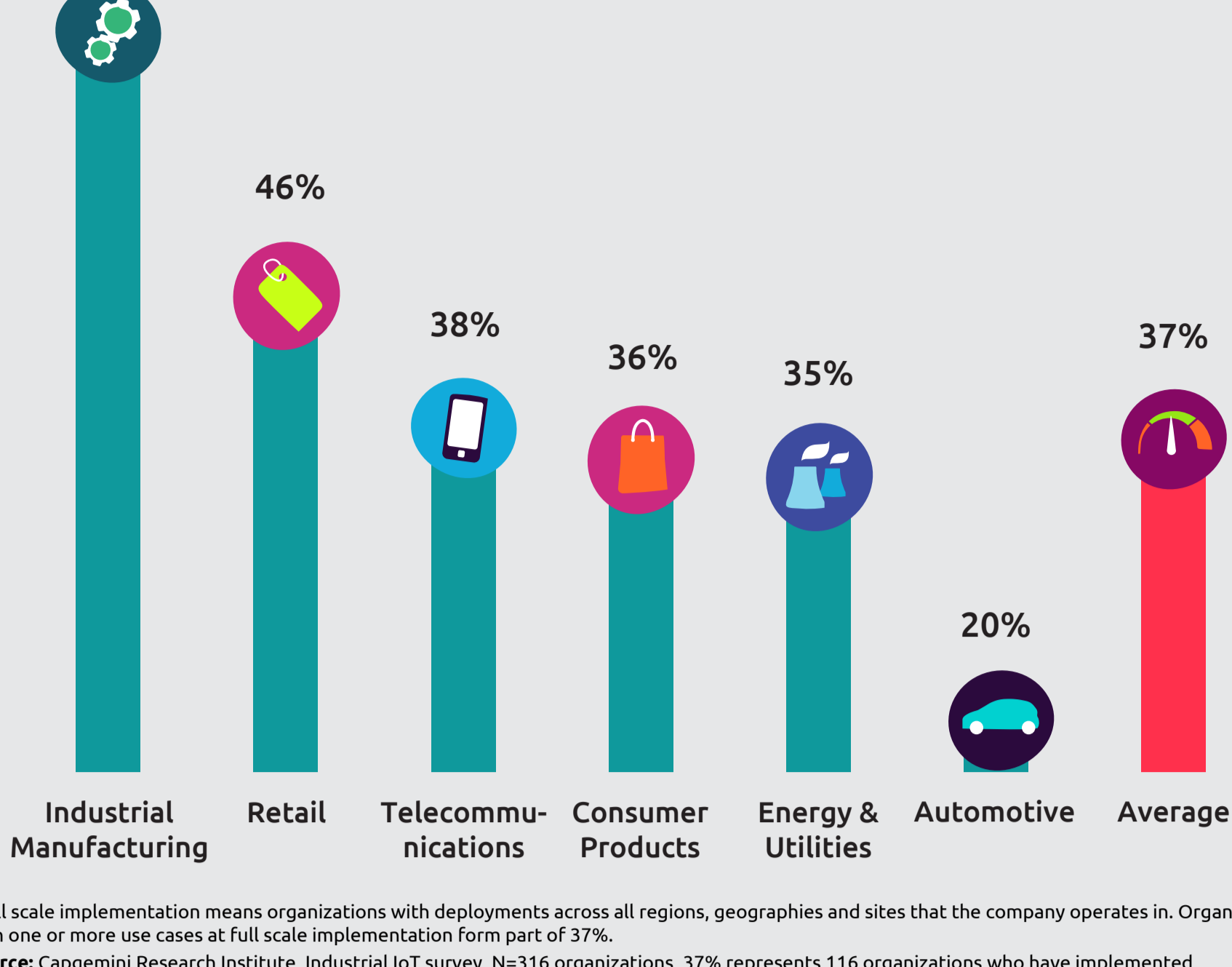


Unlocking The Business Value of Industrial IoT

The challenge of scaling up IIoT initiatives is compromising benefits

Less than **four out of ten** organizations are deploying IIoT at full scale



*Full scale implementation means organizations with deployments across all regions, geographies and sites that the company operates in. Organizations with one or more use cases at full scale implementation form part of 37%.
Source: Capgemini Research Institute, Industrial IoT survey, N=316 organizations, 37% represents 116 organizations who have implemented IIoT, October 2017

