Your IoT-driven future

Our IoT Barometer 2019
The future is exciting.
Ready?

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business

Highlights from the Vodafone IoT Barometer 2019

More companies are using IoT

Since the last IoT Barometer we've seen a surge in Internet of Things (IoT) adoption, from 29% to 34%. That's partly because it's easier than ever to get started — many companies are now buying cost-effective, off-the-shelf solutions rather than building their own from scratch. If you don't act soon, your competitors will reap the benefits first. 74% of adopters believe that within five years, companies that haven't adopted IoT will have fallen behind their competition.

34%

of organisations have now adopted IoT — and even more in industries like transport, manufacturing and financial services.

It's disrupting all kinds of industries

We surveyed organisations across many sectors and we found IoT is having a profound impact across the board. For example, 86% of adopters in automotive are using or plan to use IoT to increase revenue and differentiate their products. And 84% of insurance adopters say their business strategy has changed as a result of IoT. Overall, 60% of adopters say that IoT will have completely disrupted their industry in five years' time. Chances are it will disrupt yours — it may be starting to already.

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The benefits can be sizeable

95% of adopters are already seeing benefits. Over half (52%) say that the returns have been significant and 79% say IoT is enabling positive outcomes that would be impossible without it. The benefits come in many forms, including: reduced operating costs (53%), improved collection of data (48%) and increased revenue from existing streams (42%). Where adopters reported a reduction in costs from IoT, the average was 18%. And where they reported an increase in revenue from using IoT, it averaged 19%.

76%

of adopters say their IoT projects are mission-critical. And one in 12 say their "entire business now depends on IoT".

IoT is enabling transport and logistics companies to track the location of vehicles, cargo and assets in real-time. This is helping them cut fuel use, avoid delays and trace problems more quickly.

The IoT Barometer answers your questions

87%

of the most sophisticated adopters say they've seen significant returns.

25%

are already using LPWAN and 52% are considering using 5G, when available.

96%

of the most sophisticated adopters are confident that their suppliers have the skills to manage IoT security risks effectively.

How can I get more from IoT?

Over the course of working with thousands of companies to develop their IoT projects we've learnt a lot about what drives the greatest results. We've used the insight that we've gained to develop our IoT Sophistication Index. And it works. Of those just starting out on their IoT journeys, 17% said that the benefits they'd seen were significant. Among the most sophisticated, that number leaps to 87%.

What's the right connectivity option?

At present, the most commonly used connectivity option for IoT is cellular (including 4G and 4G+). This was followed by Wi-Fi (69%), fixed line (33%) and low-power wide area network (LPWAN) (25%). But the most sophisticated organisations are using an average of three of these options — because they understand that different IoT projects can have different requirements. Looking to the future, over half (52%) of adopters are considering using 5G.

What about security?

84% of IoT adopters say security is something to be tackled, not a reason to reject innovation. Adopters are taking a range of measures to protect their devices, including testing during development (40%), recruiting IoT security specialists (39%), and having devices certified (37%). Working with third parties can help. 96% of the most sophisticated adopters are confident that their suppliers have the skills to manage IoT security risks effectively.

Where can I find the expertise we need?

60% of adopters have a team dedicated to IoT. These are likely to be working across multiple departments— that's reflective of the importance of IoT to business strategy and competitive differentiation. Adopters are also looking outside their business for support — 79% say that in the past year they've increased their use of partners to deliver and/or manage their IoT programmes. And 60% of the most sophisticated organisations rely on third parties for IoT expertise.

For more insights and recommendations, read the full IoT Barometer 2019.

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About the IoT Barometer 2019

Our core sample consists of 1,430 qualified respondents across a selection of regions, industries, company sizes and job roles. This mirrors previous years, enabling us to make meaningful year-on-year comparisons. To provide additional insight, this year we surveyed a further 328 IoT adopters. This enabled us to delve deeper into how adopters think and act. It was also crucial to testing our IoT Sophistication Index and analysing the correlation with benefits realised.

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