑ Very often under Open Source and/or Open Hardware license
- ❑ Strong online community for learning and support
- ❑ Focus on easy onboarding for non-experts
- ❑ Strong success in hobbyist / maker / education areas

There are new boards popping up every week. Here we focus on the most popular boards with the largest online communities.



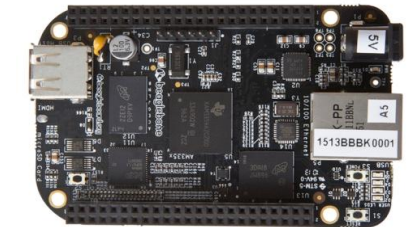
Arduino Uno



Raspberry Pi 2



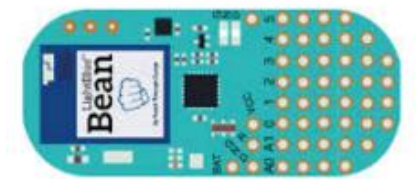
Arduino Yun



BeagleBone Black



ESP 8266



LightBlue Bean

You all have **a Thing** in your Pocket!



... and you can play a sensor for IoT

What is Needed for IoT Business?

Business Model

- Finding the correct devices and data connections for optimized workflows and cost savings

Cloud Operations

- Open access 24x7 secure and accessible compute infrastructure capable to connect the devices and store big data

Powerful REALTIME Platform

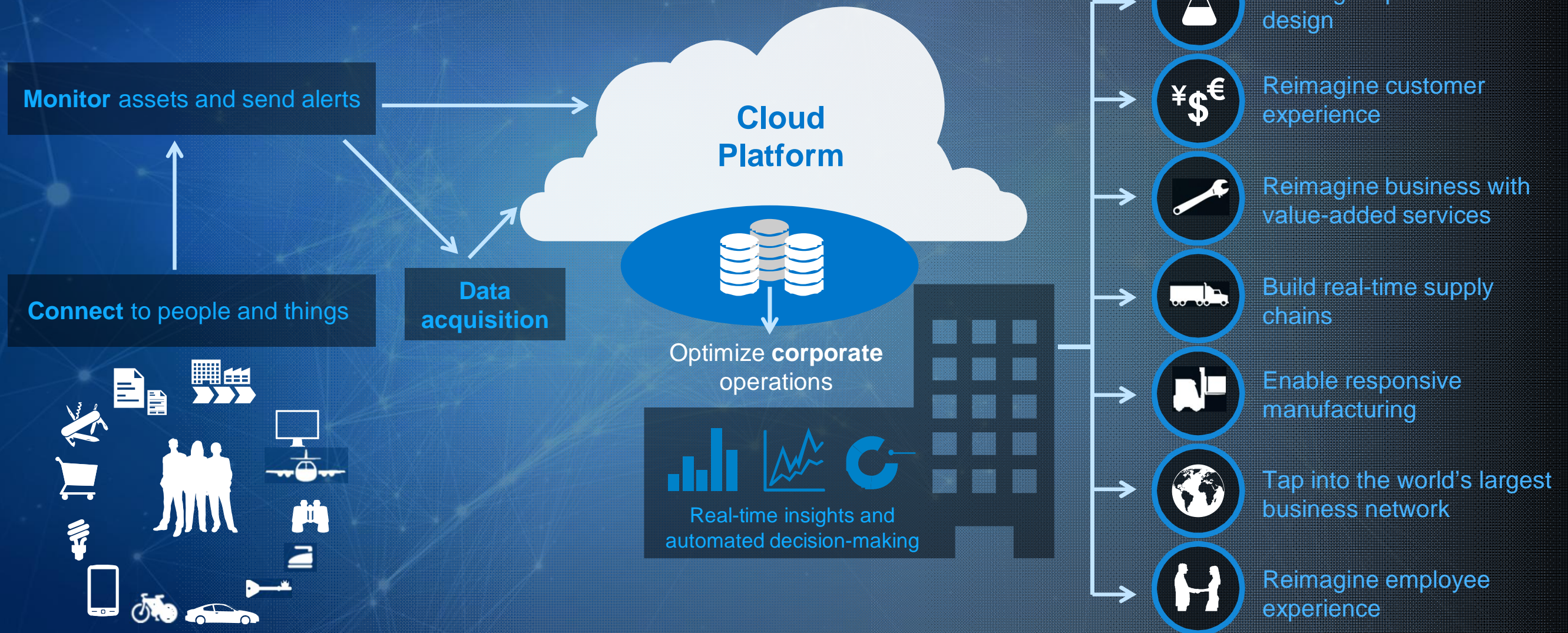
- Technical infrastructure for data storage, processing, orchestration and outbound connections to other business systems (ERP, CRM, BI)

