



How to Avoid the Internet of Things “Trough of Disillusionment”

by Brittany Magouirk

We’ve all heard about it. The Internet of Things (IoT) is the next big thing. Across headlines and keynote speeches, we hear over and over again that everything will be connected. In August, Gartner, an information technology research and advisory firm, released its annual Hype Cycle for Emerging Technologies, which identifies technologies that drive digital business and maps them across various maturity levels. At the top of the “Peak of Inflated Expectations” sits the Internet of Things.

The technologies in the report range from new ideas, which Gartner calls “Innovation Triggers,” all the way to mature technologies, which have reached the “Plateau of Productivity.” Unfortunately, what follows the “Peak of Inflated Expectations” is the “Trough of Disillusionment.” It is here that companies often waste time and money on expensive implementations with scant results. Gartner predicts the Internet of Things will take 5-10 years to adequately mature and enter the “Plateau of Productivity.”

So, what should you do? Wait 5-10 years before taking advantage of exciting new enablers like IoT? We don’t think so. Here’s how you can take advantage of this trend now, avoid the deep Trough of Disillusionment and gain true competitive advantage.

Start Small

Perhaps our expectations are inflated because the applications of IoT are virtually unlimited, making it easy to misunderstand. The potential value is enormous, but it’s also mind-blowing. Companies should start small. Remember that IoT is not just about connecting enabled products, autonomous cars and smart devices – today’s IoT platforms can also connect enterprise software systems and databases.

For example, your executives may need to make quick business decisions on products or services in your innovation portfolio. This is a problem typically solved with middleware or full-blown business intelligence (BI) systems, and in some cases, those systems are the right fit. But for those with the basic need to pull data from various systems and serve up simple dashboard reports, and IoT platform would allow you to do the same thing with much lighter investment of time and money.

A quick win like this with IoT will quickly prove the business value, improve understanding, and build support for additional investment.

Build Incrementally

Bringing together already available data creates immediate business value but also provides valuable insight into how business processes are really running. Connecting data can help your company make process improvements and better business decisions, with comprehensive assessment of the current situation.

Consider IoT as a smart platform. With a quick win under your belt and the system in place, you are ready to extend its use to a variety of departments and areas of the business, including connected devices. Each new application and use case can be built quickly and with minimal effort. Be strategic and selective. Don’t try to tackle everything at once.

With a **start small, build incrementally** approach, you can achieve business value quickly. As IoT technology matures up the Slope of Enlightenment to the Plateau of Productivity, your company will already be positioned to add on to your existing capability, giving you significant competitive advantage over those who fear the Trough of Disillusionment.

A free on-line resource for discussion, advice, and resources for innovation leaders to maximize the value of product development, PLM and innovation initiatives.