The auto industry is poised for more change in the next five to ten years than it's seen in the past 50 years. - Mary Barra, CEO, General Motors

It’s a strategically expensive time to be an auto OEM. There’s no guarantee that OEMs will take all the prizes digital disruption will bring.

The auto market is starting to morph in ways that are becoming less predictable. The connected car is the poster child for the Internet of Things. Consumers expect to bring their own functionality into the car, whether it’s music, email or navigation, for a more positive experience.

Future winners will be those who can best leverage the world’s new natural resource – data. The in-vehicle experience will be the battleground between the dumb car and the smartphone.

Key challenges to address:
- Changing consumer expectations
- Lengthy development cycles
- Changes to car ownership aspirations
- Competition from new entrants

Key capabilities required:
- Agile operations
- Partnering and collaboration
- Sensing and responding to customers
- Rapid testing of new business models

New services around alternatives to vehicle ownership will be the most disruptive.

To learn more, download the full study from the IBM Center for Applied Insights website.