It is essential that manufacturers find ways to move beyond their current process and workflows in order to address these pressing drivers for change. This demand puts pressure on companies to invest in digital transformation.

Measuring the competitive advantage of a digital transformation

Lifecycle Insights delivers an eye-opening benchmark report on what digital transformation initiatives mean for the most progressive companies.

Issues that drive change in a company’s development process

- 31% Customer demands for smart, connected product features
- 29% Environment requirements, regulations and incentives
- 23% Disruption of norms for engineering work, manufacturing or supply chain
- 9% Regional differences in customers, markets, suppliers or regulations

Consumers want their products to provide smart, connected features

This demand puts pressure on companies to invest in digital transformation. Where is product complexity increasing the most?

- 56% On-board or embedded software
- 53% Systems
- 49% Electrical hardware
- 46% Electrical distribution
- 43% Mechanical hardware and materials

Dive deeper into Lifecycle Insight’s findings

The ROI of digital transformation

<table>
<thead>
<tr>
<th>Least progressive</th>
<th>Most progressive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average number of initiative investments</td>
<td>3.5</td>
</tr>
<tr>
<td>Average number of product level prototypes</td>
<td>9.7</td>
</tr>
</tbody>
</table>

Digital transformation investments pay off.

- Most progressive companies show a 10% increase in projects that meet or exceed revenue targets.
- Most progressive companies realize a 9% increase in projects that meet or exceed margin targets.

According to the survey, the data illuminates the role a comprehensive digital twin has in managing complex requirements.

The comprehensive digital twin helps manufacturers make informed decisions throughout the development process, and predict and validate performance across different design domains and functional departments.

For more information, please visit www.sw.siemens.com/en-US/lifecycle-insights-digital-transformation/