The Push for Edge Computing

- Remote monitoring
- Reference cases/proof points
- Existence of edge deployments in industry sectors
- Proven security capabilities
- Current infrastructure
- Integration and connectors with existing systems
- Product testing/QC
- Field service

In fact, manufacturers that use IT and OT teams were 47% more likely to get the project out of the pilot/POC phase:

A Tale of Two Stakeholders

- IT/OT departments are converging, and these two groups agree that edge is essential to any connected system.
- Historically, funding was the main reason preventing deployments, but IT leads with 49.2% of respondents saying it is the reason.
- A collaborative approach between IT and OT is most common for:
  - Transforming from a factory to an agile supply chain
  - Connecting remote locations

The most common reasons cited are:

- Labor Costs (35.1%)
- Improving security/compliance (23.9%)
- Improving operational efficiency and operational effectiveness (22.2%)

Selecting the Right Partners for Edge Success

- Selecting a technology vendor that aligns with your business needs is key.
- Consider the vendor’s experience, remote connectivity, and innovative offerings that help transform your manufacturing from the shop floor to your customer’s door—delivering improved outcomes with product-as-a-service and innovative solutions for the manufacturing industry.
- Collaboration and a shared vision for a future successfully transformed by edge computing are essential:
  - The industrial environment is changing faster than ever. Edge computing will play an important role in any manufacturer’s connectivity strategy.
  - Edge computing lets manufacturers collect, process, and/or store data at or near the location where the data is generated.
  - Edge computing helps transform your manufacturing from the shop floor to your customer’s door—delivering improved outcomes with product-as-a-service and innovative solutions for the manufacturing industry.

The fact that 72% of manufacturers currently use edge computing in their plans, the next 2 years:

- 25.0% Production
- 25.0% Order tracking
- 15.6% Product testing/QC
- 11.1% Field service
- 9.7% Inventory management
- 6.9% Safety
- 5.6% Sustainability
- 3.5% Agility
- 0.0% None of the above

The data proves the point: companies that select the right key performance indicators (KPIs) that link to the functional area where edge computing is deployed, and/or plan to use within 24 months, are far more likely to get the project out of the pilot/POC phase:

- 46.9% IT
- 46.9% OT
- 19.5% Both
- 6.9% Neither
- 5.6% None of the above

Reducing operational costs is far more focused on IT (55.9%) whereas improving quality of products/services is more focused on OT (52.9%).

Message from the Sponsors

Lumen is a leader in the manufacturing space serving companies across the industry sector.

Microsoft is important. It takes both edge computing providers and cloud providers working together to ensure long-term success.

IDC research is © 2020 by IDC. All rights reserved. All IDC materials are licensed with IDC's provider selection criteria: A Tale of Two Stakeholders, Avoiding Pilot Purgatory, Selecting the Right Partners for Edge Success, The Push for Edge Computing, The Use of Edge Computing within Manufacturing.