Global Data Insights Survey Industry Brief

Manufacturing

The Global Data Insights Survey is an annual report based on independent research providing insights into how business and technology leaders are thinking about, planning, and executing their data strategies.

The report identifies trends that show data is becoming the critical agenda topic for all businesses, highlights implications driving the need to rethink data strategies, and establishes the importance of addressing Data Gravity.[1]

This summary analyzes these data trends in context to the manufacturing industry and how manufacturing leaders across the world are adapting their Hybrid IT strategies, to an increasingly data-centric world.

Methodology

Purpose

The Global Data Insights Survey was designed to:

1. Provide insights on how data is becoming the critical agenda topic for all businesses
2. Identify implications driving the need to rethink data strategies on a global, regional, local, and industry level
3. Establish the importance of addressing Data Gravity

Survey Design

The Global Data Insights Survey consisted of 13 questions covering data strategy, obstacles, and planning. Digital Realty contracted a third party to conduct research in the field from May through June 2021. The survey garnered responses from 7,295 C-level executives and business and technology leaders, representing large multi-national enterprises across 23 countries and nine industries, with revenues ranging from $100 million to more than $1 billion.

13
Questions

23
Countries represented

7,295
Participants

9
Industries

$100M - $1B
Company Size by Revenue

[1] Data Gravity may create bottlenecks that impede efficient exchange of data, as well as affect an enterprise's ability to innovate, secure customer experiences, and deliver financial results on a global scale.

Data is Exploding

Manufacturing companies in North America, EMEA, and APAC expect data-driven insights to improve customer experience and drive new product/ service development.

Almost 70% of LATAM manufacturing companies surveyed expect data-driven insights to optimize supply chain and business processes.

The most common data-related value outcomes expected by manufacturing companies in North America, EMEA, and APAC are:

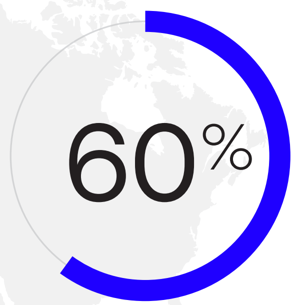
1. **Improved customer experience**
2. **Developing new digital products or services**

See Fig. 1

Siloed Data is the Challenge

Globally, manufacturing companies identify increased investment as a top need to draw insights from data trapped in business and data silos.

Data-privacy regulations are a top obstacle for 46% of EMEA manufacturing companies surveyed to gathering data-driven insights, a much higher rate than other regions.



Over **60% of manufacturing companies surveyed** in North America and APAC cite lack of investment in infrastructure and analytical tools as top obstacle to data-driven insights.

See Fig. 2

Siloed Data Creates Trapped Value

Businesses recognize that current capabilities must integrate siloed data, and North American manufacturing companies are leading the way.

Globally, manufacturing companies report confidence in their ability to move large amounts of data but require additional investment in the facilitation of data collection and integration from multiple sources.

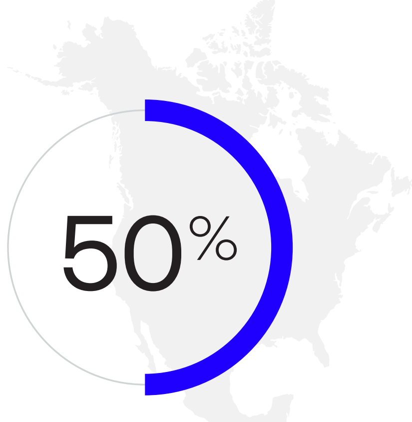
Manufacturing companies in North America lead in 10/10 categories of self-reported data-related performance, by the widest margins in ability to collect data from customers and infrastructure development strategy.

See Fig. 3

Data Distribution is Increasing

Data creation is multiplying at all points of business presence. Manufacturing companies are increasing the number of locations where data will be aggregated, stored, and maintained – almost 75% of manufacturing companies globally now have more than 10 IT infrastructure locations.

Over 25% of EMEA manufacturing companies have 10 or less IT locations, leaving them more vulnerable to Data Gravity challenges.



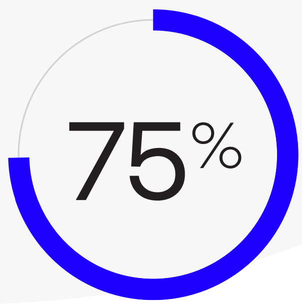
North American manufacturing companies surveyed are leading the data distribution wave – more than 50% have over **20 IT locations**.

See Fig. 4

Distributed Data Growth Will Continue

Data pervasiveness will become a business reality. Most manufacturing companies worldwide will add new users and locations in the next two years to enable new business capabilities by driving data-first outcomes.

North American and EMEA manufacturing companies are pursuing localization most aggressively, with more than 25% of companies planning to add 6 or more locations in the next two years.



Over 75% of global manufacturing companies surveyed plan to increase their business points of presence in the next two years.

See Fig. 5

Integrating Data Requires Controlled Aggregation

Companies must rethink data strategies to address hybrid business models. Manufacturing companies worldwide are exploring capabilities beyond connectivity to support safe, compliant, and integrated physical, and digital environments that support fast data exchange.

