

## Study Forecasts Rise in Manufacturing Intelligence Investments

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A new ARC Advisory Group report predicts that the MI market will experience double-digit growth over the next five years, as manufacturers invest in the technology to help analyze operational trends and make more informed business decisions.

Because most organizations seem to be drowning in data but starving for information, there is a growing need for enterprise **manufacturing intelligence** software, which, industry experts say, can drive more informed decisions.

According to analyst firm ARC Advisory Group, the **manufacturing intelligence (MI)** market is expected to expand at a compound annual growth rate (CAGR) of more than 13% over the next five years. The market will exceed \$750 million in 2011, according to ARC's latest worldwide outlook study, and is expected to reach more than \$1.4 billion by 2016.

Enterprise **manufacturing intelligence**, according to ARC, is a framework of integrated software and services that bring together a company's manufacturing data from disparate sources for reporting, analysis, visual summaries, and the synchronization of data between enterprise-level and plant-floor systems.

MI is used to turn plant data into real-time information that has operational context, which helps executives make better business decisions. For example, the typical employee spends up to 60% of his time collecting and processing information, which can be highly unproductive. MI software can be used in conjunction with data that has already been collected to improve efficiencies around knowledge management and ultimately reduce the bottom line, ARC said.

"Manufacturers want easy-to-use tools with consistent visualization that enable collaboration 'at a glance,' improve knowledge in real-time or near real-time, improve decisions and responses, and are **easy to use and deploy**," said Janice Abel, the principal author of the ARC study. "Suppliers are responding with simplified integration, streamlined analysis tools, pre-built templates and dashboards, and other enabling applications. **In addition, cloud computing with MI data is just over the horizon.**"

According to ARC, the manufacturing intelligence market is one of the fastest-growing segments within the **MES** software and services market space, as it has the potential to decrease costs, implement global standards and best practices, and improve performance.

ARC believes that the MI market will show strong growth because companies will increase MI deployments as manufacturing efficiency becomes more strategic to organizations looking to improve their productivity and bottom line.