IIoT Success! 3 Ways the IIoT is Already Impacting the Supply Chain
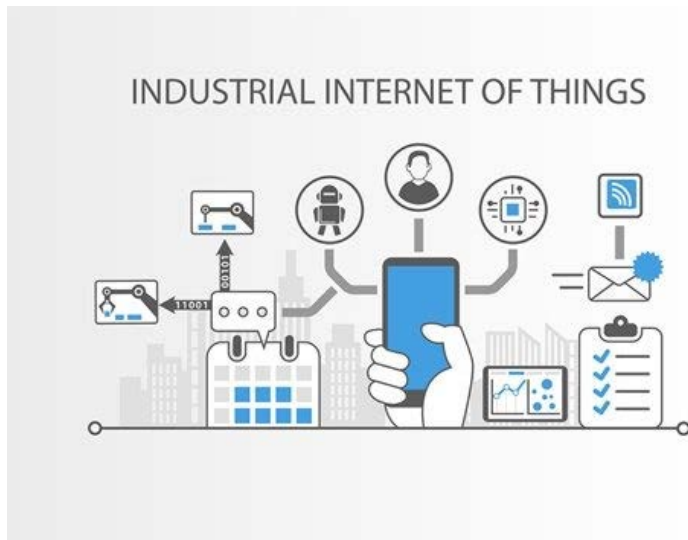
Written by **Babette DuPriest**
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The Industrial Internet of Things (IIoT) is becoming a more mainstream technology as more organizations look for low-hanging fruit where they can deploy sensors, monitoring devices and other connected solutions to improve operations.

The supply chain is ripe with opportunities for IIoT deployment, but where do businesses need to go as they look for chances to turn strategic technology investments into a revenue opportunity?

"The supply chain is ripe with opportunities for IIoT deployment."

Well, look no further. Here are three examples of use cases where the IIoT is already beginning to make a difference on supply chains and disrupt the way businesses operate.

1. Creating New Opportunities in Supply Chain Planning

For a long time, the process of initiating orders represented an area where consumers and brands both had to jump through hoops in order to get the job

done. Order abandonment is a major problem in e-commerce and, in sectors such as manufacturing, aligning order expectations with production capabilities can be a nightmare, leading managers to coordinate a complex set of processes and work orders. According to Gartner, more organizations are allowing customers to make orders directly with IoT devices and use backend data management systems to launch work orders and get the supply chain moving with minimal human intervention.

Andrew Downard, research director at Gartner, told audiences at the Gartner Supply Chain Executive Conference that manufacturers are gaining an edge by experimenting with how they use the IIoT to engage with partners and customers.

"Right now, leading manufacturers in this area are experimenting and seeing early benefits by partnering with retailers using IoT," said Downard. "Why is the IoT component important? Because transactions made through devices skip the online shopping cart, making abandon rate no longer a factor. The path to purchase has been shortened and robbed of friction."

These changes to how brands use the IIoT to interact with customers and partners are creating new opportunities to get creative with supply chain planning Gartner found. As a result, organizations are using the IIoT to obtain more flexibility and improve service models across the supply chain.

2. Gaining a Greater Understanding of Inventories

"Visibility across the supply chain is much easier to obtain with the IIoT."

Using warehouse management systems or ERP platforms to automatically reorder goods when they fall below predetermined levels has become an increasingly common practice in the supply chain. The IIoT is adding a new dimension to this by automatically identifying when products reach these reorder levels, eliminating some of the need for cycle counts and similar time-consuming processes.

Manufacturing Business Technology explained that manufacturing and distribution organizations can use the IIoT to manage transit or retail stocks, gaining greater visibility into inventories that may not be in their core warehouse any longer. They may also leverage the technology to reduce the likelihood of data entry errors.

Visibility across the supply chain is much easier to obtain with the IIoT, allowing for robust inventory tracking and forecasting.

Download the white paper, *Warehouse Automation Trends: Four Warehouse Management Technologies to Transform Your Digital Supply Chain.*

3. Strengthening Relationships with Suppliers

How well can you track inventory coming from your suppliers? If a shipment is going to be delayed, when do you find out? Greater coordination between vendors and manufacturers can be invaluable in optimizing the supply chain, and the IIoT is helping companies achieve that goal. TechTarget reported that many businesses that are embracing the IIoT are placing sensors and monitoring devices in the warehouses of suppliers who have not yet made a transition to the new technology.

The IIoT is promising to disrupt supply chains, and organizations that want to get ahead of the curve need to get their mobile data collection and integration systems in place. RFgen is among the industry leaders in data collection, and we offer a suite of technologies that can help you lay a strong foundation for the IIoT.