

Embracing the Internet of Everything To Capture Your Share of \$14.4 Trillion

More Relevant, Valuable Connections Will Improve
Innovation, Productivity, Efficiency & Customer Experience

The next wave of dramatic Internet growth will come through the confluence of people, process, data, and things – the Internet of Everything.

Between 2013 and 2022, \$14.4 trillion of value (net profit) will be “up for grabs” for private-sector companies and industries globally – driven by IoE.

The bottom line is that the IoE Economy is about enabling people to be more productive and effective, make better decisions, and enjoy a better quality of life.

Key Insights

- Cisco estimates that 99.4 percent of physical objects in the world are still unconnected. With only about 10 billion of the 1.5 trillion things currently connected globally, **there is vast potential to connect the unconnected via the Internet of Everything.**
- The Internet of Everything (IoE) brings together **people, process, data, and things** to make networked connections more relevant and valuable than ever before – turning information into actions that create new capabilities, richer experiences, and unprecedented economic opportunity for businesses, individuals, and countries.
- Cisco estimates that IoE will create **\$14.4 trillion of Value at Stake** for companies and industries over the next 10 years (2013–2022).
- Value at Stake is the **potential bottom-line value** (higher revenues and lower costs) that can be created or that will migrate among *private-sector* companies and industries based on their ability to harness IoE.
- There are **five main drivers of the \$14.4 trillion in Value at Stake**: 1) asset utilization, \$2.5 trillion; 2) employee productivity, \$2.5 trillion; 3) supply chain and logistics efficiencies, \$2.7 trillion; 4) customer experience, \$3.7 trillion; and 5) innovation (including reduced time to market), \$3.0 trillion.
- To receive the most value from IoE, business leaders should begin transforming their companies based on key findings from the use cases that deliver the most Value at Stake.
- The **three use cases that create the most Value at Stake are**: 1) next-generation workers (BYOD, mobile collaboration, telecommuting, VDI), \$2.16 trillion; 2) smart factories, \$1.95 trillion; 3) connected marketing and advertising, \$1.95 trillion.
- From an industry perspective, **four out of 18 industries make up more than half of the total Value at Stake.** The amount includes manufacturing at 27 percent, retail trade at 11 percent, information services at 9 percent, and finance and insurance, also at 9 percent.
- Business leaders should take the following steps so that their companies can capture a share of the IoE Value at Stake:
 - Determine where their businesses are today with regard to IoE.
 - Understand the role of IT in enabling their companies to benefit from IoE.
 - Take steps now to maximize capabilities in the areas of security and privacy.
 - Pay attention to the cultural changes that are necessary to embrace IoE.
- The game is on. Preparing for IoE is not a question of if, but of when. Given that \$14.4 trillion of value is at stake, the time to act is now.