

# Three electronics industry strategies for the new data economy

Are you ready to power up performance with platforms, tech stacks, and garages?

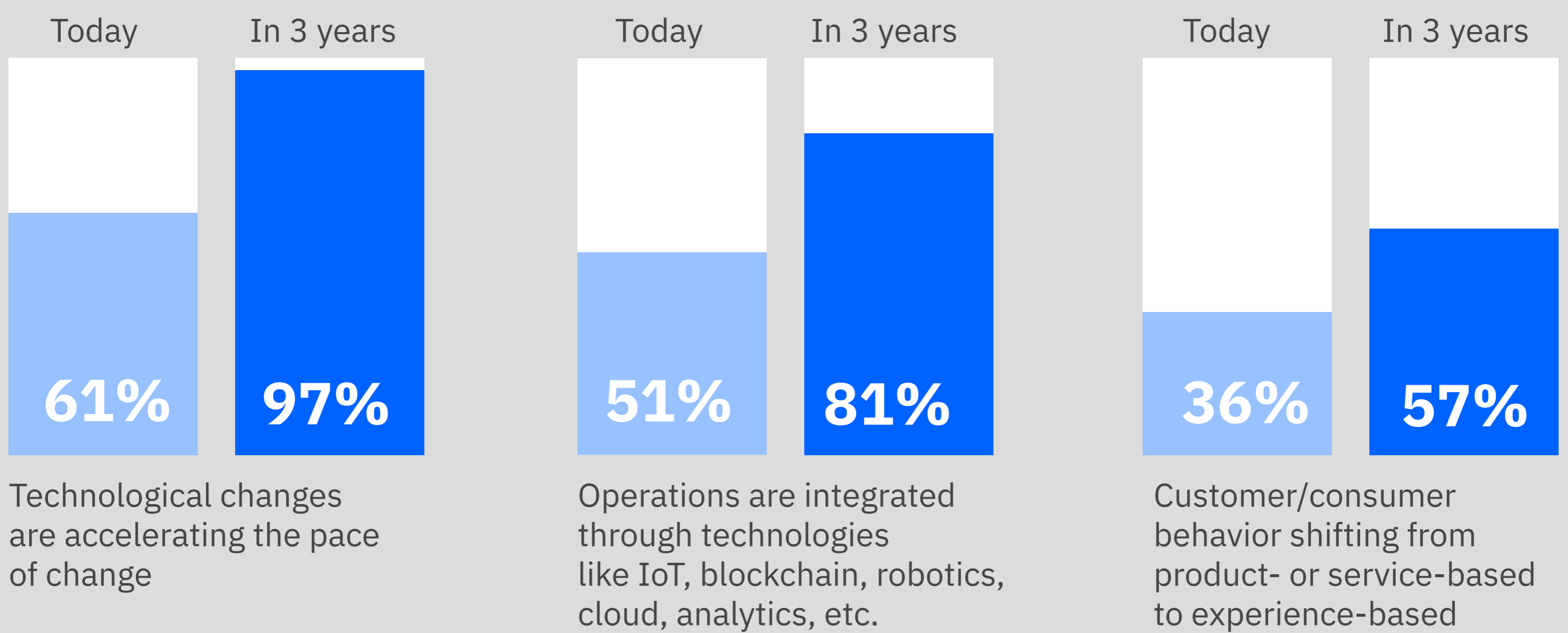


The data economy and its associated platforms represent a bridge to increased value.

Our analysis indicates that three strategic priorities are key to shifting electronics companies into the data economy and platforms that support it.

1. Create a platform-centric “tech stack” that is AI-centered and robotically inclined.
2. Embrace design thinking to translate deep customer knowledge into better products and services.
3. Develop innovation pipelines that deliver more quickly through multidisciplinary teams.

