



Independent Research Surveys Manufacturing Executives: Real-Time Data from Connected Factory is Key to Driving Innovation and Delivering Competitive Advantages

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WILMINGTON, Mass.--(BUSINESS WIRE)--Mar. 25, 2021-- [Analog Devices, Inc.](https://www.businesswire.com/news/home/20210325005292/en/) (Nasdaq: ADI) announced today a newly commissioned study conducted by Forrester Consulting on behalf of Analog Devices, that shows that industrial manufacturers who have made investments in connectivity technologies ("high maturity") are better positioned to drive innovation and gain a competitive advantage compared to firms that have been slower to implement connectivity ("low maturity") across the factory floor.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20210325005292/en/>

Real-Time Data Is Key to Driving Innovation



The study, based on a survey of more than 300 manufacturing, operations, and connectivity executives across the globe, found that 85% of high maturity firms are currently using Industrial Internet of Things (IIoT) technologies across much of the factory floor, compared to 17% of low maturity organizations. Over half (53%) of low maturity organizations report that their legacy equipment is unable to communicate with other assets.

"This past year was a true catalyst for digital transformation and many businesses needed to navigate and adopt connectivity strategies that helped them to become more agile and lay the groundwork for future innovation," said Martin Cotter, SVP Industrial, Consumer & Multi-Markets at Analog Devices. "We see significant opportunity in the adoption of connectivity solutions, including 5G, to help organizations get data more quickly, enabling end applications."

Findings from the research include:

- **Connected firms believe that improving network reliability (including adding 5G networks) will create significant opportunity:** 68% of high maturity firms say this will enable them to make better use of existing cloud infrastructure and 66% believe their industrial data and IP will be more secure. Conversely, only 21% of low maturity firms believe that improving network reliability will help improve security.

Independent Research Survey Finds Real-time Data from Connected Factory is Key to Driving Innovation and Delivering Competitive Advantages

However, all respondents agree that improving network reliability will improve efficiency by freeing up employees who are constantly resolving downtime issues.

- **Low maturity firms struggle with security risk:** 54% say that their lack of sophisticated cybersecurity strategy puts their business, customer, and employee safety at risk.
- **The human element continues to pose challenges:** Almost half (47%) of low maturity firms say they lack the expertise

to understand which connectivity technologies to invest in, indicating a skills gap. Even high maturity firms report that it is not easy for them to access the insights they need to make labor planning and safety decisions.

- **Real-time monitoring of equipment and productivity demonstrates an acute awareness of the high cost of unscheduled downtime:** High (5%) and medium (17%) maturity firms reported much lower occurrence of unscheduled downtime of their industrial technology or equipment each week than low maturity companies (53%). These interruptions lead to higher cost of holding inventory and labor per unit, loss of production and customer confidence and decreased work capacity.

This research shows us that while many firms are benefiting from the promise of industrial connectivity, others have significant legacy and talent-related hurdles to overcome. Both a shortage of in-house expertise and interoperability of systems and data are two major hindrances to manufacturing modernization.

Methodology: For this study, “*Seamless Connectivity Fuels Industrial Innovation*” (March 2021) – commissioned by Analog Devices – Forrester Consulting conducted a global online survey of 312 industrial connectivity strategy leaders. Survey participants included decision-makers in IT, operations, cybersecurity, and general management manufacturing roles. The study was conducted in October 2020.

For the full study please visit: <https://www.analog.com/en/landing-pages/001/forester-seamless-connectivity-form.html>

About Analog Devices, Inc.

Analog Devices (Nasdaq: ADI) is a leading global high-performance semiconductor company dedicated to solving the toughest engineering challenges. We enable our customers to interpret the world around us by intelligently bridging the physical and digital with unmatched technologies that sense, measure, power, connect and interpret. Visit <http://www.analog.com>

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