

Cost Reduction and Operational Efficiencies Combine to Drive the IIoT According to New Research

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July 17, 2017 – Cost reduction and operational efficiency are key drivers of IIoT adoption according to **major new research released today** by IIoT availability experts Stratus Technologies. The study, ‘Digital Industrial Transformation with the Internet of Things’, showed that 72% of industrial companies in Europe cited cost reduction and operational efficiency as the biggest drivers of IIoT progress. More than 250 people responsible for IT, business lines, digital business and the IIoT in companies in the United Kingdom, France, Germany, Italy, Switzerland, Austria, the Nordic and Benelux regions were surveyed by telephone.

“Underpinning both the cost reduction and operational efficiency drivers for IIoT adoption is the reduction of downtime. This is made possible by improved visibility into plant asset performance and control levels available to operators.” according to Thierry Seror, VP and GM of Stratus Technologies EMEA, a global company dedicated to keeping business critical applications running 24/7:

“To reduce the costs associated with any industrial enterprise, it’s vital that the plant is operational as much of the time as possible. Reducing downtime, and especially new causes of downtime associated with IIoT’s reliance on IT infrastructure, is therefore vital. Operational efficiency, which can be substantially improved by IIoT technologies, allows new levels of visibility into the production process and offers real-time understanding of the maintenance needs of the operation. Such improvements, require the control system to be available at all times and, put simply, IT server uptime should now be considered part of the overall equipment effectiveness (OEE) of the enterprise.”

As companies become more aware of the financial, productivity and data integrity cost of downtime and the need for continuous control system availability at the heart of the operation, IT infrastructure availability has become a business-critical requirement. According to Thierry Seror, the challenge for many industrial companies to overcome is the functional coordination and collaboration of operational technologies (OT) with information technologies (IT).

“Reaching a state of continuous availability for critical IT infrastructure requires the IT and OT departments to work closely together on IIoT strategies and to select solutions with a level of operational simplicity that reduce the cost and complexity of both adoption and maintenance.”

Solutions which require minimal onsite IT expertise to deliver continuous availability, lower both the total cost of ownership and the risk involved with taking advantage of other emerging benefits of more connected enterprises, such as virtualisation and control systems operating closer to the ‘edge’. According to Thierry Seror, this is contributing to rapid growth in industrial adoption of Stratus hardware and software continuous availability solutions.

“Stratus has been serving industrial customers for more than 35 years, and our solutions are also relied upon by many of the world’s leading banks and businesses to ensure that business critical applications are ‘always on’. We have both an OT and an IT background, so our technology – and our whole business offering and service approach – are designed to help our customers reach the continuous availability needs of the IIoT.”

The survey results go on to suggest that the same proportion (72%) of respondents plan to increase their IIoT spending and some are willing to increase expenditure in this area by more than 30%. Over 60% of automotive and discrete enterprises are already involved in IIoT initiatives, while just over half (56%) of process manufacturers have started theirs.

Thierry Seror said: “The results also clearly show that most companies are committing to the investment required to adopt the IIoT principles that will help their enterprises remain sustainable in the rapidly developing modern industrial landscape. We welcome these findings as a strong indication of intent from European industrial enterprises to accelerate their IIoT journeys. Excitingly, while cost reduction and operational efficiency are the priority objectives initially, much deeper value-add effects of IIoT such as greater production flexibility, improved R&D, and digitally enhanced supply chain management are becoming apparent for those companies further along the journey.”

The sharp increase in investment intentions of survey respondents who represent companies with more than 500 employees, operating in various industries, is linked to a period of successful pilot projects, according to Thierry Seror, and he expects IIoT adoption to expand very quickly over the next few years, but not without growing pains.

“Manufacturers are looking for new ways to improve their decades-old legacy systems and processes while at the same time moving up in their value chain. At present, many operations lack the connectivity, infrastructure, skills and business processes needed to take full advantage of the IIoT. Choosing the right system integrators and vendors who can seamlessly facilitate a move to IIoT is paramount as companies look to build on successful IIoT

pilots. Addressing those infrastructure weaknesses are top of the agenda for 2017”.

About Stratus Technologies

Stratus takes the complexity out of keeping business critical applications running 24/7. Stratus’ technologies proactively prevent instances of unplanned downtime both in the data center and at the edge, and our services ensure any issues are addressed before customers need to. Global Fortune 500 companies and small medium sized businesses in a wide range of industries across the globe have been relying on Stratus for operationally simple, continuous availability for more than 35 years. For more information, please visit www.stratus.com or follow on Twitter [@StratusAlwaysOn](https://twitter.com/StratusAlwaysOn).

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Media Contact

Cadence Innovation Marketing

Tom Spencer

80 Coleman Street,

London EC2R 5BJ

Tel: 0207 043 8847

Email: tom@thecadenceteam.com