IoT from edge to engagement

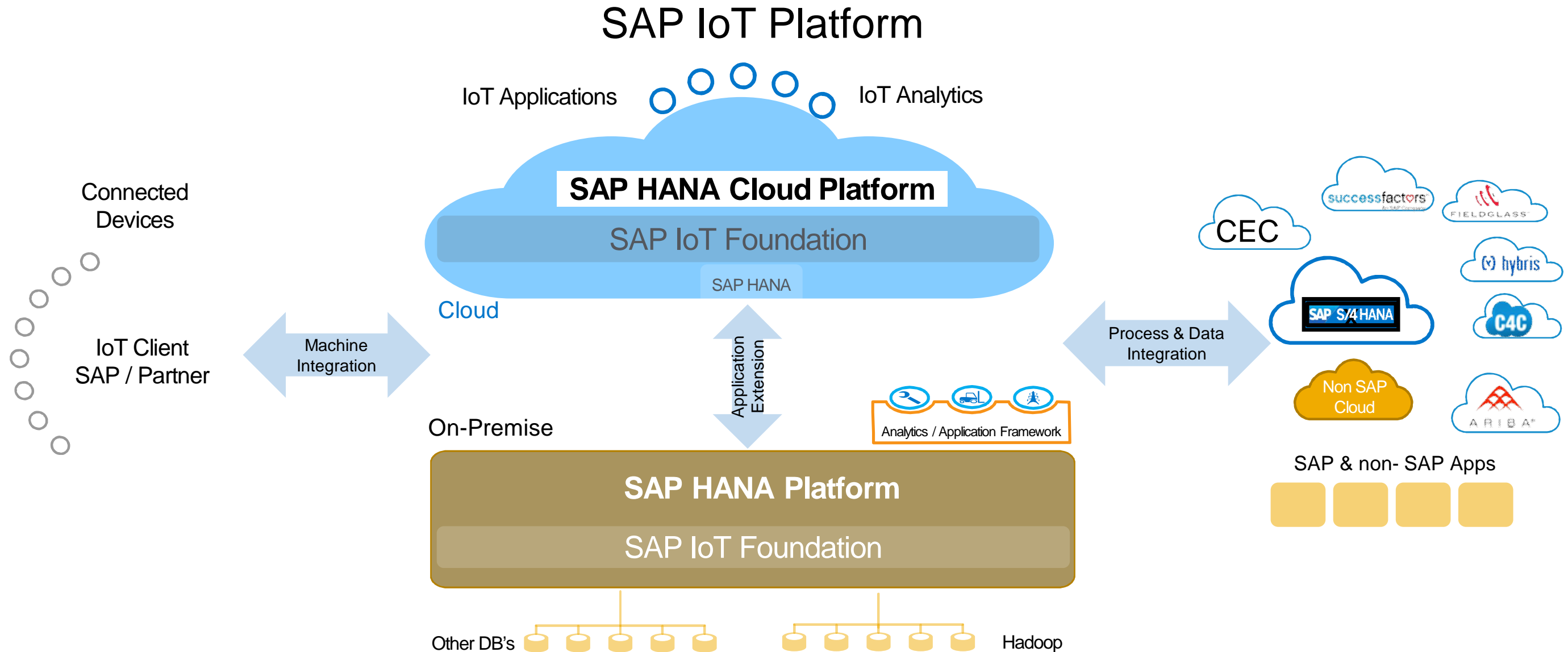
Connect with intelligence
on the edge

Transform business
operations

Reimagine business
models



SAP Internet of Things from Things to Outcomes



IoT App Services in Cloud Platform for IoT

IoT Services allow to manage remote devices and messages.
It enables building IoT applications.

Remote Device Management

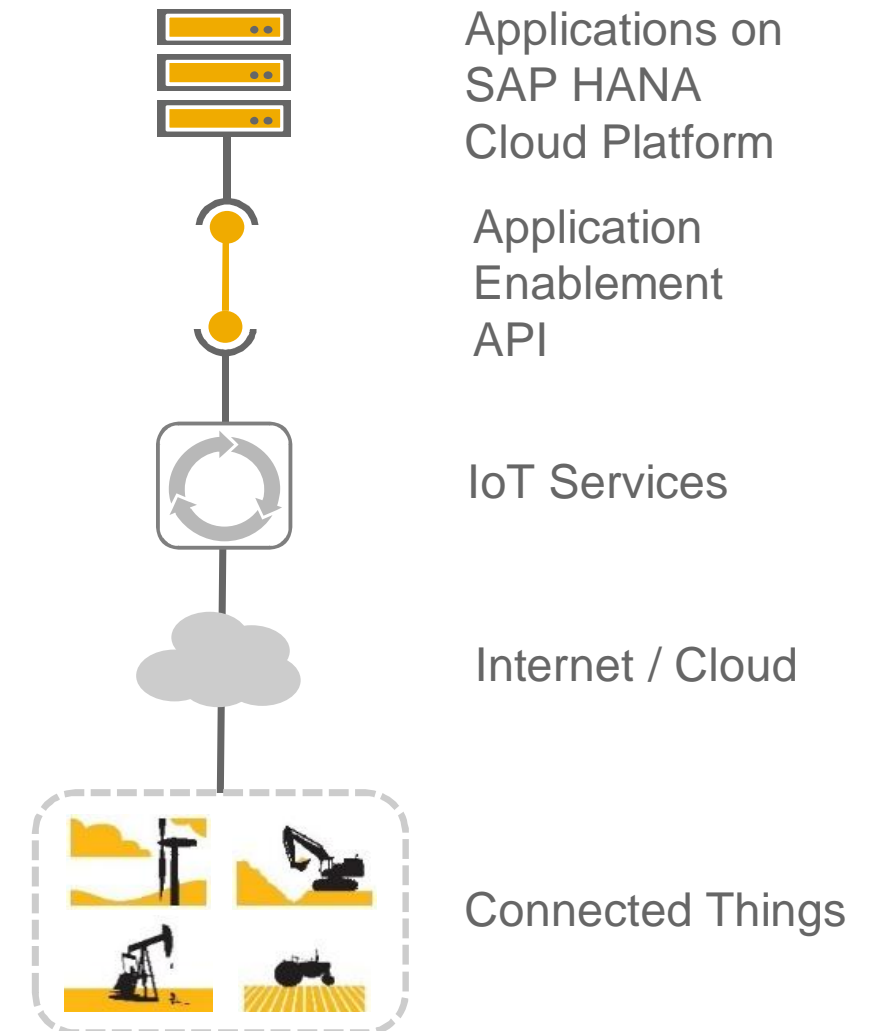
- ❑ Manage the device life cycle from onboarding till decommissioning
- ❑ Receive device information
- ❑ Configure devices remotely
- ❑ Send commands to devices

