

How to get a return on investment in IoT: Case studies of successful businesses



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Ignitec

We are an award winning product design consultancy, we design connected products and instruments for pioneering technology companies.

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Reading time 10 mins

Key Points

- IoT solutions can increase business opportunities, improve efficiency, reduce operating costs, improve safety, and enable personalised services to improve customer/employee experiences.
- Ensuring a return on investment (ROI) in IoT solutions for business or product development requires planning, a commitment to user-centred design (regardless of whether users are employees or customers), and strategic execution.
- Case studies from Ignitec's business experiences and other successful IoT-based startups highlight that tangible returns are possible.
- Key steps and strategies to consider include: setting clear objectives, choosing the right solution, effectively analysing data to drive informed decision-making, and prioritising safety and security.
- Companies that choose IoT solutions customised to suit their needs and adopt them early on can gain a competitive edge and ROI sooner.
- There's no one-size-fits-all solution. Get advice from experts who can help customise and implement solutions optimally.

**Implement IoT solutions that improve efficiency and reduce costs -
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Last updated Oct 19, 2023

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In today's technology-driven landscape, businesses must find ways to stay competitive and improve their bottom line. One powerful tool at their disposal is the Internet of Things (IoT). [IoT design solutions](#) offer many benefits, such as better business opportunities, increased efficiency, data-driven decision-making, and improved customer experiences. However, to get a tangible return on investment in IoT, companies must choose the right solution and implement it strategically to reap the rewards.

In this blog, we'll list the key steps and strategies to help ensure you'll get a return on your investment (ROI) in IoT. We'll also highlight case studies from startups that became established companies due to IoT solutions they innovated or implemented.

Case Study #1: At Ignitec, IoT and the products we've successfully developed due to its capabilities have been game-changing. However, the returns, rewards, and awards we've received didn't come automatically: they required careful planning, a commitment to [user-centred design](#), and strategic execution. If you're keen to incorporate IoT into your next product design – or to improve your business workflow – and want to ensure you get a return on your investment, contact us for a quote or free consultation.

Suggested services

Comprehensive IoT Design Services

User Centred Design - Your Path to Business Transformation

Rapid Technology Integration Service

Benefits of investing in IoT

If you already have a strategy for moving your company forward, the specifics of modern solutions and the benefits of a specific technology might be obscure. [Investing in an IoT ecosystem](#) will allow you to diversify your revenue streams and offer engaging prospects that you might not have thought of before.

- Business opportunities: Technologies such as remote monitoring, asset tracking, and 'smart' innovation projects allow companies to gain a better market positioning and launch new products.
- Cost reduction and efficiency: Getting real-time data from devices helps companies rebalance their overheads and reduce service or operational costs.
- Safety: Real-time monitoring allows for quicker emergency responses (e.g. security breaches or supply-chain delays).
- Personalisation: Data gathered from IoT devices can generate personalised customer services and experiences.

Key strategies to maximise ROI from IoT solutions

1. Set clear objectives

Before diving into IoT implementation, defining clear, specific objectives is essential. What do you aim to achieve with your IoT solution? Whether improving operational efficiency, reducing maintenance

costs, enhancing customer experiences, or generating new revenue streams, having well-defined goals will guide your implementation strategy and ROI measurement.

2. Choose the right IoT solution

Selecting the appropriate IoT solution is critical to success. Evaluate various platforms and technologies to determine which aligns best with your business needs. Consider factors like scalability, compatibility with existing systems, and ease of technology integration. The right IoT solution will set the stage for ROI.

Case Study #2: [Helium](#) created a blockchain-based IoT network that allows devices to communicate and transmit data over long distances. The company's decentralised approach offers cost-effective and scalable IoT connectivity solutions.

3. Data Analytics and insights

IoT generates vast amounts of data. Leveraging this data effectively is where the real ROI potential lies. Invest in robust data analytics tools and talent to turn raw data into actionable insights. Analysing data can uncover trends, anomalies, and opportunities to improve operations, decision-making, and new product development.

Case Study #3: [c3.ai](#) offers an enterprise AI and IoT platform for various industries and has been adopted by companies such as Shell and the US Air Force. The company focuses on helping organisations harness the power of data analytics, resulting in improved decision-making, efficiency, and a potentially high ROI.

4. Security and privacy

IoT devices are potential entry points for cyber threats. A security breach can lead to significant financial losses and damage your brand's reputation. Prioritise IoT security and privacy from the beginning. Implement encryption, regular updates, and access control measures to safeguard your IoT ecosystem.

5. Scalability

IoT is not a one-off investment; it's a long-term strategy. Ensure your IoT infrastructure is scalable to adapt to future growth and changing business needs. A scalable IoT solution will continue to deliver ROI as your business expands.

