New Survey Suggests the IoT Boosts Revenue, Strengthens Customer Relationships for Connected Businesses

10/5/2016

BOSTON, Oct. 05, 2016 (GLOBE NEWSWIRE) -- Today Xively by LogMeIn, Inc. (NASDAQ:LOGM) released the findings of a new study sponsored by LogMeIn and conducted by Harbor Research, The Internet of Things Journey, that revealed nearly all companies who have embarked on a connected product journey report both financial and customer experience benefits as a result. The research, which surveyed 600 product companies and other discrete manufacturers in various stages of deployment, found that 87 percent have seen revenue improvements as a direct result of connecting a product and over 90 percent saw improvements in business efficiencies and product uptime.

The biggest reported improvement was in customer insights. Only 25 percent of all companies surveyed expected customer and product insight improvements when they started their connected product project, yet 95 percent of these manufacturers reported valuable customer insights including customer behavior, needs and preferred modes of interaction, as a real and tangible benefit of connecting a product. Additionally, 93 percent reported customer support as a business improvement since connecting products, while 88 percent also cited improved customer relationships.

These benefits do not come without their challenges, however. According to the survey, 44 percent of companies in both early and active IoT deployment phases say that data management is the biggest challenge when it comes to using IoT data to make better business decisions. Of the organizations that have existing IoT deployments, 43 percent cited integration with existing business systems as one of their biggest challenges.

“With proper strategy design and data management in place, the IoT can offer a range of benefits to businesses,” said Jessica Groopman, Harbor Research. “Customer and product data are worth their weight in gold, but only if actionable. In order to achieve the customer and business value of the IoT, data must be properly managed and integrated with critical support tools like CRM systems.”
Other key findings of the study include:

- Revenue is not the key project driver, but is a strong benefit: Only 6 percent anticipated revenue would be the top benefit of implementation, yet 87 percent of those who have deployed a product are seeing revenue improvements.
- Business efficiencies are the key project driver: Some 34 percent of product companies report that business efficiencies are the #1 justification when selling IoT projects internally.
- Companies underestimate the complexity of security: 46 percent of companies who have actively deployed IoT products cite security as the greatest challenge, while only 30 percent of those in the planning stages anticipate security to be their biggest challenge.
- Interoperability is a design and early deployment headache: 34 percent of companies in the planning stages cite interoperability and integration as their greatest expected challenge and 39 percent of those in early IoT deployment cite it as their greatest challenge. This drops dramatically for active deployment companies where only 23 percent see it as a challenge.

“The IoT journey is a long and sometimes bumpy road, but one that can completely change a business for the better,” said Paddy Srinivasan, General Manager, Xively by LogMeIn. “The challenges companies face are extremely diverse and often times the anticipated issues are not the ones that end up holding an IoT project back. Connected product management tools are designed to help companies move beyond the hurdles of connecting and launching a product for those in the early phases and scaling, securing and integrating products with existing business systems for those later in their deployment. The end goal for everyone is to create a product that provides value for both the company and the customer. Ensuring that customer and product data is managed properly, is actionable and available to stakeholders is critical to meeting that goal.”

Methodology

The survey targeted 600 midsize to enterprise product manufacturers across a wide range of industries, whose primary headquarters were based in the United States. The survey was conducted in collaboration with a professional survey panel provider which used a proprietary online survey tool which included a three-part opt-in for consent and vetted respondents through database segmentation and screeners. The survey was conducted between March and May of 2016.

Additional Resources

- Harbor Study: The Internet of Things Journey
- Blog: Fact or Fiction: The Real Benefits (and Challenges) of the IoT
- Xively Website

About LogMeIn, Inc.
LogMeIn, Inc. (NASDAQ:LOGM) simplifies how people connect to each other and the world around them. With millions of users worldwide, our cloud-based solutions make it possible for people and companies to connect and engage with their workplace, colleagues, customers and products anywhere, anytime. LogMeIn is headquartered in Boston with offices in Bangalore, Budapest, Dublin, Fairfax (VA), London, San Francisco, Sydney and Szeged.

LogMeIn and Xively are trademarks of LogMeIn in the U.S. and other countries.

Contact:
Alison Parker
Alison.parker@logmein.com
781.850.1261

Source: LogMeIn, Inc.