Message Management

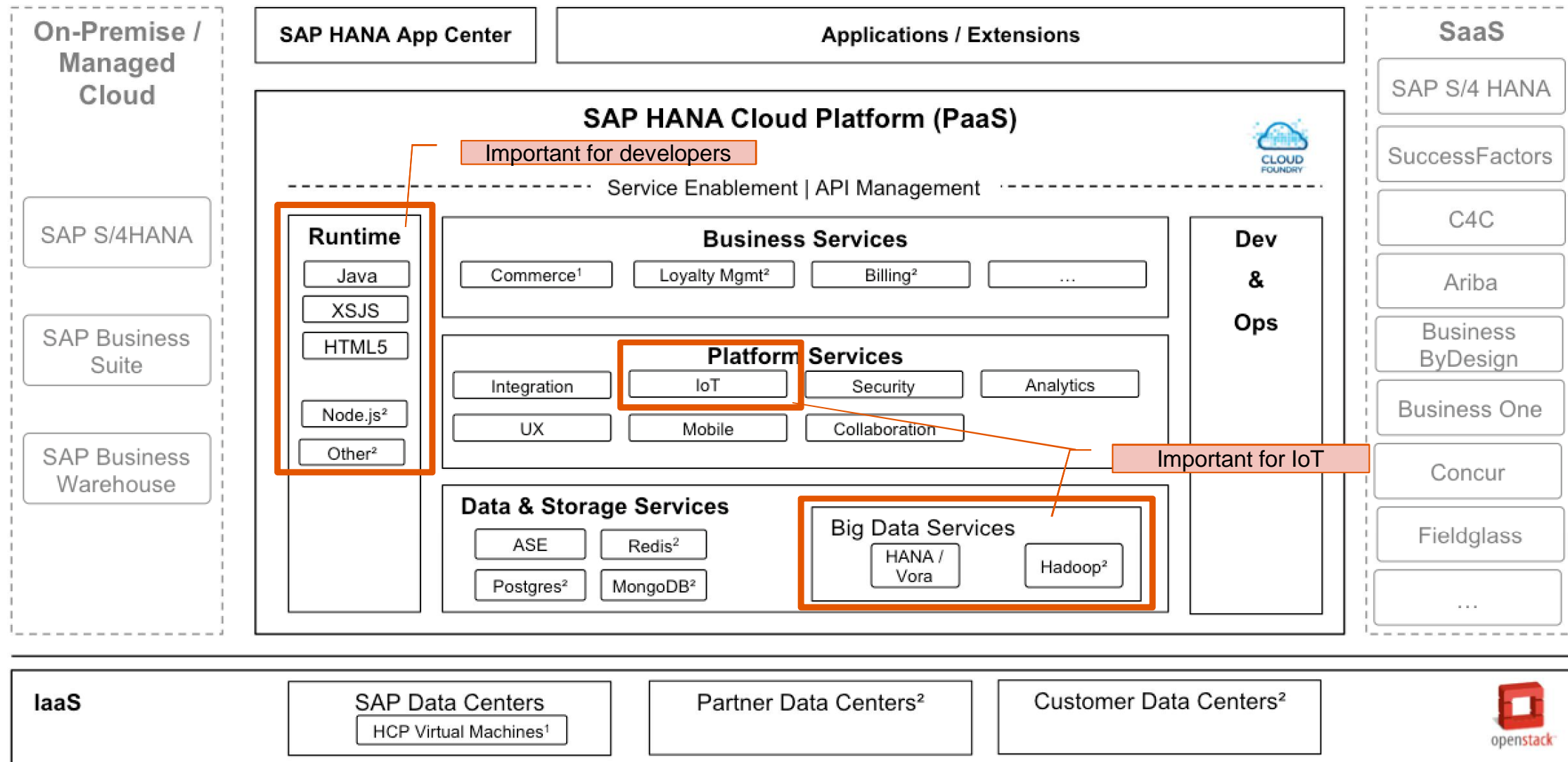
- ❑ Collect sensor data and store it in the HCP persistence layer
- ❑ Supports various transport protocols and message formats

Application Enablement

- ❑ Use Device Management and Message Management functionality in your applications



HCP Cloud Foundry as Foundation



1) beta functionality, 2) planned innovations / future direction

Types of IoT Applications

Network
Solutions

Single
Customer
Solutions

Public
Cloud

Private
Cloud

Areas for IoT Applications



Responsive supply



Predictive maintenance



Responsive manufacturing



Connected cities



Connected asset



Connected logistics



Connected car



Connected healthcare



Connected retail



Connected buildings



Real-time replenishment



Connected Utilities

Business Example / Maintenance Case

SAP Predictive Maintenance



<http://www.sap.com/pc/tech/internet-of-things/software/predictive-maintenance/index.html>