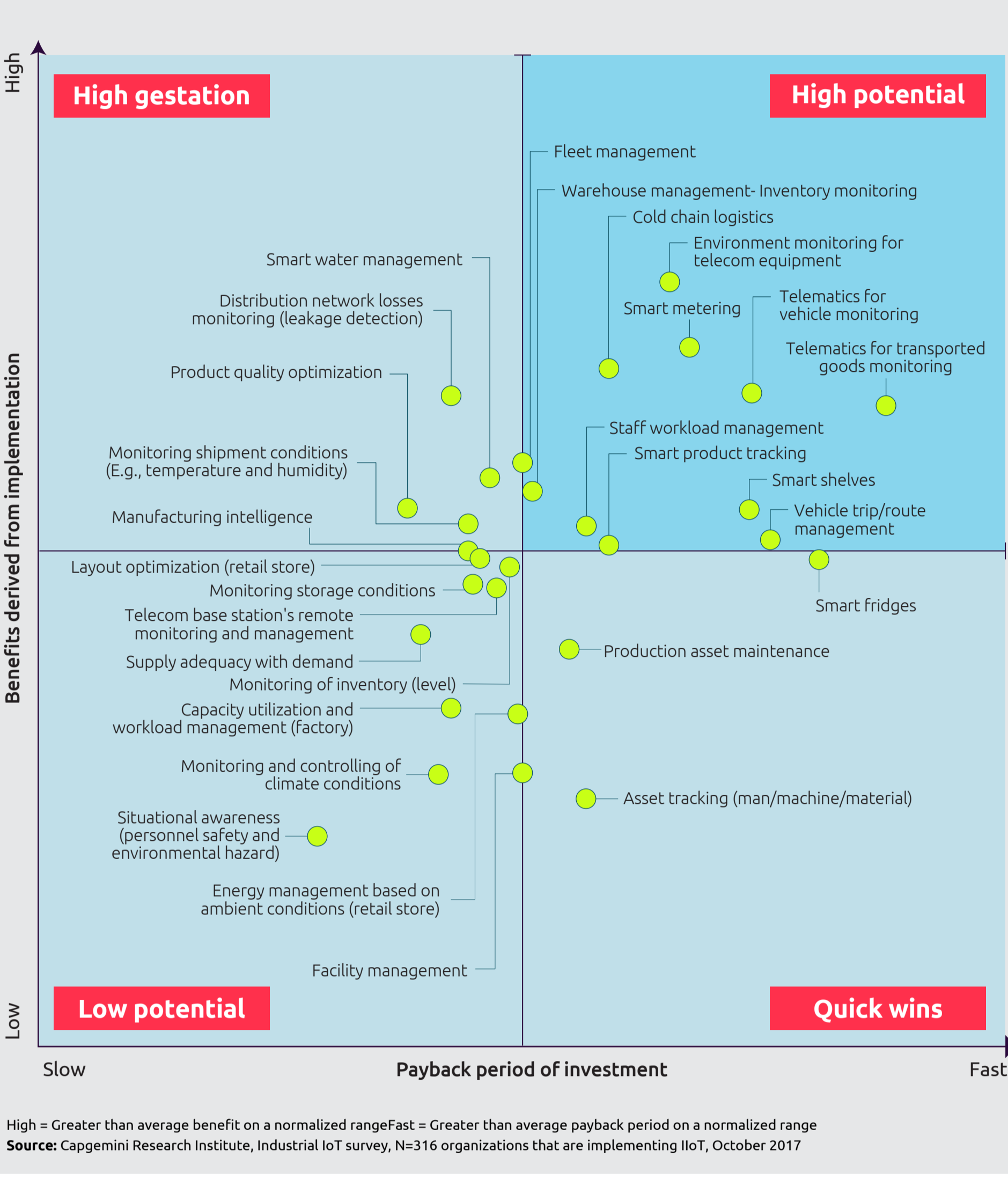
Why are organizations struggling to move beyond pilots?



Source: Capgemini Research Institute, Industrial IoT survey, N=316 organizations that are implementing IIoT, October 2017

