



Market Analysis

IT Services

Digital Manufacturing Services: From Concept to Reality

Report Abstract

August 2021

By Dominique Raviart

IT Services Practice Director

NelsonHall

59 pages

Contents of Full Report

1. Changing Shape of the Digital Manufacturing Services Market
2. Buyer Requirements
3. Market Size and Growth
4. Vendor Market Shares
5. Vendor Offerings and Targeting
6. Vendor Delivery and Trends
7. Vendor Challenges and Success Factors

Appendix I – Vendors Researched

Who is This Market Analysis For?

NelsonHall’s “Digital Manufacturing Services: From Concept to Reality” report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within industrial IT and digital transformation
- Vendor marketing, sales and business managers developing strategies to target digital manufacturing opportunities
- Financial analysts and investors specializing in the IT services and engineering and R&D (ER&D) services sectors.

Key Findings & Highlights

NelsonHall’s market analysis of the digital manufacturing services market consists of 59 pages. The report provides an in-depth understanding of the dynamics at play in industrial IT, and how clients are using IoT, AI and AR/VR technologies to improve their plant operations.

The current digital manufacturing services market size stands at \$1.7n. It will reach \$3.1bn by 2025, growing at 15% CAGR during the period. The pandemic has made digital manufacturing and its emphasis on remote work more relevant than ever. However, it also slowed down investment in 2020 across sectors and, in particular, in automotive and commercial aeronautics.

Enterprises are currently buying remote monitoring and control; and, to a lesser extent, predictive maintenance; inspection; assistance, instructions & training; and connected worker.

Most contracts are small, ranging from consulting to PoCs leading to relatively small systems integration and deployment contracts. Enterprises award these contracts as independent ones, with few organizations awarding mega-deals. The market will shift to a higher number of systems integration and deployment contracts, as buyers look to progress from their PoCs. Mega-deals will remain scarce, but mid-sized deals will more frequent, with buyers structuring their spending with a few preferred partners.

IoT (including track-and-trace) is the primary technology used in digital manufacturing. It is complemented by data collection, analytics, and AI. Within AI, computer vision gains in adoption. Other technologies include AR/VR. IoT continues to play a key role and gets supplemented by other sources of data, mostly internal data from back-end and manufacturing applications. External data such as traffic and weather data become more important for track-and-trace based use cases. AI gains further in strength led by computer vision and across industrial automation & robotics, and 5G.

Scope of the Report

The report analyzes the worldwide market for industrial IT services looking at the subset: digital manufacturing services, i.e., IoT uses relevant to production plants, and use cases related to emerging technologies, such as AR/VR, digital twins, and AI.

It addresses the following questions:

- What is the current and future market for digital manufacturing services?
- What are the client segments for digital manufacturing services, and their characteristics? What are the drivers, benefits, and inhibitors for each segment?
- What is the size and growth of the digital manufacturing services markets by geography, service line, and activity?
- How did spending grow in 2020 and how will it increase in 2021 and onward?
- How is the market organized? Who are the main vendors? How can they be assessed and compared? What are vendor challenges and critical success factors by market segment?
- What are the digital manufacturing offerings and use cases available in the market? Which one has highest growth potential?

Digital Manufacturing Services Vendor Assessments Available for:

- Accenture
- Atos
- Capgemini
- Cyient
- DXC Technology
- IBM GBS
- Infosys
- LTTS
- Samsung SDS
- Sopra Steria
- Tat Elxsi
- TCS
- Tech Mahindra
- T-Systems
- Wipro.

About The Author

Dominique Raviart is the IT Services Practice Director at NelsonHall, with global responsibility for IT Services research programs.

Dominique covers IT Services research in the areas of Software Testing/QA, Big Data and Analytics Services, Salesforce services, and IoT Services. Dominique has been part of NelsonHall's IT Services analyst team since 2007, providing comprehensive and insightful coverage of IT services markets in the world. In particular, he is widely known for his extensive knowledge and coverage of software testing, having examined recently digital testing and DevOps/continuous testing. Dominique assists both buy-side and vendor organizations in assessing opportunities and supplier capability across IT service lines.

Dominique can be contacted at:

- Email: dominique.raviart@nelson-hall.com
- Twitter: [@DominiqueR_NH](https://twitter.com/DominiqueR_NH)



About NelsonHall

NelsonHall is the leading global analyst firm dedicated to helping organizations understand the 'art of the possible' in digital operations transformation. With analysts in the U.S., U.K., and Continental Europe, NelsonHall provides buy-side organizations with detailed, critical information on markets and vendors (including NEAT assessments) that helps them make fast and highly informed sourcing decisions. And for vendors, NelsonHall provides deep knowledge of market dynamics and user requirements to help them hone their go-to-market strategies. NelsonHall's research is based on rigorous, primary research, and is widely respected for the quality, depth and insight of its analysis.

We would be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager: Guy Saunders at guy.saunders@nelson-hall.com

Boston

Riverside Center, 275 Grove Street, Suite 2-400, Newton Massachusetts 02466
Phone: +1 857 207 3887

London

Unit 6, Millars Brook, Molly Millars Lane, Wokingham, RG41 2AD
Phone: + 44(0) 203 514 7522

Paris

4 place Louis Armand, Tour de l'Horloge, 75012 Paris
Phone: + 33 1 86266 766

Copyright © 2021 by NelsonHall. All rights reserved. No part of the publication may be reproduced or distributed in any form, or by any means, or stored in a database or retrieval system, without the prior written permission of the publisher. The information provided in this report shall be used only by the employees of and within the current corporate structure of NelsonHall's clients, and will not be disclosed to any other organization or person including parent, subsidiary, or affiliated organization without prior written consent of NelsonHall. NelsonHall exercises its best efforts in preparation of the information provided in this report and believes the information contained herein to be accurate. However, NelsonHall shall have no liability for any loss or expense that may result from incompleteness or inaccuracy of the information provided.