Expert opinion

Internet of Things, a booster for digital transformation

By Damien Pasquinelli, Data Intelligence offer Manager, Hardis Group

The market of connected objects (Internet of Things, IoT) is expanding. Many companies want to position themselves in this sector. But if the IoT wants to deliver on its promises regarding innovation, value creation and digitization booster, a pragmatic, business and agile approach has to be considered.

Connected objects: objects above all!
This is really self-evident. Yet, it is important to remember that a connected object is above all an object, just like any other object, which has to meet a specific need or to be adapted for a particular use. Admittedly, its intelligence (ability to receive, contextualize and submit data thanks to its sensors and on-board software) optimizes its use and/or creates value, but the object must however perform its basic functions.

Therefore, an object which does not find its market in itself, will not become suddenly successful just because it is connected. Some objects, despite all their promises, are not adopted by the users or consumers because they are unsuitable for use or show too many constraints. The battery life and a poorly designed charging system can, for instance, considerably impede their use.

Objects integrated into a smart ecosystem
On the other hand, a connected object is a smart object, which implies three key elements: the data that it receives, stores or submits, the algorithms which will process these data and eventually, the ecosystem in which it will be integrated. A connected object is only valuable in the context of an overall system, including other connected objects and software components (customer or patient file, industrial production, after-sales service, etc.). A connected scale, for instance, is only interesting within an ecosystem focusing on health/well-being, which goes far beyond the weight of a person. The data received or provided by the connected object must be contextualized in order to be pertinent, to create a value for the users and the companies.

IoT: a necessary business approach
Regarding connected objects, while technical and technological aspects are essential but the approach must also and above all be pragmatic and "business needs-oriented". After identifying the needs and the company's "weaknesses", defining objectives and and then analysing the use of a particular object, it is possible to determine if (and how) the IoT can offer an appropriate solution. It is not only a question of imagining a distant future, but rather of focusing on the present needs – or the very near future – and on the best way to fulfil it with connected objects.

Thus, the IoT must necessarily be considered in the context of a global digitalization strategy which includes other technologies such as: Big Data, Cloud, artificial intelligence, etc. It

cannot be isolated from this big value chain, which leads companies to create or rethink new services and if needed, to change their business model.

A new "product-centric" approach, related to the "customer centric" principle
Strengthening an already existing phenomenon, the IoT becomes part of what we call a second spate of digitalization. The first spate was dominated by smartphones, social networks and geolocation. It was focused on consumers and human interactions. This second spate is more oriented on products and Machine-to-Machine interactions (M2M).

To the "customer-centric" approach comes henceforth an approach which is focusing more on the product itself, offering promising innovation prospects. The latter allows for instance to boost and make the development and the production of connected objects and additional related services more agile.

Agile IoT, digitalization and value creation
Connected objects provide indeed the added advantage of being easily monitored and remotely updated without any intervention on the product itself. How do we use the product? Is it really adapted to usage? Could we optimize its design and features? Which type of additional services could be required? Just like the operating system and the apps from a smartphone – an unequalled connected object until now –, other connected products can thus be optimized and gradually enhanced with new features via software upgrades according to usage analysis.

Further to mobility, Cloud and Big Data, the IoT is part of a subgroup belonging to a more comprehensive creation chain of digital value. Health, well-being, energy footprint reduction, preventive maintenance, etc.: promises will become realities only if we do not give in to temptation for a miracle solution.

About Hardis Group

Hardis Group, a digital services company and software publisher, assists its customers in the transformation of their business model, their Supply Chain and their Information system. The company helps them become more competitive and increase their operational performance, creating and integrating business, technological and digital solutions tailored to their needs and issues.
With its dual positioning, Hardis Group has developed expertise in the areas of banking, insurance and e-health, distribution (CPG and luxury goods), industry and energy, logistics and transport services. This expertise now allows it to provide global responses, in an agile approach characterized by co-construction, innovation and continuous improvement.
Since its creation in 1984, the company has built its growth on a pragmatic approach and values of efficiency and firm commitment both to its 2,500 clients and its 730 employees (25 % of whom are also shareholders). In 2015, Hardis Group achieved a turnover of € 68.8 million. The Group has five offices in France: Grenoble (head office), Lyon, Paris, Lille and Nantes.
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