Standardized requirements for data processing performance and latency are increasing globally, particularly in APAC, as data becomes more and more critical to business success.

IT locations across all regions support connectivity to networks, cloud, and IT providers, **but only some support secure data exchange and distributed workflows**.

See Fig. 6

Data Strategies Need to Adjust

A plurality of manufacturing companies are in early adoption phases of a formal data strategy, signaling an industry shift as data becomes a critical business priority.

APAC manufacturing companies are data strategy leaders – over 30% of companies are actively executing formal data strategies and less than 6% have no formal plans for one.

80%

Over 80% of manufacturing companies globally are planning, adopting, or executing formal data strategies.

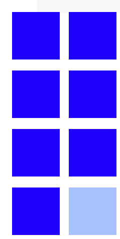
See Fig. 7

Data is Driving IT Investment

Over the next two years, manufacturing companies in North America and APAC are planning the largest increases in IT investment compared to interregional peers.

Manufacturing companies in North America, APAC, and EMEA are prioritizing data analysis and customer experience in IT investment, with APAC also putting emphasis on infrastructure expansion.

Latin American manufacturing companies report less planned IT investment than their peers, potentially risking falling out of step with data-first innovation.



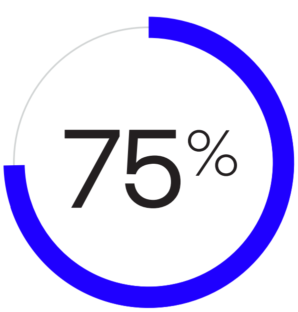
Globally, manufacturing companies are planning increases in IT investment in **7/8 surveyed categories.**

See Fig. 11

Data-First Strategies Win

Globally, manufacturing companies prioritize data-first thinking across a multitude of initiatives, with the greatest consensus on improving data systems and infrastructure.

Prioritization varies across slightly regions, with emphasis on improving employee capabilities in North America and C-suite data education in LATAM.



75% or more of EMEA and APAC manufacturing companies consider improved data infrastructure critical to their business in the next two years.

See Fig. 12

Data Needs Global Meeting Place

The majority of manufacturing companies in all regions require a data center platform offering global capacity and coverage.

Secure data exchange is emerging as an important consideration in the manufacturing industry, particularly in APAC and LATAM – over 80% of companies in both regions consider it a top priority.

80%

More than 80% of manufacturing companies surveyed recognize the need for a global data center platform offering global capacity, coverage, and connectivity.

See Fig. 13

PlatformDIGITAL® helps IT professionals in manufacturing unlock new growth opportunities and competitive advantages through data-driven digital transformation.

Learn more about PlatformDIGITAL® and how it supports manufacturing companies.

Appendix

Fig. 1. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q1: Which strategic value/outcome do you expect for your organization from data-driven insights? (Top 3)[1]

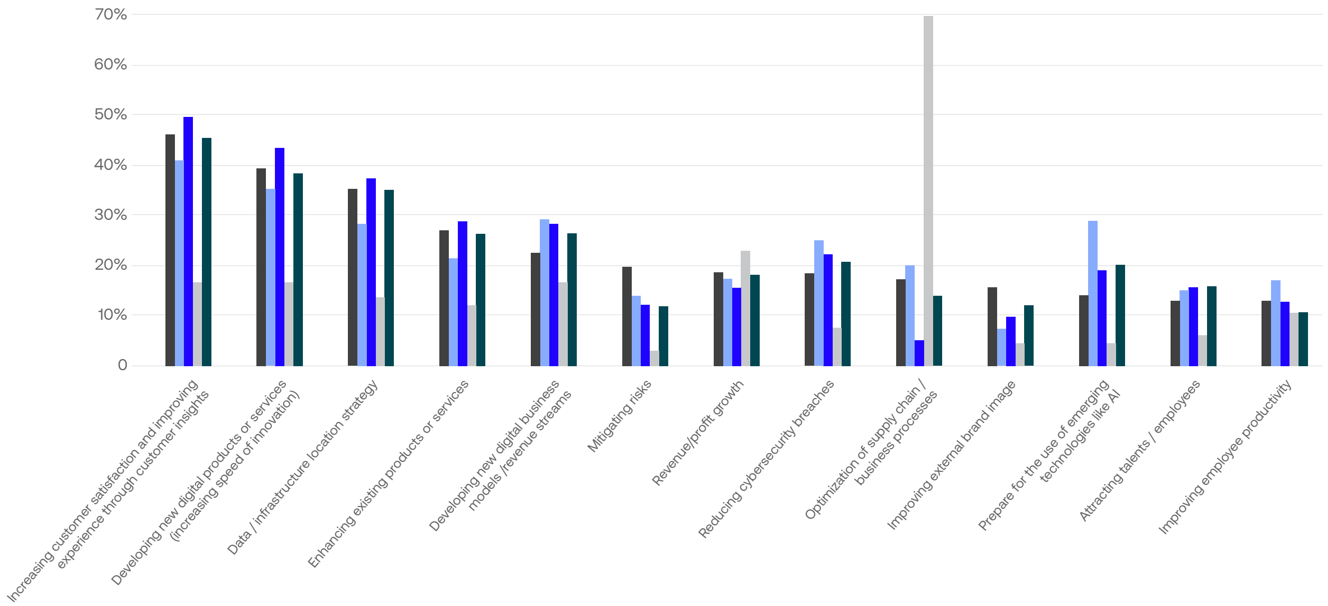
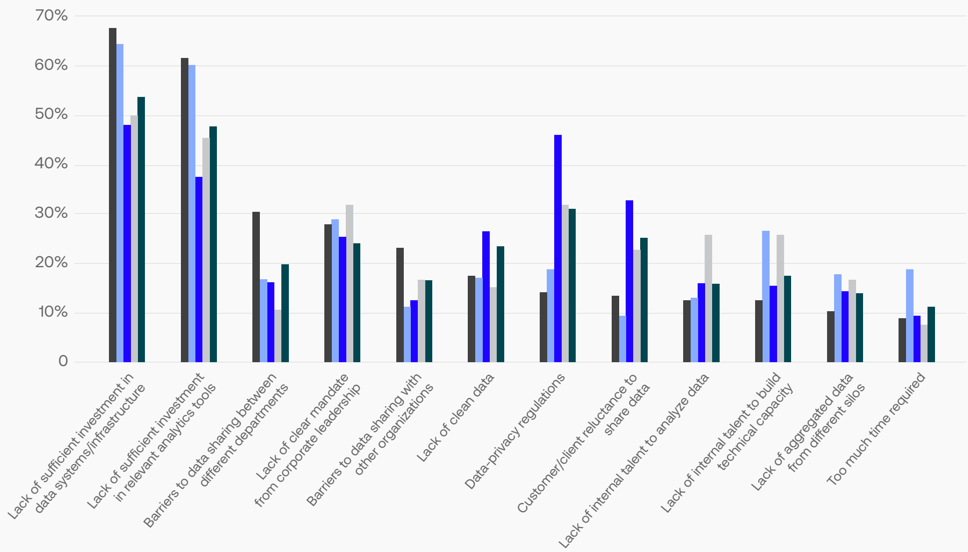