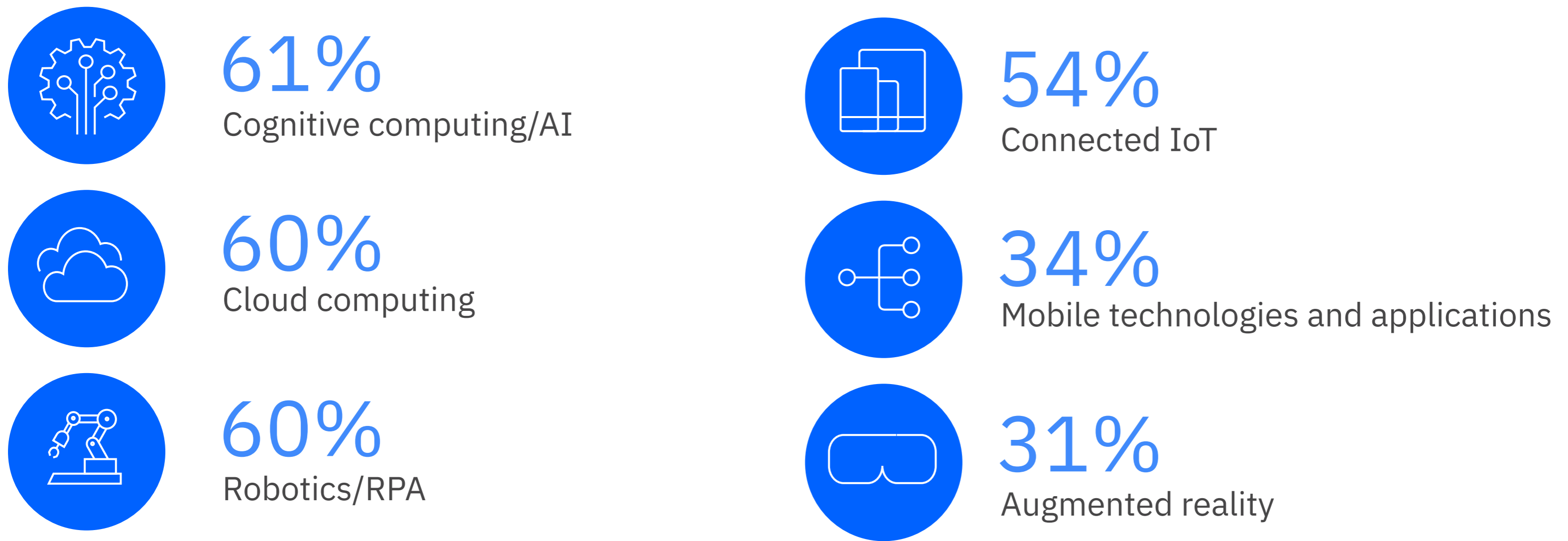
Executive views on how the industry is changing:



Technology is changing the game, impacting experiences and operations.

## 1. Create a platform-centric “tech stack”

Most likely technology investments in the next three years:



In electronics, the tech stack pays off on the business platform’s promises. Each selection in the tech stack not only needs to work independently, but also needs to collaboratively support increased value and better performance

