

Digitization Could Produce \$1.4 Trillion in Margin Gains for Manufacturers By 2030 According to Oliver Wyman

New York, November 23, 2016 – Digitization has arrived in manufacturing industries and is affecting every part of organizations. A new report from Oliver Wyman titled, [“Perspectives on Manufacturing Industries”](#) estimates digitization could yield \$1.4 trillion in margin gains for manufacturers by 2030.

“Manufacturers urgently need to embrace the digital age,” said Thomas Kautzsch, Head of Oliver Wyman’s Global Automotive and Manufacturing Industries practice. “To succeed, manufacturers need to step out of their comfort zones and learn new habits, acquire new talent, and implement organizational transformation. Though challenging, the reward could be significant and will transform the way industrial companies operate over the next 10-15 years.”

The report details how digitization can transform manufacturing by creating connections across the organization, ending silos, and facilitating real-time collaboration. This could happen in three different ways.

The first approach is through lighthouse projects, where a small digital team defines the strategic direction and provides digital experts across business units. A second approach is the digital hub, where a digital organization is embedded in the corporation and sends digital experts to the various business units. A third approach is the digital corporation where companies create a large central digital organization.

“Contrary to common belief, digital industry is not about technology. Technology will be an enabler, but the true value of the next industrial revolution is that it will lead to better decisions, more efficient processes, and new business strategies,” Kautzsch added.

The report also features articles around a variety of issues including autonomous trucks, machine learning, cybersecurity, the industry talent shortage and overall challenges to implementation.

About Oliver Wyman

With offices in 50+ cities across 26 countries, Oliver Wyman is a global leader in management consulting that combines deep industry knowledge with specialized expertise in strategy, operations, risk management, and organization transformation. Oliver Wyman is a wholly owned subsidiary of Marsh & McLennan Companies [NYSE:

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