Fig. 2. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q2: What are the top 3 obstacles your organization faces when drawing insights from data?[1]



NA $100M - $1B+
APAC $100M - $1B+
EMEA $100M - $1B+
LATAM $100M -$1B+
Global $1B+

[1]For questions ending in "(Top 3)" respondents selected their top 3 prelisted response

Fig. 3. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q3: How well does your company perform in the following areas?

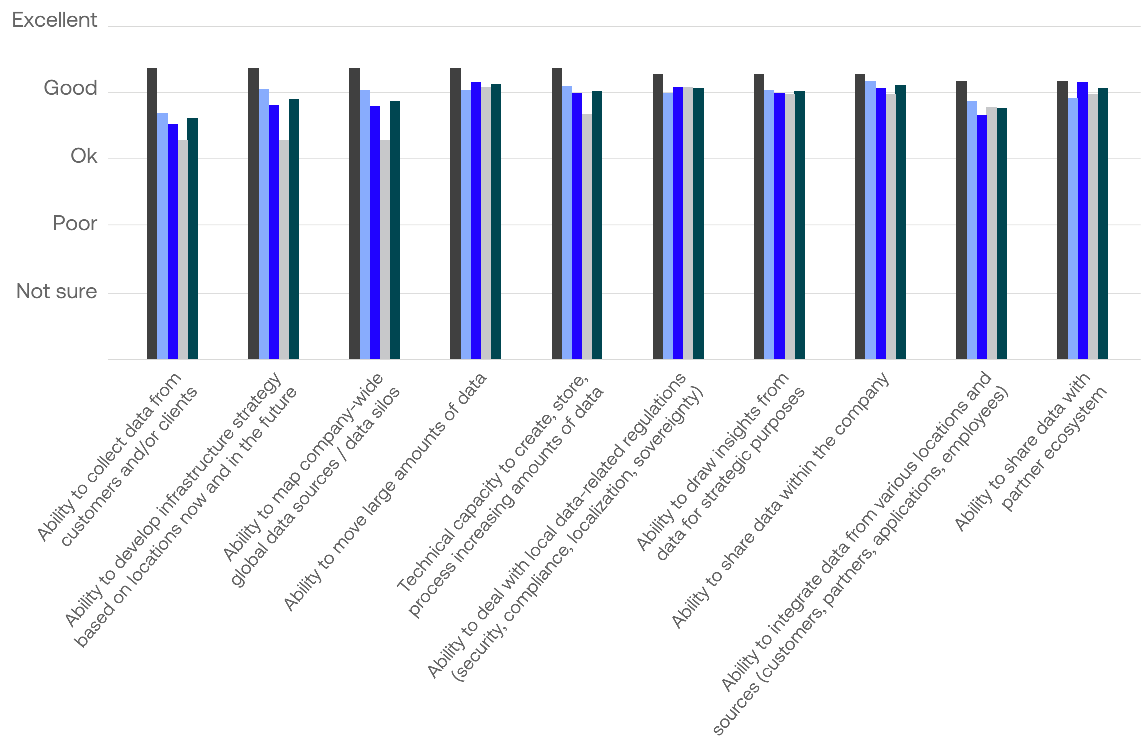


Fig. 4. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q4: At how many company locations and/or colocation sites globally does your organization currently deploy IT infrastructure (server and/or data center)?

