News from the Field

2025 Market & Industry Forum—27 March 2025

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News from the Field
PLM Market & Industry Forum
A CIMdata Leadership Event

27 March 2025—Ann Arbor, Michigan USA

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#PLM4um

www.CIMdata.com

CIMdata Defining What Comes Next in Digital Transformation

Strategic management consulting for competitive advantage in global markets

The leading independent authority on PLM and its digital transformation. We provide research, education, and strategic consulting to clients around the world.

OUR MISSION:
Maximizing clients' ability to design, acquire, deliver, and support innovative products and services.

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Key Takeaways

News from the Field

- Sales engagements vary widely throughout the industry
- There continues to be a significant gap in technology knowledge & specific implementation enhancement & adoption
- PLM expansion projects commonplace in mature regions & industries
- Emerging economies getting into PLM as their markets mature
- Pressure on aerospace & defense contractors in multiple regions
- Product complexity & compliance driving many PLM initiatives
- Most PLM solution provider ecosystems failing to fully deliver

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Discussion Topics

- CIMdata's Field Involvement Defined
- What's Working/What's Not Working
- Field Insight by Region
- Key Drivers by Industry
- Building a Competitive Ecosystem
- Concluding Remarks

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Our Contribution

CIMdata

We facilitate and energize the global digital ecosystem

CIMdata sits at the critical intersection of the digital ecosystem, helping define & implement what's next

We address challenges & identify opportunities for both solution providers and industrial organizations

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Helping Clients Understand PLM's Critical Role

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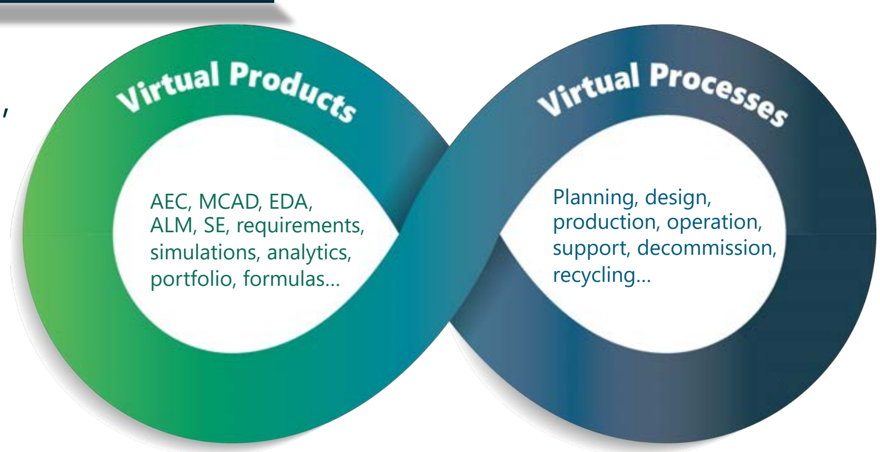
Spans the full lifecycle: from concept through launch and beyond

PLM is the collaborative creation, use, management, and dissemination of product-related ***intellectual assets***



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Transformation Methodology

Services for industrial organizations to enable digitalization of their product lifecycles

Supporting growth & evolution of enterprises across a wide range of industries in their pursuit of digitalization

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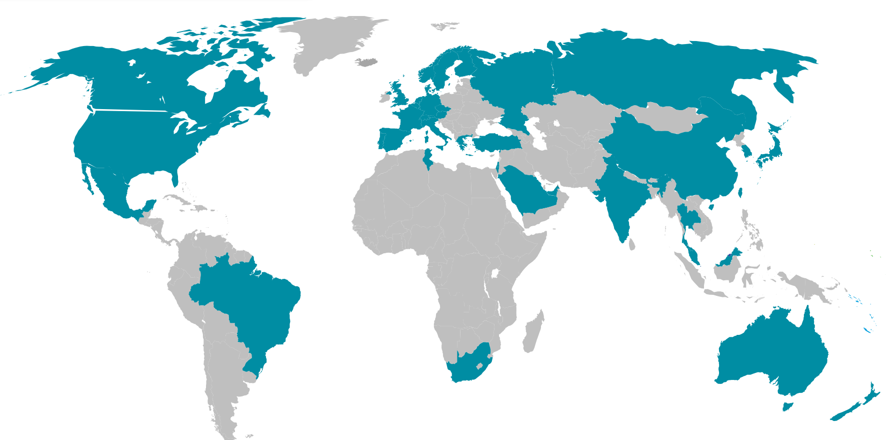
Global Knowledge & Relationships

Diverse, deep experience across industry verticals…delivered on six continents!

