

INDUSTRIAL MANUFACTURING TOP 5 TRENDS

Historically, manufacturers could rely on a relatively simple formula for success: produce sufficient quantities of a sufficient quality and the market would often respond. That formula has undergone radical revision over the past two decades. Technology-savvy prospects with instant access to global supplier networks now place a host of new demands on manufacturers, from product customization to accelerated delivery times to intense pricing pressures.

TREND 1

The Digitally "Smart" Era is Here

Manufacturers need platforms that can act and interact with digital equipment. A technology platform that enables digital machines to network and interact with limited-to-no human direction will optimize business efficiency and help businesses to better manage through a scarcity of available human talent.

Industry 4.0 is driving manufacturers to digitize in order to remain relevant or risk becoming obsolete.

86%

of manufacturers expect to see cost reductions and revenue gains from digitization efforts.

- Forbes, Four Digital Transformation Trends Driving Industry 4.0

TREND 2

Customer Enablement and Personalization

Customers want the ability to design and configure products on their own, without having to work through company sales personnel. Having "digital assistants" that enable customers – not just direct them – will be very important. Delivering a product configured and custom-built to customer preference, and then learning about utilization through embedded sensors, will help to create life-long, "sticky" customers.

by **2025**

Manufacturers will have the ability to deliver completely customized products, services and solutions that precisely fit the needs of an individual customer based on sophisticated platform, configuration and mass-customization strategies.

TREND 3

Collaboration and Interconnectivity

Data is everywhere, and the ability to manage and consume it from various collection points will be very important. Data must be accessible and enable decisions to be made from anywhere. By allowing company teams to be distributed across regions, collaborating virtually, the business can better leverage scarce talent resources.

Insights-driven businesses

are more likely to repeat year-over-year revenue growth of 15% or more.

- Forrester Consulting, Improving Business Performance by Closing BI Maturity Gaps with Hybrid Cloud Deployments

TREND 4

Supply Chain Optimization

Optimization of the supply chain can result in significant improvements in cost reduction and margin improvement. Having the ability to optimize an entire supply chain network through demand-driven MRP, demand and supply planning, inventory optimization through warehouse management and network procurement, and logistics management through transportation management will help to improve the organization's performance and value.

Advancements in technology are exerting a strong impact on company logistics, supply chain and transportation operations.

79%

of companies with high-performing supply chains achieve revenue growth greater than the average within their industries.

- Deloitte, Supply Chain Leadership analysis

TREND 5

Blurring of Industry Lines

The distinctions between different industries is changing. Manufacturers are no longer "just" manufacturers; they are now services and technology businesses. Going forward, business models rooted in agility, flexibility, and embracing organizational change, will be important parts of a successful organization's fabric.

The key question is whether a traditional manufacturer can turn itself into a modern technology company faster than high-tech entrants can learn the product.

- Technology Services Industry Association, How Digital Transformation is Disrupting OEM Business Models, Vele Valovski