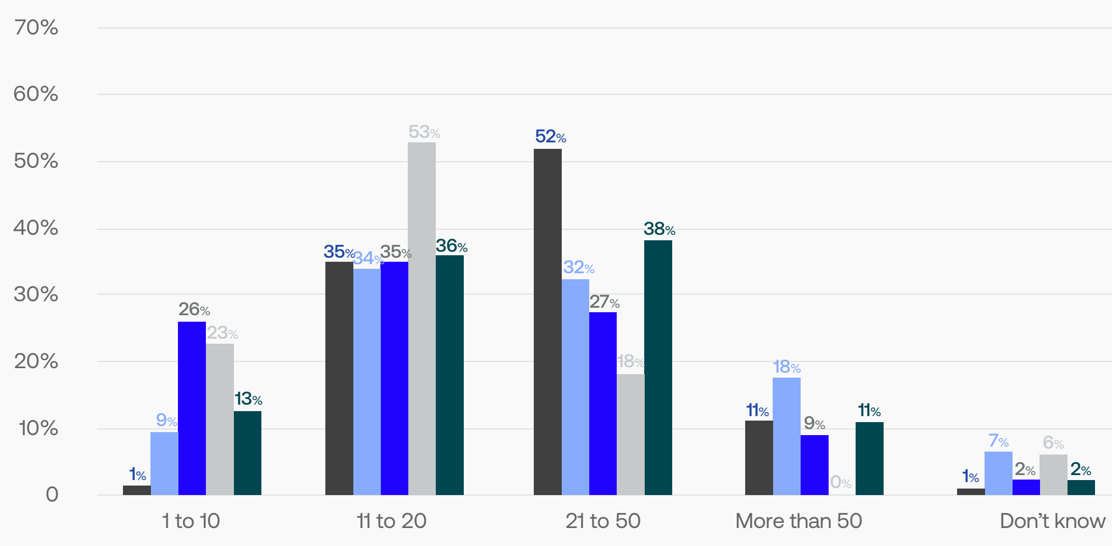


Fig. 5. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q5: At how many additional points of presence will your organization most likely deploy IT infrastructure in the next two years?

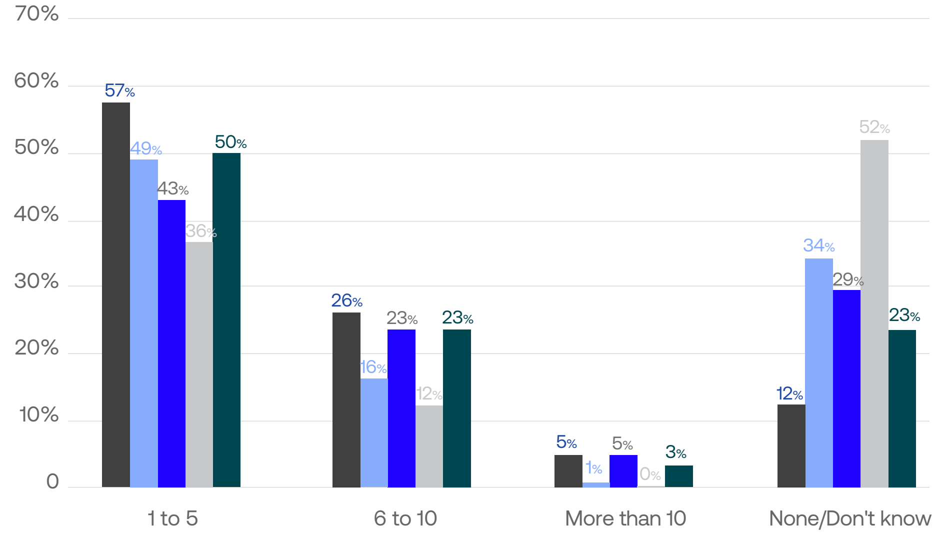


Fig. 6. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q6: How many of your current or planned IT locations need to support the following requirements?