6. Cost control

While investing in IoT, it's crucial to manage costs effectively. Focus on a cost-benefit analysis that considers both initial expenses and long-term maintenance. Optimise IoT investments by choosing the

most cost-effective devices, networks, and analytics platforms.

Case Study #4: [Ubig](#) offers an IoT platform focused on energy management and sustainability. Their solutions help organisations monitor and reduce energy consumption, which can result in cost savings and a high ROI.

7. User Training and engagement

To get the most out of your IoT solution, ensure your team is well-trained and fully engaged. A lack of understanding or reluctance to embrace new technology can hinder ROI. Provide ongoing training and encourage staff to use IoT data for decision-making actively.

8. Measuring and monitoring

Implement Key Performance Indicators (KPIs) and regularly assess your IoT solution's performance against your objectives. Tracking ROI is an ongoing process. Be prepared to adjust your strategy based on the insights gained from monitoring.

9. Adapt and innovate

The IoT landscape is constantly evolving. Stay informed about emerging technologies and trends to continue getting ROI from your IoT investments. Be prepared to adapt and innovate to maintain a competitive edge.

Harness the potential and return on investment in IoT

IoT solutions hold great potential for businesses across various industries. Whether you're looking to implement IoT to improve business workflow or incorporate it into new product design and development, these technologies provide straightforward returns on investment.

However, there isn't a one-size-fits-all solution for everyone. Your investment is unlikely to provide tangible returns if you don't have a clear strategy and well-defined objectives. A consultation with an expert on our team is free and will provide valuable insights into the solution that best serves your needs and budget. Better still, partnering with us to build a bespoke solution will save time and money in the long run - helping you retain a competitive advantage and stay on the cutting edge!

Comparing IoT platforms: A comprehensive guide for decision-makers

5 Green IoT innovations championing sustainability

5 essential tips for successful IoT product design

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FAQ's

Why is IoT important for businesses seeking a return on investment?

IoT is vital for businesses because it allows them to gather real-time data, optimise operations, and make data-driven decisions, which can result in significant returns on investment.

How can I measure the return on investment in IoT?

You can measure ROI in IoT by tracking key performance indicators (KPIs) aligned with your objectives, such as cost reduction, efficiency improvements, or revenue growth, and analysing data regularly to assess your progress.

What are the potential cost-saving benefits of IoT implementation for businesses?

IoT can help businesses save costs by reducing maintenance expenses, improving energy efficiency, and optimising supply chain operations.

When should a company start investing in IoT for the best return on investment?

The timing of IoT investment should align with your business goals, but early adoption often allows you to gain a competitive edge and realise returns sooner.

Which industries can benefit the most from IoT in terms of ROI?

Industries like manufacturing, healthcare, and transportation have seen significant ROI from IoT due to its ability to enhance processes, reduce downtime, and improve asset utilisation.

What challenges may businesses face when trying to achieve ROI in IoT?

Challenges include data security, scalability, and the need for skilled personnel to analyse data and maintain the IoT ecosystem.

How can data analytics contribute to a higher return on investment in IoT?

Data analytics helps by turning raw IoT data into actionable insights, enabling businesses to make informed decisions that enhance ROI.

What are the potential risks associated with IoT implementations affecting ROI?

Potential risks include cybersecurity threats, data privacy concerns, and the initial capital investment required.

Why should companies prioritise employee training and engagement in IoT initiatives for better ROI?

Training and engagement are crucial because a knowledgeable and engaged workforce is more likely to effectively use IoT data, contributing to higher returns.

How does scalability impact the long-term return on investment for IoT solutions?

Scalability ensures your IoT solution can adapt to your business's growth and changing needs, extending its ROI over the long term.

What are the primary benefits of using IoT for predictive maintenance regarding ROI?

Predictive maintenance minimises downtime, reduces repair costs, and extends the lifespan of assets, leading to substantial ROI.

Why is choosing the right IoT solution essential to maximise return on investment?

Selecting the right IoT solution ensures compatibility, integration, and efficiency, creating a solid foundation for achieving ROI.

How can businesses ensure a positive return on investment in IoT through efficient cost control?

Cost control involves careful planning and assessment to optimise investments and reduce unnecessary expenses in IoT implementations.

What are some examples of successful companies that have achieved a strong return on investment through IoT?

Companies like Amazon, GE, and Siemens have successfully implemented IoT to optimise operations and achieve significant ROI.

What role does data analysis play in improving return on investment in IoT for healthcare applications?

Data analysis in healthcare IoT helps in remote patient monitoring, reducing healthcare costs and improving patient outcomes, resulting in ROI.