<https://www.youtube.com/watch?v=583aGe0xIGY>

Predicting Maintenance Work

- ❑ Real Time
 - ❑ equipment monitoring
 - ❑ prediction data models
- ❑ Automated alerting based on prediction

Customer and Consumer Value

- ❑ Better maintenance planning
- ❑ Less out-of-service preventive checks
- ❑ Less wasted time spend by technicians

Mobile Applications

- ❑ Integration into Smart Devices (e.g. watches)
- ❑ Real Time Notification Systems
- ❑ Reporting & Analysis Applications

Business Example / Car Connections

SAP Vehicles Network



https://www.youtube.com/watch?v=cWo4IDa_1uw

<http://hana.sap.com/implementation/customer-innovation/solutions/vehicles-network.html>

Connecting Automotive Industry and Service Industry

- ☐ Real Time
 - ☐ parking slot monitoring
- ☐ Automated parking slot booking

Customer and Consumer Value

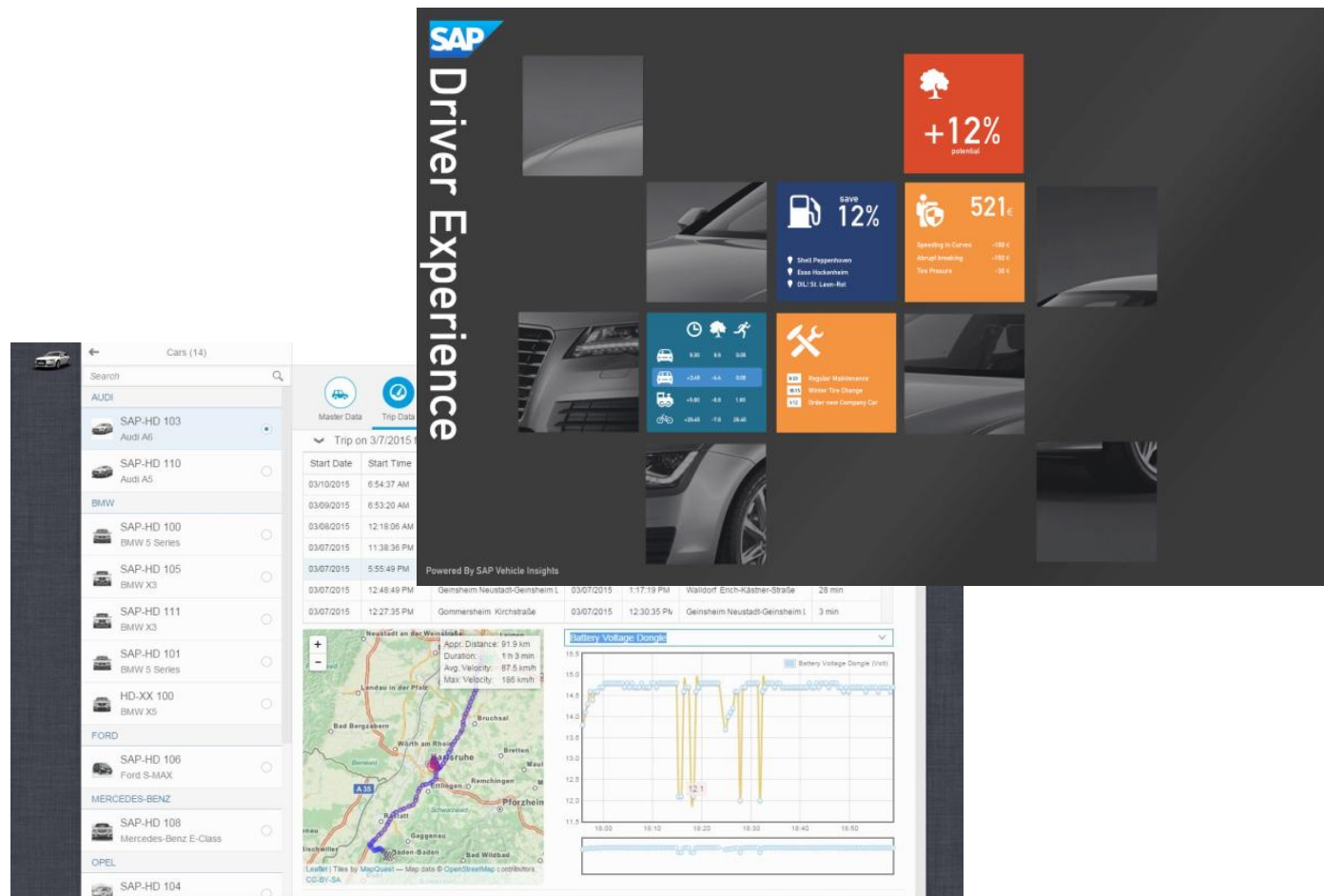
- ☐ Better service for End-Users
- ☐ Easy parking search / booking
- ☐ Easy payment

Mobile Applications

- ☐ Integration into Car Systems
- ☐ Mobile access for consumers

Business Example / Location Monitoring

SAP Vehicle Insights



Use Case

- ❑ Vehicle monitoring
- ❑ Vehicle telematics data and analytic insights
- ❑ Predictive capabilities

Customer Value

- ❑ Efficient process planning and control
- ❑ Reduced costs through improved operating
- ❑ Increased efficiency in logistics

Mobile Applications

- ❑ used for reporting and data analysis
- ❑ used for connectivity, GPS data collection