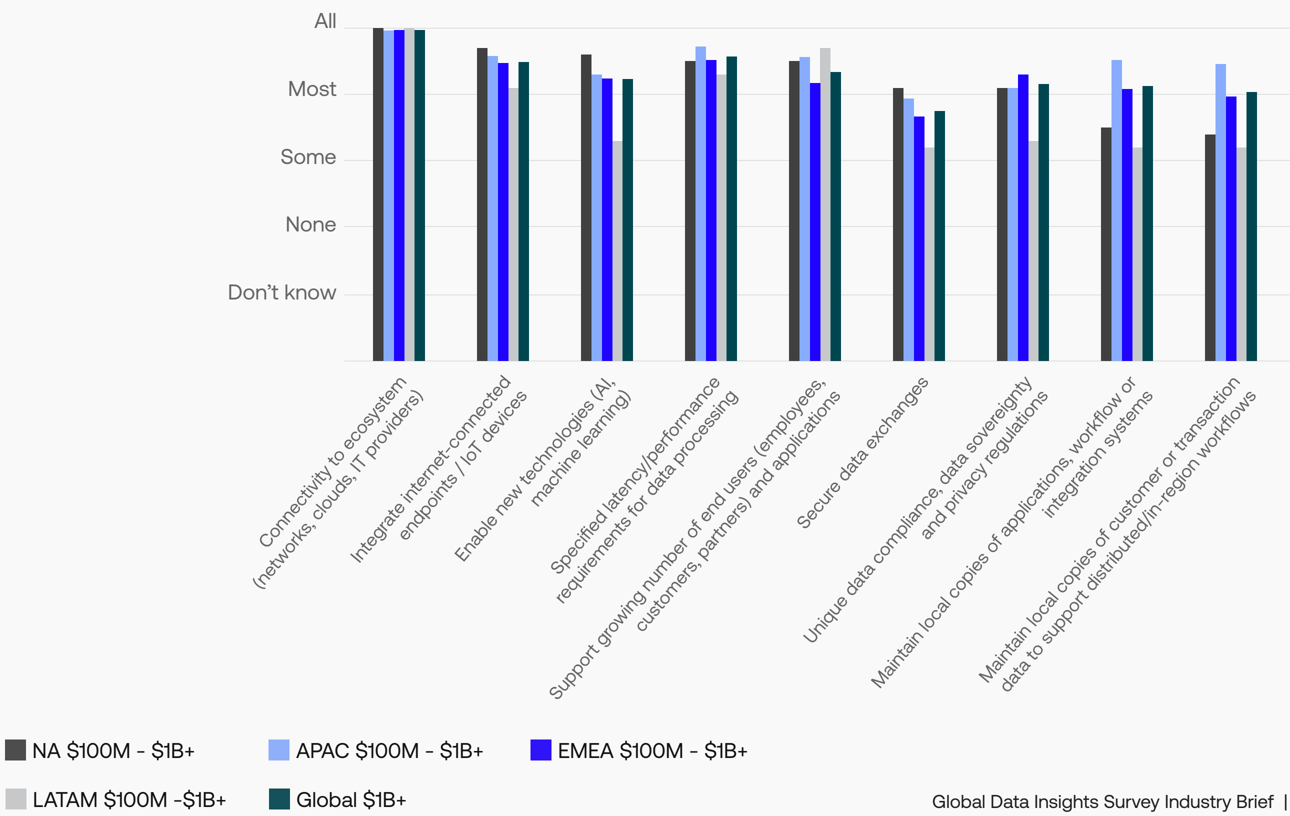


Fig. 7. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q7: Does your company have/plan a formal data strategy specifying these requirements?

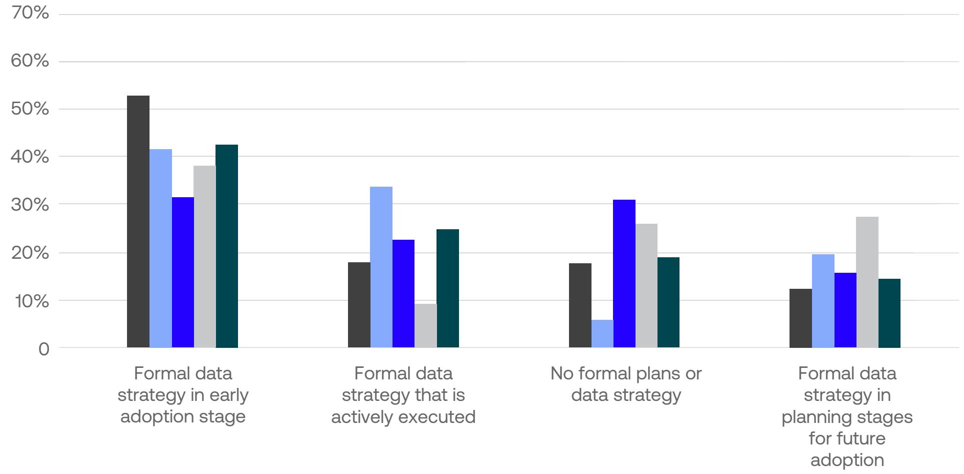
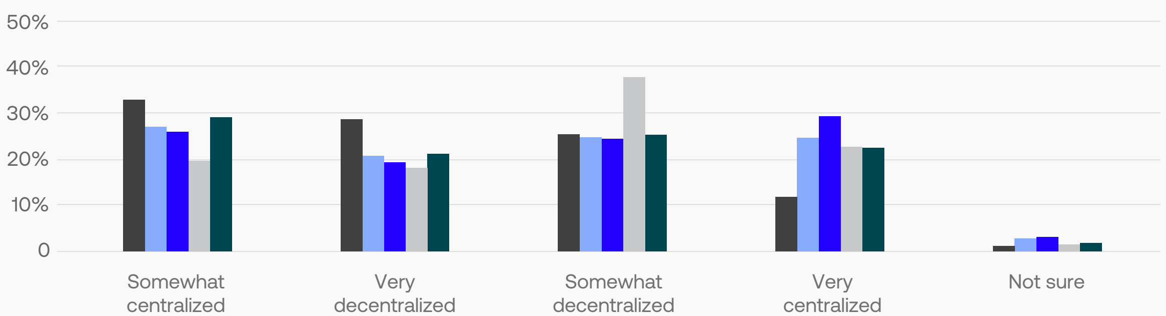


Fig. 8. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q8: Do you aggregate your organization's data at one point of presence (centralized approach) or keep your data decentralized across all geographic locations?



