

Digital transformation at scale in industrial products

Three actions for enterprise-wide change



Digital transformation is essential:

72% of industrial products executives say digital initiatives will be critical to the success of their organization in the next three years.



Empowered customers have increasingly high expectations of their supply base.

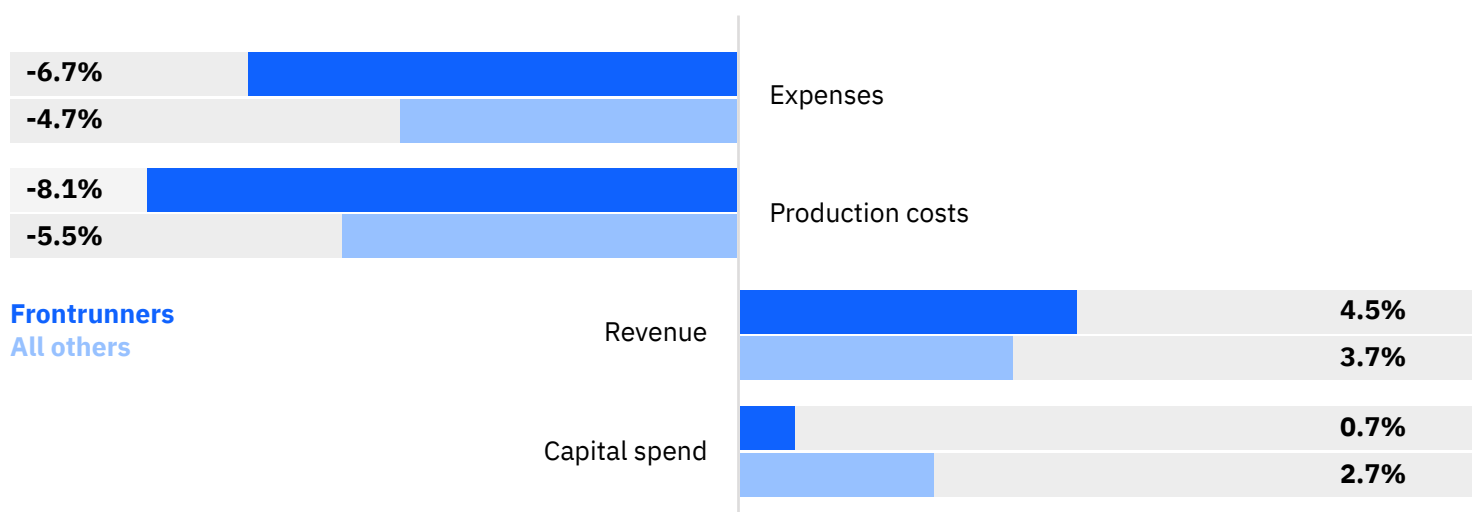


Rapid technological change is enabling more efficient manufacturing, asset management, and maintenance.



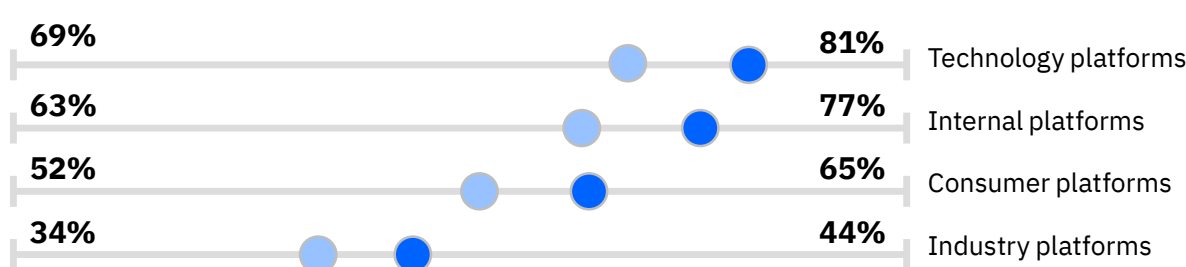
The COVID-19 pandemic has highlighted the shortcomings of existing digital capabilities for many industrial products organizations.

Frontrunners* derive more value from their digital initiatives.



Question: How has your organization's digital investment over the last three years affected the following?