Business Example / Location Monitoring

SAP Networked Logistic Hub



<https://www.youtube.com/watch?v=zKZDgsni0Y4>
<https://help.sap.com/sci>

SAP and SK Solutions Anti-Collision System



<https://www.youtube.com/watch?v=J45uSpBmVqo>

Use Case

- ❑ Real Time Sensor Monitoring
 - ❑ of Trucks and Containers
 - ❑ of any Equipment
- ❑ Anti-Collision systems

Customer Value

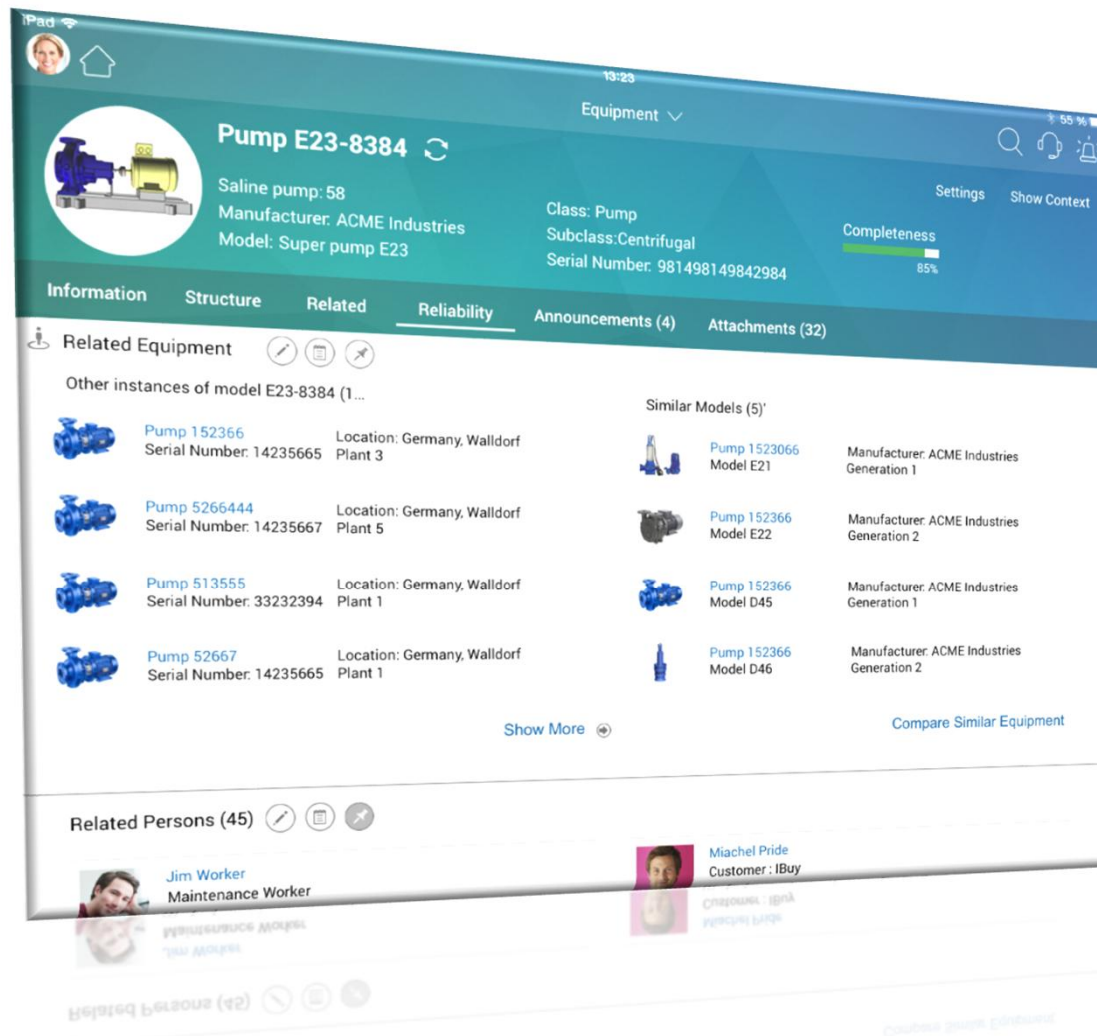
- ❑ Increased Safety
- ❑ Optimized workflow and operations
- ❑ Increased efficiency in logistics

Mobile Applications

- ❑ used for reporting and data analysis
- ❑ used for connectivity, GPS data collection

Business Example / Assets

SAP Asset Intelligence Network



Use Case

- Centrally manage and publish
 - information about models
 - information about equipment
- to selected audiences
- Gain Operation Insights / Access
 - of any Assets