Why is ongoing monitoring crucial for assessing and enhancing return on investment in IoT?

Ongoing monitoring allows you to track your IoT solution's performance, identify areas for improvement, and make adjustments to maximise ROI.

How can a lack of security impact the return on investment in IoT implementations?

Inadequate security can lead to data breaches, financial losses, and damage to a company's reputation, hindering ROI.

How can businesses keep up with evolving IoT trends to maintain a strong return on investment?

Staying informed about emerging technologies and trends is essential to adapt and innovate continuously for sustained ROI in IoT.

Who should be involved in the decision-making process for implementing IoT to achieve a successful return on investment?

Key stakeholders, including executives, IT professionals, and data analysts, should be involved in decision-making to ensure alignment with business goals and maximise ROI.

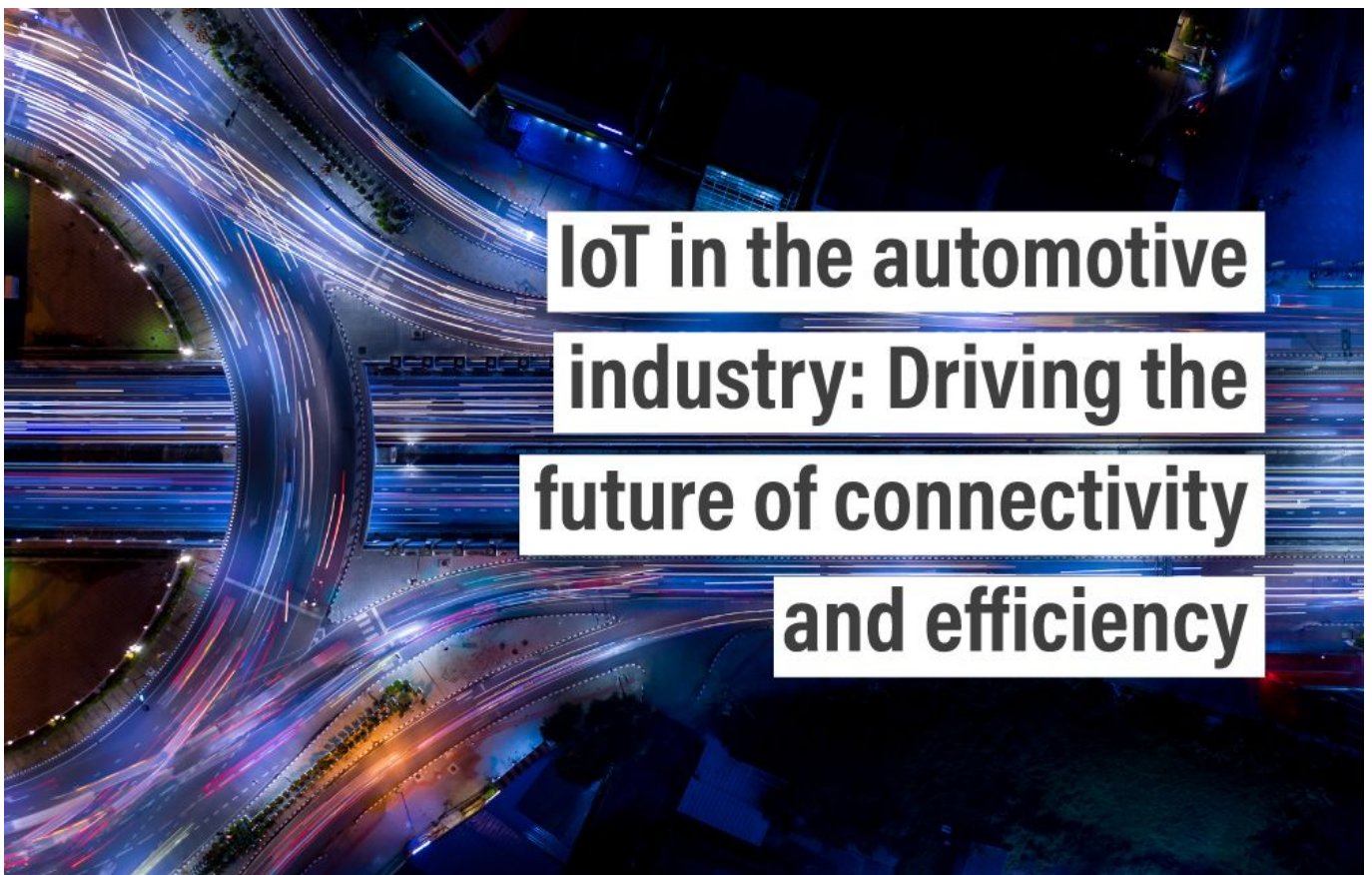
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