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The new era of "Intelligent Industry" is underway, powered by tech-driven convergence of the physical and virtual worlds

Leading figures from industry and technology highlight how growing convergence of products, software, and services holds the key to the next big transformation opportunity for organizations, in the latest edition of Capgemini's quarterly magazine.

Paris, December 2, 2021 – The third edition of the Capgemini Research Institute's "Conversations for Tomorrow" publication titled, "Intelligent Industry: The Next Era of Transformation," highlights how technology is pivotal to reconfiguring traditional industries for the new era of digital transformation. The rapid development in technologies, including cloud, artificial intelligence (AI), internet of things (IoT), edge computing and 5G, is critical to driving the next phase of transformation across all facets of customer interaction, business operations, manufacturing, and supply chains. This acceleration marks a new era of 'Intelligent Industry,' that encompasses but goes far beyond Industry 4.0.

According to Roshan Gya, Managing Director, Intelligent Industry, Capgemini, "Intelligent Industry is about fostering synergies between the digital and engineering worlds to help companies build intelligent products, operations, and services, at scale. Intelligent Industry is the next generation of digital transformation and the range of contributions in our new publication is evidence that it is creating an ocean of opportunity and unleashing innovation, for crafting a profitable and sustainable path forward."

Featuring a range of perspectives from an array of business leaders, entrepreneurs, technologists, and academics, the latest edition of the publication, explores how development in three pivotal areas – software, connectivity, and semiconductors – is reconfiguring traditional industries.

The publication puts a spotlight on how technologies such as $5G^1$ and edge are transforming operations and enabling the emergence of connected products. They are enabling organizations to realize a variety of use cases that were previously unfeasible, including video-based quality inspection, remote operations, automatic guided vehicles and other autonomous robots. Connected products and platforms are allowing organizations to propose a new set of data-driven services, thereby transforming the customer experience, as well as business and operating models; while digital twins are bridging the gap between virtual systems and the physical world via real-time models that can be continually updated and optimized.

In addition, software is driving paradigm shifts for industries such as automotive² where products are no longer standalone pieces of hardware, but consist of a complex set of software layers. A large part of the value in the products now lies in the services embedded within or associated with the product, often bringing together contributions from various industries.

¹ https://www.capgemini.com/research/the-5g-industrial-revolution/

² https://www.capgemini.com/research/software-the-new-battleground-of-the-automotive-industry/



"Over the last few decades, organizations have focused on incremental changes and driving traditional operational efficiencies. I think that initiative has run its course. A much more fundamental transformation is going to be needed, where we use emerging technologies in a completely new way. That will involve digitalizing production and re-engineering whole processes," said Börje Ekholm, President and CEO at Ericsson.

For a successful transformation to the Intelligent Industry, organizations must harness the power of data³, the publication concludes, resulting in new and differentiated 'smart' products, more streamlined, efficient supply chains, and new, enhanced customer experiences. Organizations will also need to bridge the talent shortage through upskilling initiatives - specifically in new data-driven skills related to AI, machine learning (ML), and software engineering, to boost employee morale and make the most of their AI and automation initiatives.

"Conversations for Tomorrow - Intelligent Industry: The Next Era of Transformation" features a range of perspectives from a number of business leaders, entrepreneurs, technologists, and academics, including, Börje Ekholm, President and CEO at **Ericsson**; Gunter Beitinger, SVP Manufacturing & Head of Factory Digitalization at **Siemens**; Norihiro Suzuki, CTO and Head of the Research & Development Group at **Hitachi**, **Ltd**; Frédéric Vincent, Chief Information Officer at **Renault Group**; Torbjørn Folgerø, Senior Vice President, Enterprise Digital at **Equinor**; Catherine Kniker, Chief Strategy Officer at **PTC**; Kim Kirkconnell, Vice President, IT Global Digital Supply Chain and Amy Sausen, Global Director, Digital Technology at **Kimberly-Clark**; and Gilles Moreau, Chief Innovation Officer, **Verkor**.

To download a copy of the magazine, click here.

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The Capgemini Research Institute is Capgemini's in-house think-tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, Singapore, the United Kingdom and the United States. It was recently ranked #1 in the world for the quality of its research by independent analysts.

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³ https://www.capgemini.com/research/the-data-powered-enterprise/