Clients & offices in the Americas, EMEA, and Asia-Pacific



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What's Working

Comments based on interactions with many of your field personnel

- Introduction/expanded emphasis on AI has caught peoples' attention
- Organizations that have well-defined RFP response processes and responsibilities are performing better than average
- Organizations who have already participated in a CIMdata-supported evaluation process generally perform better than average
- Organizations that have training/education programs or have taken advantage of 3rd-party programs (e.g., CIMdata's) perform better
- Digital transformation messaging is driving invest in various aspects of product lifecycle enablement

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CIMdata Foresight Poll

What do you think are your company's biggest problems in the field?

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What's Not Working

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Comments based on interactions with many of your field personnel (1 of 3)

- Not getting the right experts involved
  - E.g., you aren't going to show well if you don't have the right experts involved at the right time—mutual investment might be required
- Listening and reading skills need enhancements
  - E.g., ill-prepared RFP & Benchmark teams
- Assumptions are often taken too far
  - E.g., thinking that your client's problem is the same as one of their competitors
- Not adjusting demonstrations to fit the client's issues and/or industry
  - E.g., not enough time spent or not listening—hard to tell

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What's Not Working

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Comments based on interactions with many of your field personnel (2 of 3)

- Partnerships appear to be forgotten—it appears that the wrong measurements are in place or the wrong partnerships
  - E.g., When asked if a partnership would be better at x, answer is almost always…we can build that
- Refusing to respond to reasonable requests
  - E.g., we tell our clients that this is best support you are going to get
- Trying to control the client's process
  - E.g., we always stress fairness and thoroughness—it is an education process
- Selling the A team but giving them the B team isn't working
  - E.g., it doesn't take too long for a smart client to see through this

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What's Not Working

Comments based on interactions with many of your field personnel (3 of 3)

- More leverage of previous evaluation responses required
  - E.g., In many cases it appears that past responses are not being built upon
- Often too focused on technology and not enough focus on adoption
  - E.g., while organizational change (OCM) is mentioned, limited OCM knowledge and/or limited PLM knowledge exists
- Still a disconnect between technical skills & business application knowledge
  - E.g., Solution can be demonstrated, but business value presentations are few and far between

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Field Insight By Region

Not all regions are the same—maturity level and needs vary (1 of 2)

- Asia & the Pacific
  - China head-wind for non-China based solution providers
  - Japan & Korea still offer significant opportunities well beyond PDM
  - India becoming the new China—growing in multiple dimensions
  - Southeast Asia production growth potentially leading to engineering growth (e.g., Vietnam)
- Europe
  - Central Europe, UK & Scandinavia still strong with additional opportunities
  - Eastern Europe emerging as engineering & production grow
  - Sustainability an important topic throughout

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Field Insight By Region

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Not all regions are the same—maturity level and needs vary (2 of 2)

- Middle East & Central Asia
  - Most economies singularly focused—obvious need to diversify
  - Many economies weak and not much engineering, let alone production
- Americas
  - U.S. market continues to be a major growth driver, but economic uncertainty currently exists
  - M&A driving major CAx & PDM harmonization programs
  - Most have PDM, and even CAx data mgt.—PLM opportunities are significant
  - Smart & connected, and increased complexity driving new investments
  - South America still a question mark

Key Driver By Industry—Discrete

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Not all industries are the same—maturity level and needs vary (1 of 2)

- Aerospace & Defense
  - Defining & building digital threads/twins
  - Solution harmonization throughout company consolidations
  - Europe – re-arming & sizable open positions, US – sizable open positions
- Transportation/Auto
  - True systems of systems design & optimization
- General Fabrication & Assembly
  - Increased complexity & configurability

Key Driver By Industry—Discrete

Not all industries are the same—maturity level and needs vary (2 of 2)