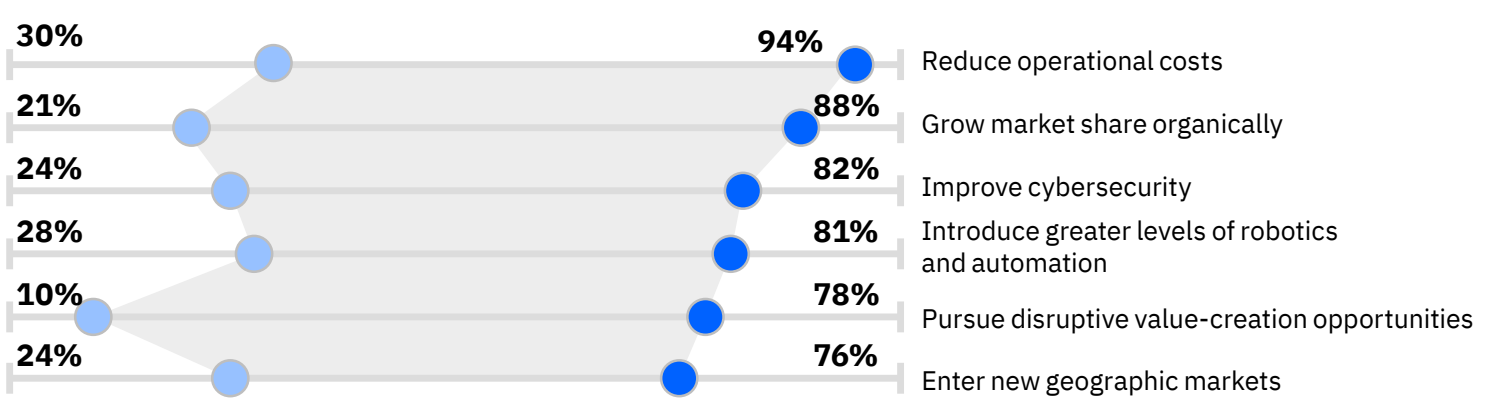
Frontrunners focus on market-making platforms.



Frontrunners
All others

Question: In which of the following type/s of platform business models is your organization investing today?

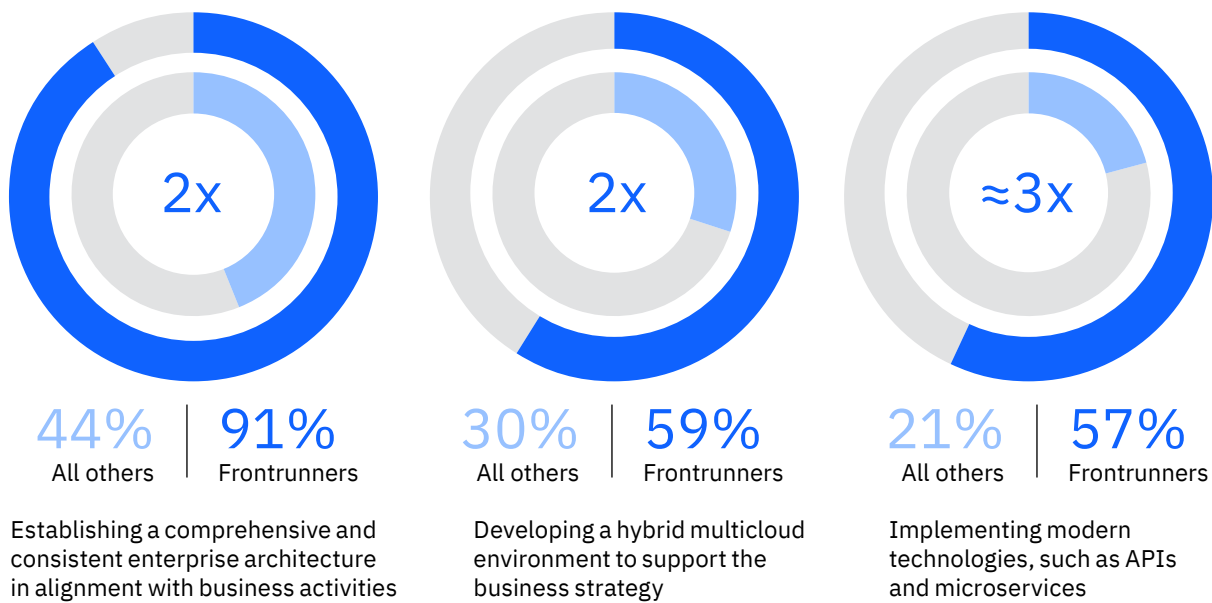
Frontrunners have applied exponential technologies to address their most important business objectives.



Frontrunners
All others

Question: To what degree has your organization implemented digital initiatives to support these business objectives?

To take advantage of digital technologies and a plethora of data sources, frontrunners have established an enterprise IT architecture.



Question: Thinking about orchestrating enterprise IT architecture to support your digital initiatives, to what extent has your organization made progress against each of the following goals? Percentages represent the number of respondents who selected 4 or 5 on a 5-point scale.

*Frontrunners have created a framework for digital transformation to thrive. Following their lead, industrial products companies can focus on three priorities: 1) Execute a digital business blueprint. 2) Infuse processes with technologies. 3) Establish a new enterprise experience.

To learn more, visit ibm.co/transformation-industrial-products

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Source: In cooperation with Oxford Economics, the IBV surveyed 600 industrial products executives in 18 countries between January and February 2020. We collected responses from Chief Executive Officers, Heads of Strategy or Heads of Innovation, Chief Financial Officers, Chief Marketing Officers, Chief Operating Officers, Chief Information Officers, Chief Human Resources Officers, and executives whose main job responsibility is strategic alliances or partnerships. Participants were from companies located in the Asia Pacific, Europe, the Middle East, North America, and South America. The 600 industrial products executives represent different segments and different-sized organizations. All data is self-reported.