Customer Value

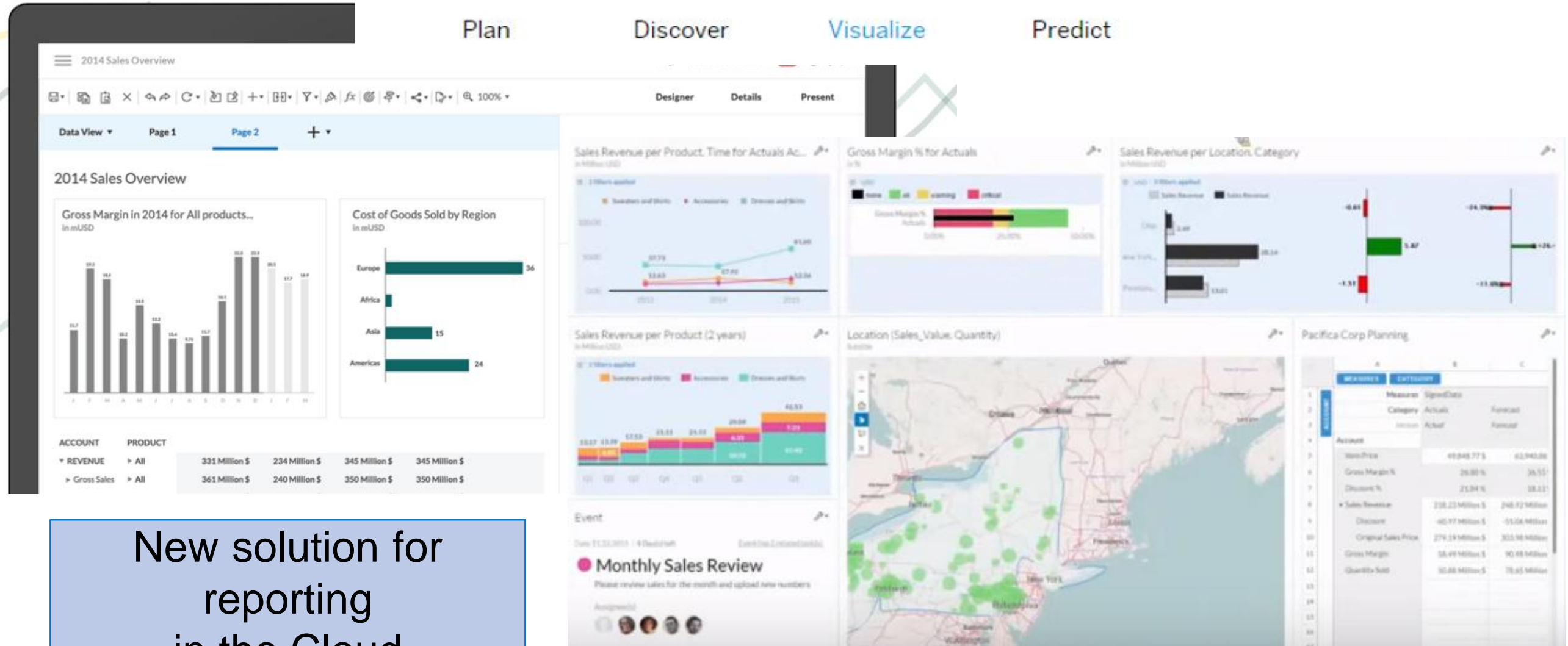
- Increased Transparency
- Enable New Business Models
 - consume equipment as a service
- Sell Add-Value Services

IoT changes the infrastructure...

... as the data is coming into the cloud

SAP BusinessObjects Cloud

SAP Cloud for Analytics



New solution for
reporting
in the Cloud

Risks and Challenges for IoT

IoT is full of traps! – Learn how to make money with it

- ❑ Finding meaningful use cases is key to success
- ❑ Visions are allowed, but first bills have to be paid
- ❑ New business models are key to making money with IoT
- ❑ Business models will have an impact on the architecture of solutions!

IoT can be complex!

- ❑ Keep it simple by structured data models and good scale
- ❑ Keep it understandable for customers and consumers

IoT needs privacy & security

- ❑ Privacy and Security will distinguish between success and failure
- ❑ Managing one's own privacy will become a complex task – and needs to be kept simple
- ❑ Historical personal data availability – who will delete the data?

Cyber security

Language and culture

Data protection

Regulations and standards

24x7 Operations

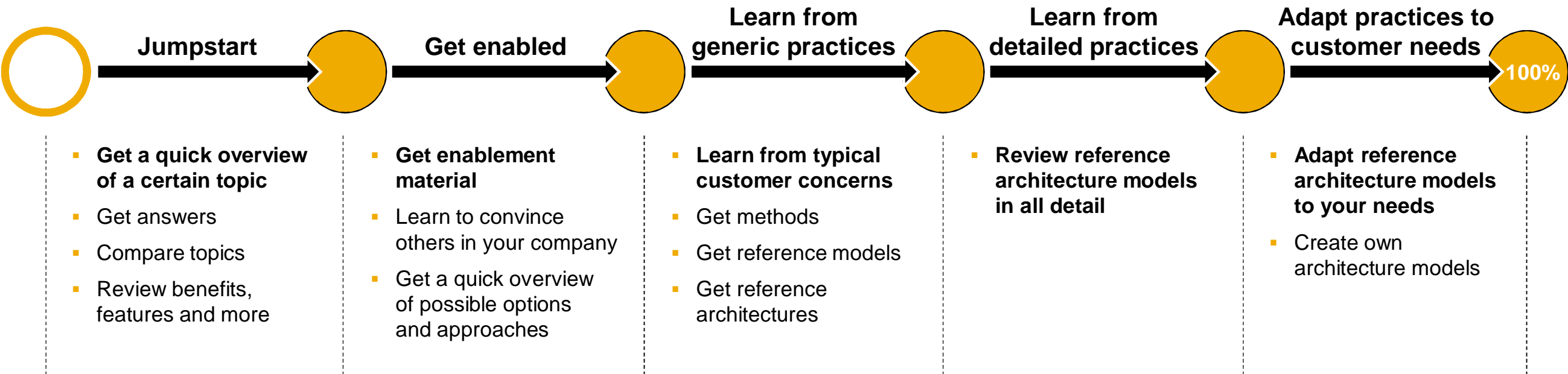
SAP Enterprise Architecture Explorer SIT Hamburg 2016