- High-Tech Electronics
  - Speed to market with increased software content
- Medical Device
  - Increased cost & regulatory pressure
- Ship Building
  - Increased complexity & configurability

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Key Driver By Industry—Process

Not all industries are the same—maturity level and needs vary

- Consumer Packaged Goods (including hybrid)
  - Speed to market with increase complexity & regulatory pressure
- Food & Beverage (including hybrid)
  - Increase complexity & regulatory pressure
- Pharmaceutical
  - Speed to market with increased regulatory & pricing pressure
- Oil & Gas
  - Need to be greener & diversify

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Key Driver By Industry—Other

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Not all industries are the same—maturity level and needs vary

- Retail
  - Own brand development & management
- Academia
  - Increased configurability & compliance
- Research Institutes
  - Increased complexity & data management needs
- Insurance
  - Increased product configurability & compliance
- Banking
  - Increased product configurability & compliance

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CIMdata Foresight Poll

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What do you see as the main drivers & challenges facing your clients today?

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Remember: Customers Don't Buy Products

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"What customers buy and consider value is never a product. It is always utility, that is, what a product or a service does for the customer." – *Peter F. Drucker*

Value Selling has become **paramount** for technology providers	In an increasingly constrained environment, and faced with an abundant product offering, the **business outcome of a commercial proposal** is **essential and differentiating** for the customer. Selling a product - a technology for a price - is no longer enough.
Value Selling requires a **different sales engagement** process than product selling	Value selling is a complex sales process that profoundly changes **the nature of the customer relationship** and involves **many players with different profiles and cultures**. Culture, organization and sales process are key to success.

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Technologies Serve Business Strategies

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WHY → **WHAT** → **HOW**

WHY
- **Define strategy**
- **Define target**
- **Define Roadmap**
- **Build Business case**

WHAT
- **Analyze Markets**
- **Issue RFP/RFQ**
- **Select solutions**
- **Update Business case**

HOW
- **Detailed design**
- **Build**
- **Deploy**
- **Govern**

← **Various players involved** →

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Solution Provider Ecosystem

*Consultants, Integrators & Solution Providers as Business Value Partners **

WHY
Status, Target, Business Case

WHAT
Extended Solution Definition & Selection

HOW
Implementation + Adoption

23 *a limited set of sample companies

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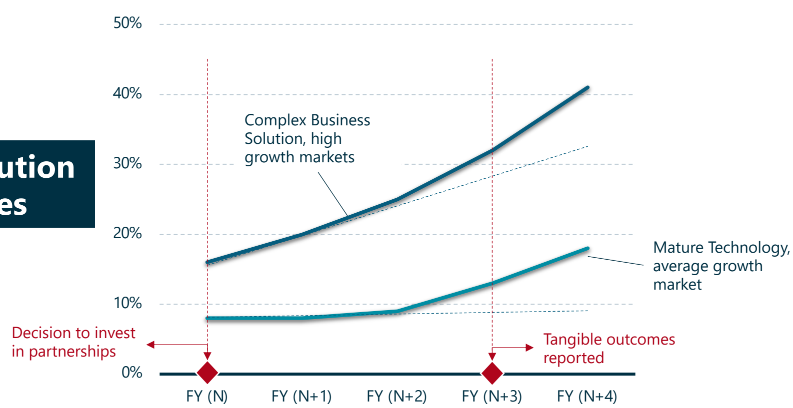
Strategic Partnerships Generate Value

Strategic Partnerships with C, SIs, and CSIs **take time** – Don't expect **tangible** results before 3 years. **Strategic intent is required.**

CSIs Contribution to Direct Sales



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Concluding Remarks

News from the Field

- Sales engagements vary widely throughout the industry …professionalism varies widely, but digital trans. messaging is working
- There is a significant gap in technology knowledge & specific implementation enhancement & adoption…a bridge is required
- Pressure on aerospace & defense contractors in multiple regions …especially Europe
- Product complexity & compliance driving many PLM initiatives
- Most PLM solution provider ecosystems failing to fully deliver…you must build & cultivate your partner ecosystem

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Questions & Answers

What's on your mind?

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