

Accelerating Business Value for IT Hardware Manufacturers with IoT Analytics-based Service

INDUSTRY PROFILE

With the high cost of purchasing, maintaining, and repairing IT equipment like printers, computers, and other technical hardware, manufacturers are turning to IoT technology and Analytics to manage product performance and create value with new services offerings.

BUSINESS CHALLENGES

IT Hardware manufacturers are challenged with very short product lifecycles. Printers, hard-drives, and other hardware quickly become a commodity with intense price pressure. The only way to improve margins on the equipment itself is to rapidly reduce manufacturing costs, but that can only be done for so long.



Creating other ways to add value has increasingly become the focus of IT hardware manufacturers such as Hewlett Packard and Xerox. They have learned that by providing new value-added services with their equipment, they can increase revenue as well as customer satisfaction and loyalty.

VALUE-ADDED SERVICES – ENABLED BY IoT ANALYTICS

The customers' productivity and profitability is what ultimately drives the success for both the manufacturer and the customer.

One way to add value is to sell a 'service' over a product, such as use of the product over time of X hours or to deliver Y number of printed pages. Delivering that service effectively and efficiently largely depends on analytics. The ability to understand how their infrastructure is operating, as well as predict what may happen, allows the execution of preventative and other maintenance aids to maximize performance and uptime.

Driving towards this services-based model requires a robust IoT Analytics Platform that can handle a large volume of data to make predictions and recommend actions for services offerings.

BUSINESS BENEFITS

IT Hardware manufacturers, especially those with increasingly commoditized equipment, are in an interesting position to accelerate the adoption of IoT applications and analytics. The complexity and typically heavy usage of the equipment make it ideal for sensors and an IoT Analytics platform to analyze the high volumes of data collected during normal usage. Implementing IoT Analytics on this type of equipment delivers a wide range of benefits:

- Significant reduction in customer breakdowns and downtime – avoidable via analytics that flag unusual operating behavior
- New revenue via information services that monitor equipment and recommend maintenance services and actions
- Accelerating customer project schedules by providing predictable hardware service and lifecycle
- Enhancing their customers' financial flexibility by eliminating unexpected major capital expenses

IoT Analytics and IT hardware equipment manufacturers are a good match. The rich data collected by sensors helps to prolong the life of these machines and improve the customer's day to day experience using the equipment. The new and enhanced services enabled by IoT Analytics leads to better long term – and profitable – customer relationships. These service opportunities are made possible by leveraging new technology and concepts such as Vitria's Analytics Value Chain and IoT Analytics platform.