NA $100M - $1B+
APAC $100M - $1B+
EMEA $100M - $1B+
LATAM $100M -$1B+
Global $1B+

Fig. 9. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q9a: What are the top 3 reasons for your company to follow a decentralized approach?[1]

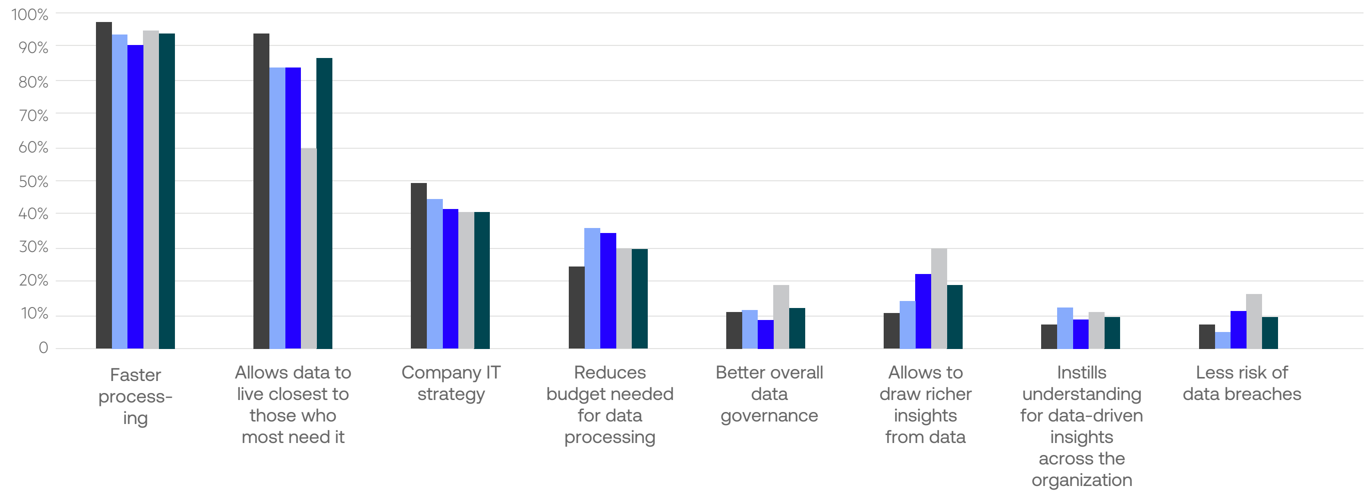
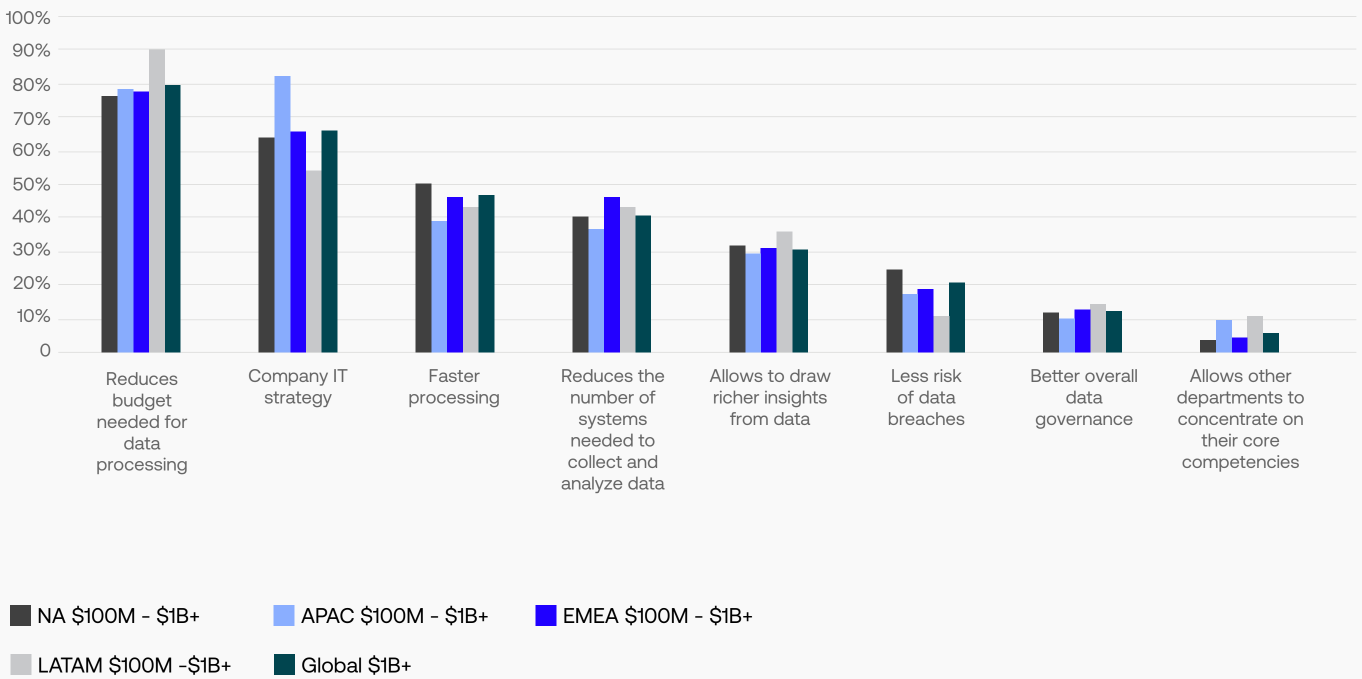


