



the IoT TRANSFORMS MANUFACTURING

Manufacturers are Transforming Products, Processes, and Services to Drive Profitable Growth

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Efficiency — doing more with what they have — is a continuing theme for manufacturers seeking profitability.



Looking Ahead - Next set of business initiatives more visionary and growth oriented.

Discrete manufacturers identify their top 3 business initiatives as:

41.6%
Lowering costs

38.1%
Improving productivity

28.5%
Improving business process



- ✓ Increase revenue and profitability
- ✓ Introduce new and/or improved products and services
- ✓ Improve customer acquisition and retention

Profitable growth will come from innovation and transformation.



The Internet of Things (IoT) Is the Underlying Tech for Manufacturing Transformation



IoT is a fundamental technology enabler — a network of uniquely identifiable endpoints (or "things") that communicate using IP connectivity without human interaction.



Manufacturers are taking a customer perspective with IoT.

Top 3 drivers for IoT in discrete manufacturing:
58.0% lower operational costs
48.9% customer acquisition or retention
48.0% better customer service and support

IoT is fast becoming a reality
55.0% of discrete manufacturers are researching, piloting or in production with IoT initiatives

IoT opportunities can be split into two broad categories:

Using the technology to enhance a company's **products**



Using tech to improve service-business **processes**

Product Transformation: Connected Products

Manufacturers are designing, building, and using connected products that take advantage of IoT

Connected products share information on their status - including location, temperature, and other condition/performance data. Product-as-a-Service becomes possible.



Service Innovation: Transform Processes in 3 Ways

1 Improve Service Offerings/Processes
Field service, better info and knowledge management, higher-quality service

2 Connect Service Processes
Remote diagnostics and maintenance

3 New Services
Assisted operations, new applications (product as a platform)

Guidance and Related Tech Points



Integrate with new technologies such as analytics, **cloud**



Ensure **sufficient investments** in underlying communication and storage



Review capabilities and needs of **sensors**

Key Benefits of IoT for Manufacturers



- ✓ More up-time, product reliability
- ✓ Closed-loop feedback to drive quality improvements in future products
- ✓ Profitable growth
- ✓ Improved customer service, customer experience, and customer loyalty