

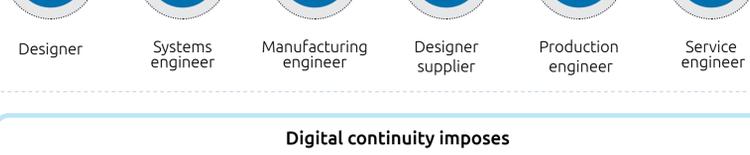
# The strategic edge

How digital continuity drives business outcomes in aerospace and defense

## Digital continuity helps A&D organizations deliver complex programs by transforming ways of working



**Status quo and sequential model**



**Digital continuity imposes**

- A unique design model
- A single source of truth



**Collaborative and concurrent model**



Source: Adapted from Capgemini Group, "Digital continuity in aerospace and defense," 2024.

## Digital continuity helps the A&D sector to face its challenges



**Digital continuity enables:**

Data harmonization and integration

Collaboration and real-time design modification

Extended enterprise collaboration including suppliers and customers

Connected processes and systems: ERP, PLM, CRM

Multi-domain design and build optimization

Model-based systems/digital twins

**Leading to:**

Shortened time to market (TTM) and reduced production backlogs

Accelerated production ramp-up

Increased revenue and reduced costs

Improved quality and efficiency

Improved safety and regulatory compliance

More resilient and agile supply chain

Improved sustainability of processes and products

Improved customer satisfaction

**Thus, addressing issues plaguing the A&D sector:**

Widening gap between demand and supply

High incidence of manufacturing quality and safety issues

Supply chain disruptions significantly impacting schedules and costs

Keeping pace with global sustainability push

High costs (e.g., due to program complexity, supply chain disruptions, rework)

Source: Adapted from Capgemini Group, "Digital continuity in aerospace and defense," 2024.



of A&D organizations have already **reduced costs**; the average reduction in operating costs is **13.4%**<sup>1</sup>

## Digital continuity gets products to market quicker

**Digital continuity drives faster time to market (TTM)**

30%

of A&D organizations have already **reduced TTM** and have seen **13%** average reduction in TTM<sup>2</sup>

**Digital continuity supports production ramp-up**

77%

of A&D organizations believe that improving digital continuity across the product lifecycle will accelerate **production ramp-up** and reduce risk<sup>3</sup>

**Manufacturing engineering and production benefit from digital continuity**

51%

of A&D organizations have already seen an improvement in quality, realizing an average **17%** improvement<sup>4</sup>

<sup>1</sup>N = 60 A&D organizations who have already reduced operating costs.

<sup>2</sup>N = 53 A&D organizations that have already started realizing Faster TTM.

<sup>3</sup>N = 179 A&D organizations.

<sup>4</sup>N = 77 A&D organizations that have realized quality benefits.

## Investment in digital continuity will surge to 2028



**Digital continuity investment is projected to increase 13% annually through 2028**

A&D organizations surveyed allocated **2.1%** of total revenue to digital continuity in 2024, and anticipated to increase to **3.4%** by 2028



**Digital continuity enables business transformation**

**83%** of A&D executives agree that digital continuity is an enabler of business transformation

Over eight in **10 executives** believe investments in digital continuity have helped sharpen their competitive edge

## Who are the digital continuity leaders?

About one in four organizations (23%) in our survey is categorized as a digital continuity leader

**Strategy**

91%

of digital continuity leaders have a clear understanding of the business case, compared with 49% of beginners

**Interoperability**

89%

of digital continuity leaders say they have integrated systems, compared with 58% of beginners

**Data**

57%

of digital continuity leaders have minimal replicated data, compared with 45% of beginners

**Supply chain connectivity**

77%

of digital continuity leaders agree that smart and connected products and systems are key enablers of digital continuity, compared with 67% of beginners

**Model-based system engineering**

63%

of digital continuity leaders have established digital twins across the supply chain, compared with 45% of beginners

**Change management**

86%

of digital continuity leaders agree that their engineering, manufacturing, and service teams can collaborate easily, compared with 70% of beginners

Source: Capgemini Research Institute, A&D digital continuity survey, March 2025, N = 151 organizations; 35 leaders; 73 beginners.

## Recommendations for A&D executives to accelerate digital continuity benefits

**1**

Design a clear digital continuity strategy

**2**

Build interoperability across systems to close the feedback loop

**3**

Ensure robust data and models management

**4**

Adopt model-based system engineering

**5**

Build a connected supply chain integrated with operations

**6**

Implement a cultural change management strategy for digital continuity

Source: Capgemini Research Institute analysis.

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