Proving AI's Value in Industrials

In 2025, AI's value in the industrials sector will be defined by its ability to discreetly boost productivity. From frontline enablement to optimised operations, AI complements human labour, providing insights and efficiencies that transform the way work is done. In markets with a mixed growth outlook, opportunities to drive value creation through commercial and operational efficiencies are increasingly taking priority, positioning AI as a driver of margin expansion.

The industrial sector faces challenges such as data fragmentation, cost pressures and labour shortages. AI can help by delivering insights that reduce labour hours, improve operational precision and optimise decision-making. For example, AI tools equip field sales and service teams with better preparation for customer/ site visits, preventative maintenance capabilities and task automation – enhancing productivity and reducing downtime. AI is also being deployed to codify deep domain expertise for scalable technical support and training.

Although AI is often associated with significant increases in energy consumption, it is also enhancing grid efficiencies. Digital twins and edge-based automation are enabling real-time monitoring and predictive analytics, improving both energy efficiency and reliability in industrial operations.

Beyond operational gains, AI optimises commercial levers by enhancing customer targeting through richer data assets and smarter management. This can inform tailored strategies for retention and growth, delivering value across the customer lifecycle.

2025 is the year for industrial leaders to bridge the AI Delta, closing the gap between ambition and execution. This requires investment in robust data systems, advanced AI tools and a focus on ROI to ensure they remain competitive, improving efficiency while laying the foundation for long-term growth.

In focus: How AI adds value in industrials

1 **Commercial optimisation:** AI tools are enabling better targeting of customer segments and enhancing proposition across the customer lifecycle through smarter installed base management.

2 **Optimised operational efficiency:** AI minimises resource waste by improving material and energy use. It also enables predictive maintenance, synthesising asset data to reduce callouts, minimise downtime and improve equipment uptime. For route-based services, these efficiencies are key to profitability.

3 **Frontline enablement and streamlined administration:** AI democratises knowledge and provides real-time insights to optimise tasks, reducing labour hours and ensuring sales and service teams are well-prepared. Routine administrative tasks are automated, improving data quality and freeing resources for higher-value activities.
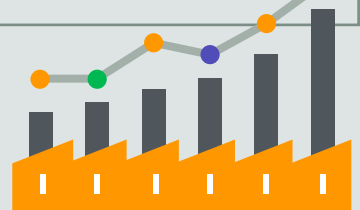
67% of industrial executives plan to increase investment in AI for frontline enablement

Companies adopting AI for predictive maintenance see **25-30%** reductions in unplanned downtime

The industrial AI market is projected to grow by **20%** annually through 2030

Source: L.E.K. research and analysis

Want to find out more?

Contact us to discover how AI can unlock operational efficiency and enhance decision-making in the industrials sector. From strategic insights to practical solutions, we help clients overcome challenges to achieve measurable results. Explore our Look Forward series to learn why 2025 is the year AI transforms industries.

Explore the Look Forward series