Karol Kalisz (presenting), Jürgen Jakowski, P&I, SAP SE



We take people from the current stage of their information journey

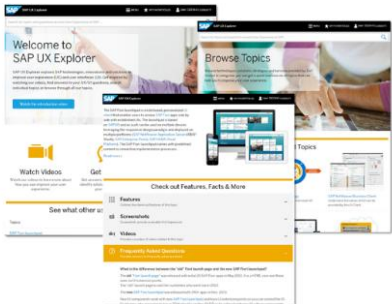
To help them driving decisions and to improve their enterprises



Information Gathering

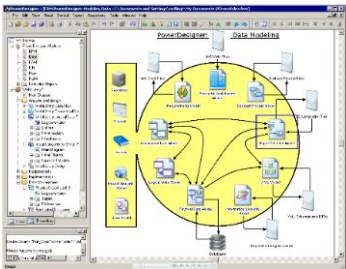
Modeling

SAP Enterprise Architecture Explorer



Specialized
SAP sources

SAP PowerDesigner



There are more customer questions as those appearing at first sight

What is IoT?

Which SAP products can help me with IoT?

Where can I learn more about the IoT product features?

Where can IoT help me?

Where can I find IoT training material?

How can I create my enterprise IoT strategy?

Which business processes can be improved?

When will IoT be relevant to me?

What is SAP's IoT product strategy?

How can I promote IoT in my enterprise?

Can SAP help me creating my enterprise IoT strategy?

How can I prepare my enterprise for IoT?

What is the technical impact to my current architecture?

What enterprise specific boundaries are relevant?

Which deployment options do I have?

What are generic options to improve my enterprise with IoT?

How do I transition from my current architecture?

How can I identify IoT-relevant areas in my enterprise?

What is the roadmap of the SAP IoT products?

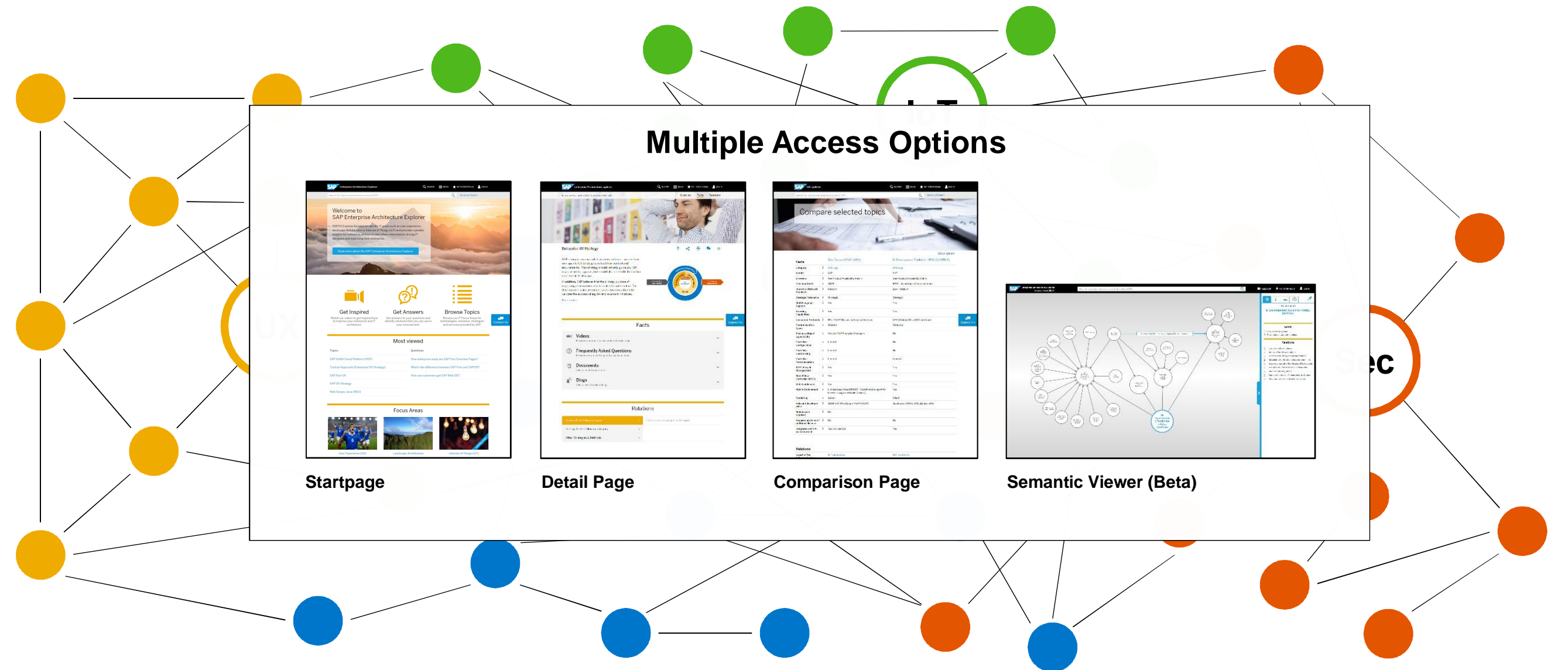
What are IoT-relevant IT capabilities?

Are there reference architectures for SAP IoT?

Which EA-methodologies are relevant for IoT?

