



**THE INDUSTRIAL INTERNET OF THINGS:  
TRANSFORMING MANUFACTURING GROWTH  
& GAINING A COMPETITIVE ADVANTAGE**



The Internet of Things (IoT) is set to revolutionize how we work, learn, and live—in the very near future. The Industrial IoT is the use of Internet of Things (IoT) technologies strictly in manufacturing. The Industrial Internet of Things (known as Industrial IoT) is the next wave of innovation impacting the way the world connects and optimizes machines. It covers all aspects of a manufacturing business—blurring traditional boundaries between plant operations, supply chain, product and demand management. The Industrial IoT is ushering in a new era of vastly improved productivity in the world of supply chain and production process, and can provide manufacturers with a distinct competitive advantage.

This information primer will define the Industrial Internet of Things, including the business implications of the ongoing increase in Industrial IoT adoption for manufacturers—and why they need to pay attention.

## WHAT IS THE INDUSTRIAL INTERNET OF THINGS?



The Industrial IoT is facilitated by devices and factory equipment that use Internet connectivity to collect, monitor, exchange, analyze, and implement information to meet business needs through intelligent and automated actions. The driving philosophy behind the Industrial IoT is that smart machines are better than humans at accurately, consistently capturing and communicating data.

In 2014, the Industrial Internet Consortium (IIC) was formed with the support of companies such as GE, AT&T, Cisco, Intel and IBM; leading educational institutions; and public sectors. This non-profit partnership of industry giants, government and academia aims to drive the growth of the Industrial IoT by identifying, assembling and promoting best practices.



## IMPLICATIONS OF THE INDUSTRIAL INTERNET OF THINGS FOR MANUFACTURERS



According to a 2014 Forrester Consulting study surveying 600 global firms across several industries, Industrial IoT solutions are enabling the “use smart interconnected devices to get more visibility into the identification, location, and condition of products, assets, transactions, or people to drive more effective and timely business decisions or improve customer interactions. These (Industrial) IoT solutions enhance customer interactions, improve efficiencies, and transform business processes.”<sup>1</sup>

While most manufacturers think of the physical flow of material components through the supply chain as initially separate from information flows, the Industrial Internet of Things is fundamentally changing how the industry conceptualizes, defines, and executes its processes.

In this new environment, manufacturers must:

- Recognize that the production process is far more networked than ever before, as products are now inextricably linked to “their” information
- Prepare for more complex logistics, as a result of more connected systems
- Work with an increasing number of suppliers and more stakeholders, as a result of greater connectivity
- Ensure their systems extend beyond the limits of individual factories to connect with multiple factories, as well as regions
- Be able to streamline production processes and deliver on customer expectations, in order to remain competitive

<sup>1</sup> Forrester Consulting, “Internet-Of-Things Solution Deployment Gains Momentum Among Firms Globally Improved Customer Experience And Supply Chain Optimization Are Leading Business Benefits Of IoT Solutions.” November 2014, <https://www.zebra.com/content/dam/zebra/press-releases/en-us/2014/zebra-iiop-final.pdf>

## WHY MANUFACTURERS SHOULD EMBRACE THE INDUSTRIAL INTERNET OF THINGS TODAY



When realized, the business benefits of adopting Industrial IoT technologies are significant for manufacturers, including:



**Improved supply chain visibility:** Track inventory, including parts, through the supply chain to ensure accurate delivery—at the right time



**Enhanced supply chain optimization:** Communicate in real-time internally and externally, in order to improve efficiency



**Loss prevention:** Monitor the status of goods during the entire production and transportation of goods



**Revamped safety standards:** Enhance insight into whether products meet quality and safety standards



**Enriched business decision-making:** Capture information—from the plant floor and along the entire supply chain—in real-time, make it visible, and turn it into actionable insight



**Upgraded customer experiences:** Connect smart factories to the supply chain, as well as to customers, in order to improve manufacturing processes and outcomes

## CONCLUSION



Manufacturers that are beginning to leverage Industrial Internet of Things technologies are far more efficient, productive and profitable than their non-connected counterparts. In the 2014 Forrester Consulting Global Study, 39 percent of manufacturing companies surveyed were already in the process of implementing an IoT-empowered process.

## ABOUT SYSPRO



### **SYSPRO software is an award-winning, best-of-breed Enterprise Resource Planning (ERP) software solution for cost-effective on-premise and cloud-based utilization.**

Industry analysts rank SYSPRO software among the finest, best-in-class enterprise-resource planning solutions in the world. SYSPRO software's powerful features, simplicity of use, scalability, information visibility, analytic/reporting capabilities, business process and rapid deployment methodology are unmatched in its sector.

SYSPRO, formed in 1978, has earned the trust of thousands of companies globally. SYSPRO's ability to grow with its customers and its adherence to developing technology, based on the needs of customers, is why SYSPRO enjoys one of the highest customer retention rates in the industry.



### **NEXT STEPS:**

If you want to learn how SYSPRO can help your business benefit from the Industrial Internet of Things, contact us today at [info@ca.syspro.com](mailto:info@ca.syspro.com) or +1 (888) 259-6666.