Fig. 10. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q9b: What are the top 3 reasons for your company to follow a centralized approach?[1]



[1]For questions ending in "(Top 3)" respondents selected their top 3 prelisted response

Fig. 11. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q10: Are you expecting an increase or decrease in budget for the following topics over the next two years?

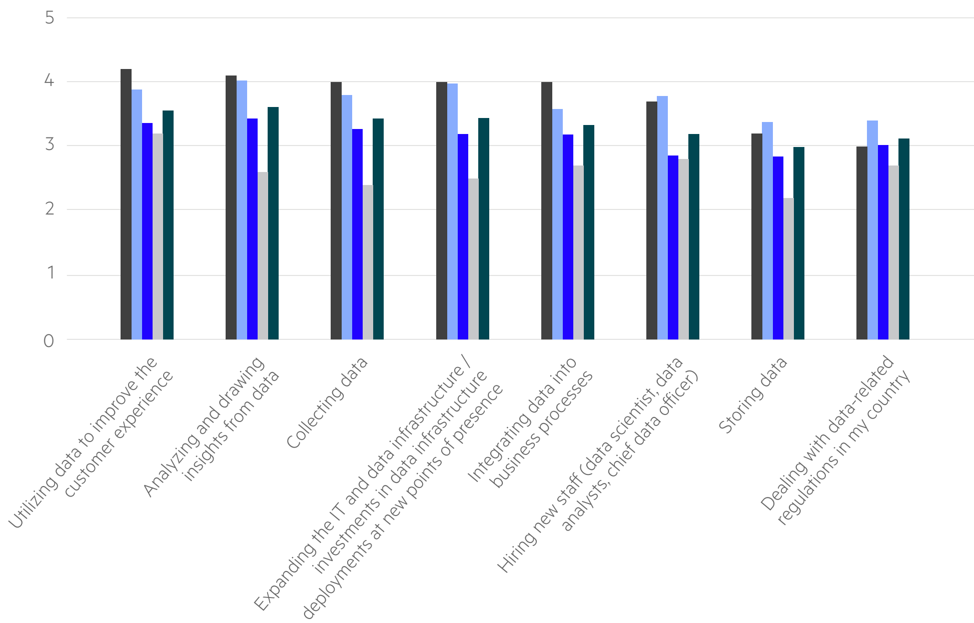
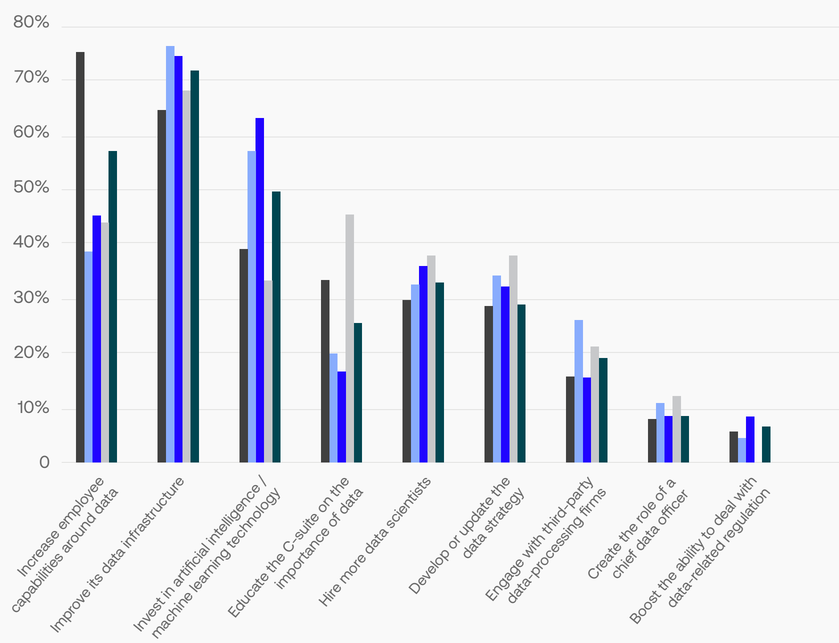