## 2. Embrace design thinking

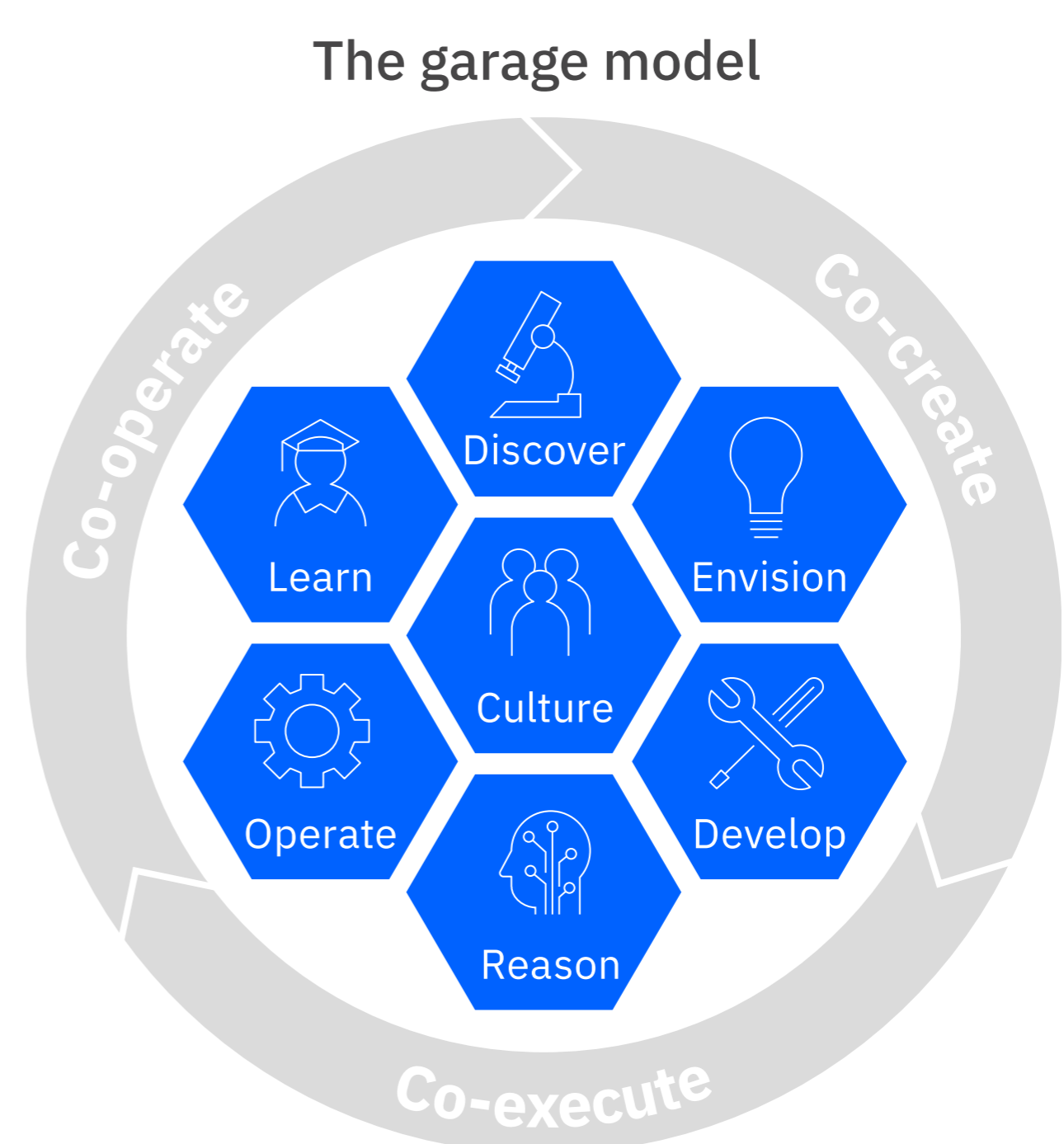
Actual benefits in the product development cycle using design thinking:

Project phase	Initial design and alignment	Development and testing time	Project design defects
<b>Benefit</b>	Time required reduced by 75 percent	Time required reduced by 33 percent	Defects reduced by 50 percent, saving rework
<b>Minor project cost savings</b>	USD 196,000	USD 223,000	USD 77,000
<b>Major project cost savings</b>	USD 872,000	USD 1.1 million	USD 153,000

Well-designed, flexible, and open tech stacks and business platforms support the design thinking methodology with improved insights, technology, and data for their applications.

## 3. Develop innovation pipelines

For electronics companies, the goal of an innovation center – or garage – is to turn data and insights into superior functionality for the user as quickly as possible. Use experts in multiple disciplines who can collaborate on the fly, meet with immediacy, and move from theory to practice in hours or days to help bring hardware and apps to life. Garages bring together resources who can deliver and have a flexible nature – allowing expertise to come and go as needed.



The keys to value in the data economy are in your hands – are you ready?

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Source: “Winning strategies” research. IBM Institute for Business Value. n=70, across 16 countries, September 2018.

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