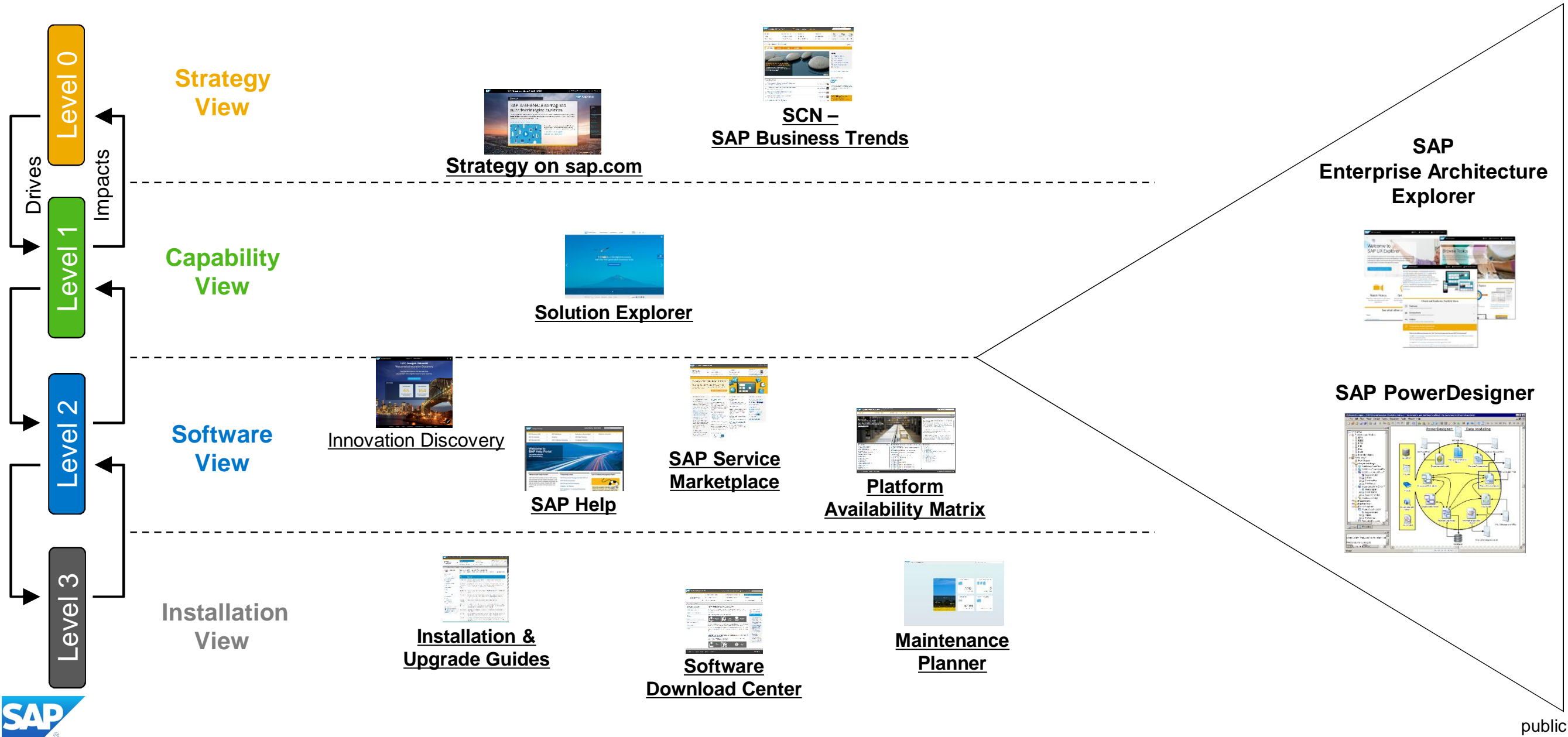
We put things into relations, structure them and give flexible access

Every new IT focus area multiplies the value for everybody



Designing the Target IT Landscape Architecture

Relevant Information Elements and supporting SAP tools





Try. The Developer account is free :-)



<http://hcp.sap.com/developers>

Tutorials are available:

<https://github.com/SAP/iot-starterkit>

And request a free SAP CodeJam workshop:

<http://scn.sap.com/docs/DOC-37775>

more online...

SAP Internet of Things: From Things to Outcomes - What's New in 2016

<https://www.youtube.com/watch?v=Y2THEZdz0ic>

Thank You!

// SAP Developer Relations
developers.sap.com

 @KaliszKarol
@Sygyzmundovych
@JJComment

Karol Kalisz
Vitaliy Rudnytskiy
Jürgen Jakowski



© 2015 SAP SE or an SAP affiliate company. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP SE or an SAP affiliate company.

SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP SE (or an SAP affiliate company) in Germany and other countries. Please see <http://global12.sap.com/corporate-en/legal/copyright/index.epx> for additional trademark information and notices.

Some software products marketed by SAP SE and its distributors contain proprietary software components of other software vendors.

National product specifications may vary.

These materials are provided by SAP SE or an SAP affiliate company for informational purposes only, without representation or warranty of any kind, and SAP SE or its affiliated companies shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP SE or SAP affiliate company products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.

In particular, SAP SE or its affiliated companies have no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation, and SAP SE's or its affiliated companies' strategy and possible future developments, products, and/or platform directions and functionality are all subject to change and may be changed by SAP SE or its affiliated companies at any time for any reason without notice. The information in this document is not a commitment, promise, or legal obligation to deliver any material, code, or functionality. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.