Fig. 12. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q11: What do you consider critical for your company in the next two years to enable more data-driven insights? (Top 3)[1]

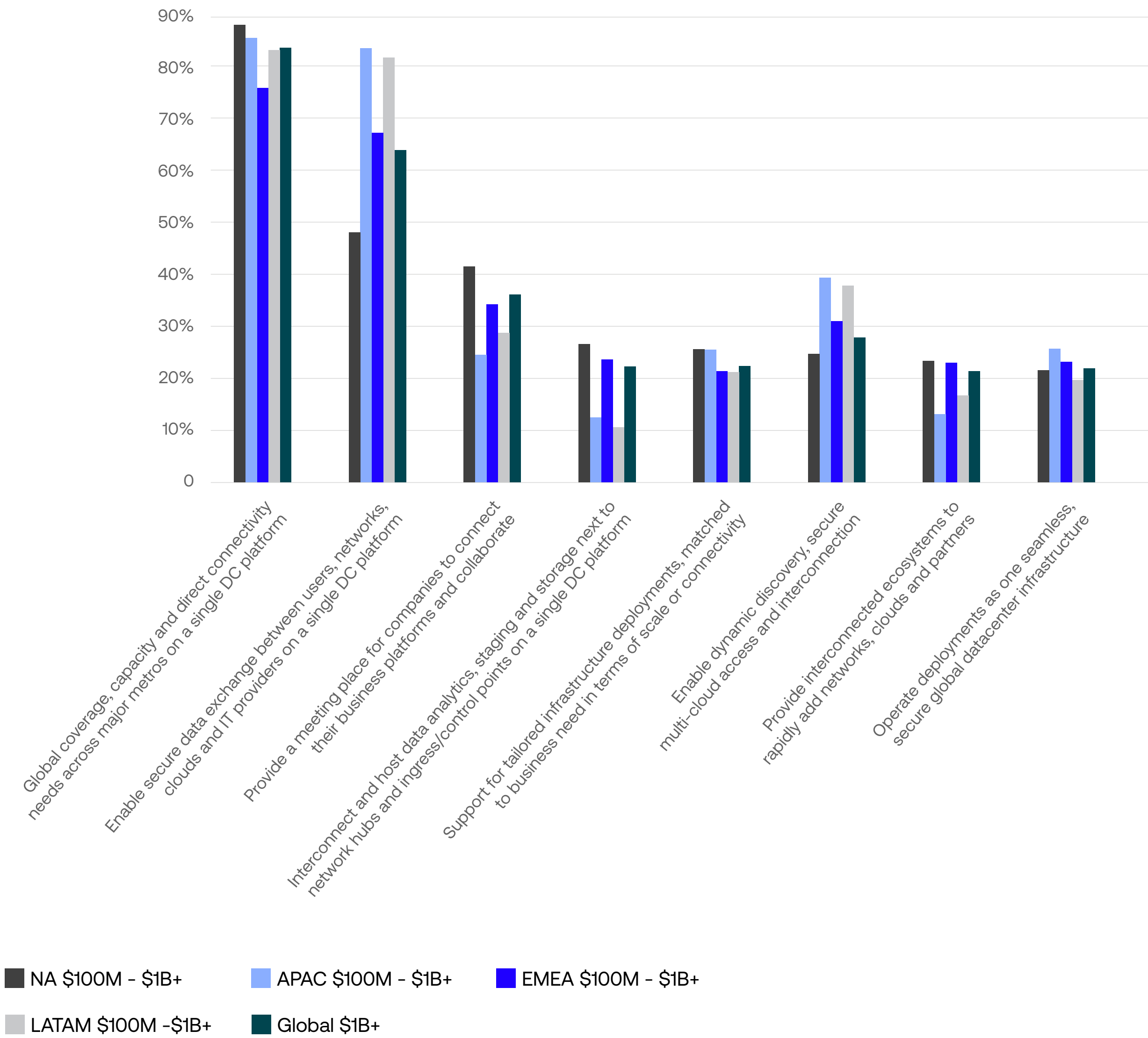


NA $100M - $1B+ | APAC $100M - $1B+ | EMEA $100M - $1B+
LATAM $100M -$1B+ | Global $1B+

[1]For questions ending in "(Top 3)" respondents selected their top 3 prelisted response

Fig. 13. Digital Realty, *Global Data Insights Industry Briefs: Manufacturing*, June 2023.

Q12: Which requirements do your data center providers need to fulfill to support your data strategy? (Top 3)[1]



[1]For questions ending in “(Top 3)” respondents selected their top 3 prelisted response

About Digital Realty

Digital Realty brings companies and data together by delivering the full spectrum of data center, colocation and interconnection solutions. PlatformDIGITAL®, the company's global data center platform, provides customers with a secure data meeting place and a proven Pervasive Datacenter Architecture (PDx®) solution methodology for powering innovation and efficiently managing Data Gravity challenges. Digital Realty gives its customers access to the connected data communities that matter to them with a global data center footprint of 300+ facilities in 50+ metros across 28 countries on six continents. To learn more about Digital Realty, please visit **digitalrealty.com** or follow us on **LinkedIn** and **Twitter**.