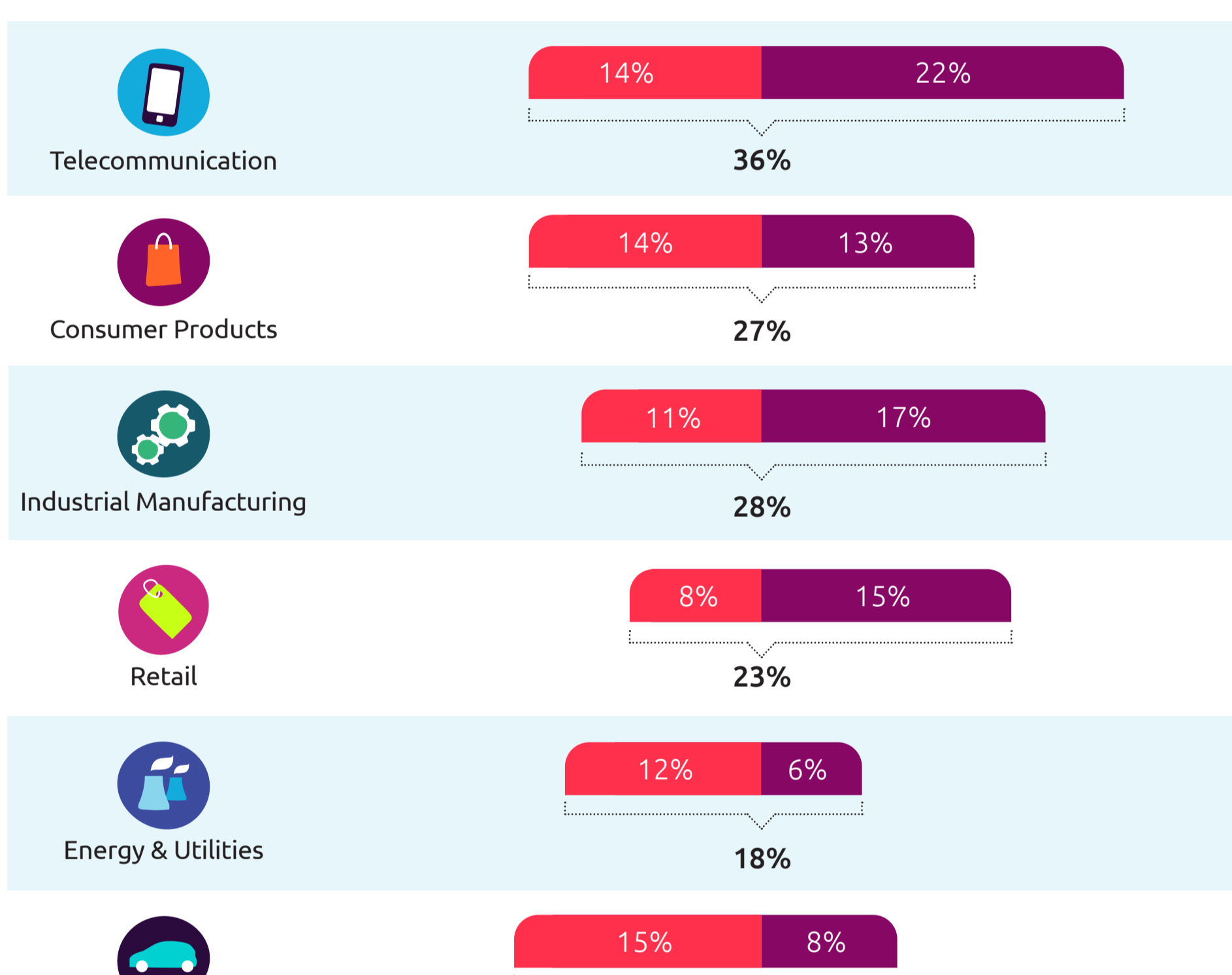
How should organizations identify and prioritize use cases?

We identified a set of high potential use cases that combine higher benefits with a shorter payback time. By focusing on these use cases, organizations will be in a better position to drive greater value from their Industrial IoT investments.



High = Greater than average benefit on a normalized range Fast = Greater than average payback period on a normalized range
Source: Capgemini Research Institute, Industrial IoT survey, N=316 organizations that are implementing IIoT, October 2017

However, firms across industries struggle to implement high potential use cases



● Average multi-site implementation percentage ● Average full scale implementation percentage
Source: Capgemini Research Institute, Industrial IoT survey, N=316 companies that are implementing IIoT, October 2017

How should organizations identify and prioritize use cases?

We identified a set of organizations, "Bellwethers," who take 50% or more of IIoT use cases from pilot to scale. Bellwethers provide vital pointers to frame a robust IIoT strategy.

Bellwethers treat IIoT as a strategic imperative



Percentage of organizations who believe that not implementing IIoT can drive them out of business

Bellwethers have strong leadership support



Percentage of organizations who view lack of leadership as a major deterrent to implementing IIoT

Bellwethers focus on the right use cases



Percentage of organizations who believe they have implemented "High Potential" use cases

Source: Capgemini Research Institute, Industrial IoT survey, N=27 for bellwether companies and 289 for other organizations, October 2017

Scaling up an IIoT strategy

Reviewing current tech capabilities and plugging gaps

- Put in place analytics and development platforms required to take advantage of growing volumes of structured and unstructured data.
- Important criteria for organizations to consider while building up a platform:
 - Fully-fledged device management capabilities
 - Seamless integration with current business applications
 - Data security
 - The ability to analyze the huge volumes of data generated

Investing in data management, analytics and artificial intelligence (AI)

- Descriptive analytics and AI to gain a granular view of the specific process
- Predictive analytics and AI to learn from past patterns and events mitigating and managing those risks
- Prescriptive analytics and AI to build a feedback loop to optimize, assist, or partly automate that process

Addressing IIoT security concerns

- Building IIoT devices for security from the ground-up
- Following best practices for data management and security controls to guard against potential risks from partner ecosystem
- Security solutions need to be tuned in to the specific needs of industrial IoT set-up