Number of Swiss companies with Industry 4.0 solutions has doubled

- In the manufacturing sector, 46% of companies believe that Industry 4.0 offers huge opportunities
- High investment requirement is the main obstacle for implementation – the lack of qualified experts is less of a problem than in Germany
- Swiss companies treat IT security with the utmost importance

ZURICH, 8 FEBRUARY 2018 – The networked and therefore efficient production of goods – otherwise known as “Industry 4.0” – is gaining in importance with regard to the competitiveness of companies in the consumer goods, electrical engineering, automotive manufacturing and mechanical engineering sectors. According to a study conducted by consultancy firm EY of more than 650 companies in Switzerland (103) and Germany (557), Swiss companies attach greater importance to new business models based on Industry 4.0 than German companies do. In Switzerland, 46% of the companies surveyed are convinced of the potential of a digitalized industry, while this figure sits at 41% in Germany.

The efforts do not come without a price, however. The high investment requirement is considered the major obstacle to implementation by 65% of Swiss companies, whereas this figure is slightly lower in Germany with 59%. The lack of qualified personnel is not slowing down the implementation of Industry 4.0 in Switzerland (47%) as much as it is in Germany (57%). “One reason for this is Switzerland’s attractiveness as an employment location,” says Christian Schibler, Partner and Sector Head for Industry at EY in Switzerland.

Five percent lower costs
Considering the high initial investment costs and the tight job market for IT and industry experts, it is good news that 45% of the Swiss companies surveyed are already using Industry 4.0 solutions. “Not only can this optimize production processes, it can also reduce production costs by an average of 5.2%,” adds Schibler.
**Increasing importance going forward**

According to the study, Industry 4.0 will continue to gain in importance. For example, almost 90% of the Swiss companies surveyed said that the strategic importance of this approach will increase in their companies over the next five years. Companies have said that not only will this approach enable greater flexibility in production processes, it will also mean more efficient utilization of production systems. Increased automation can lead to even shorter response times, which is an important competitive factor.

Swiss companies want to invest accordingly. Currently, an average of 4.9% of the annual revenue is invested in Industry 4.0. One third of the Swiss companies surveyed said that this level of investment will increase by more than 5% in 2018. These investments are mainly in employees (40%) as well as software systems and concepts (37%). Of the companies surveyed, 93% stated that IT security is a key success factor for Industry 4.0.

**Reflection of Swiss innovative strength**

Compared with Germany, the value of Industry 4.0 for developing new and innovative business models was rated higher in Switzerland (25% compared to 20%). “While Germany leads the way with Industry 4.0 in all areas relating to production processes, Swiss companies are focusing on the development of new business models that have the potential to bring disruptive changes to entire markets. This is another sign of the considerable innovative strength and increasing adaptability of the Swiss economy,” Schibler says.
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