

AI and design thinking will have a profound impact on technology hardware production

PRIORITISATION AND PRECISION

Makers of consumer technology products are no strangers to innovation, but the pressures are relentless to use data-driven insights to become more agile, efficient and responsive to evolving customer preferences and behaviours. Producers plan to leverage emergent technologies—especially artificial intelligence (AI)—and design thinking to achieve leaps in the way products are made. The Economist Intelligence Unit conducted a survey, sponsored by HONOR*, of 325 technology hardware executives across China, Germany, Japan, South Korea and the US for their insights into these trends.



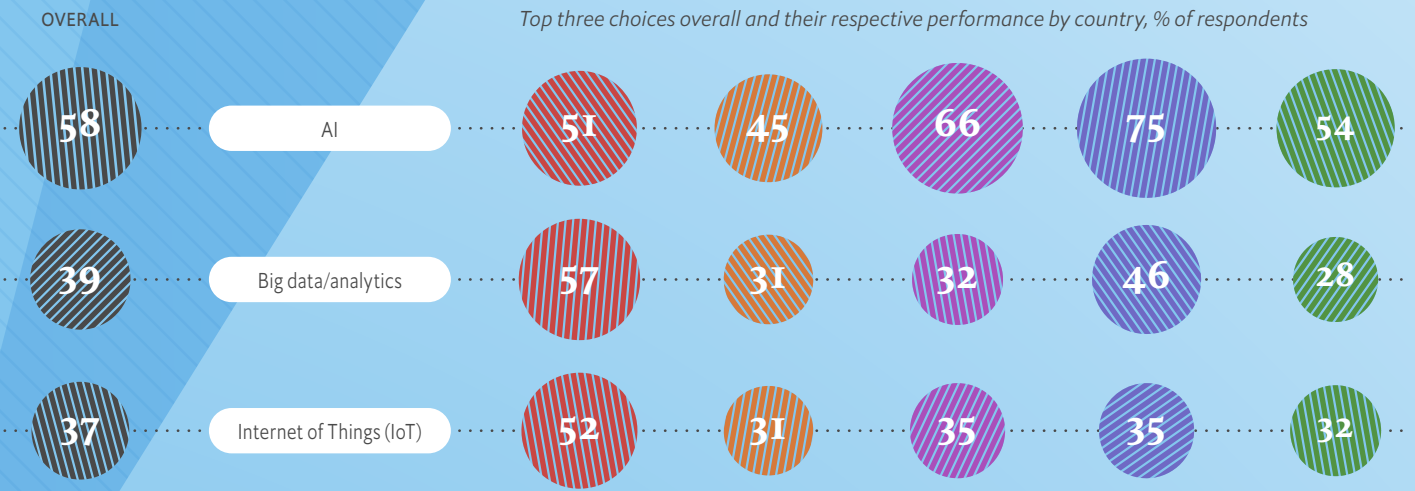
High hopes for AI

AI will build on other innovations to change hardware production, say technology-sector executives.



Technologies most important to supply-chain innovation in the next five years

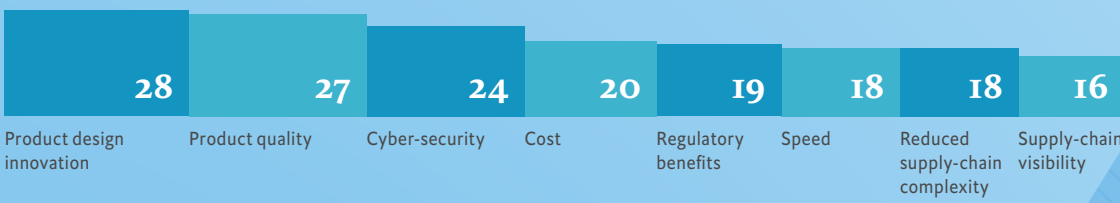
Top three choices overall and their respective performance by country, % of respondents



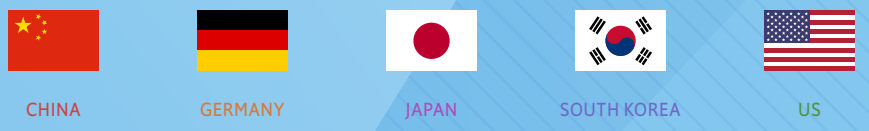
AI's foremost benefit: better product design

Elements of the supply chain most likely to benefit from advancements in AI

% of respondents

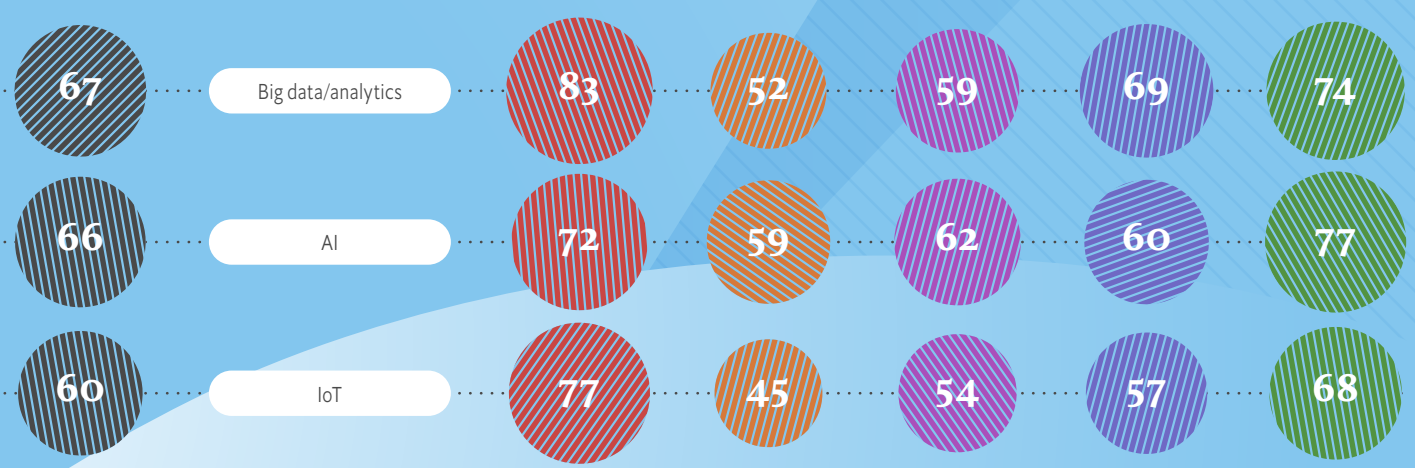


Experts believe AI will help producers automate the prioritisation of customer design preferences. It will also facilitate supply-chain segmentation, making production more flexible and efficient.



Will the following technologies greatly facilitate the manufacture of products with new and innovative designs?

% of respondents agreeing, top three choices overall and their respective performance by country

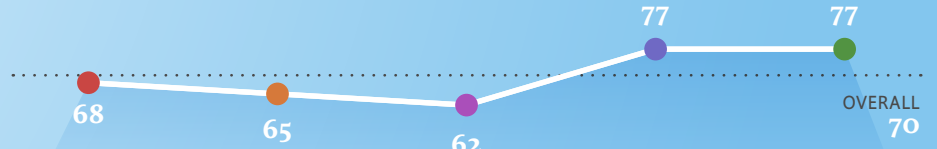


Flexible production, flexible products

AI will also bring advances in materials science. It offers, for example, the promise of vastly accelerating the discovery of new metals compounds used in phones and other devices.

Will new innovations in materials science make flexible smartphones ubiquitous by 2020?

% of respondents agreeing, overall and by country

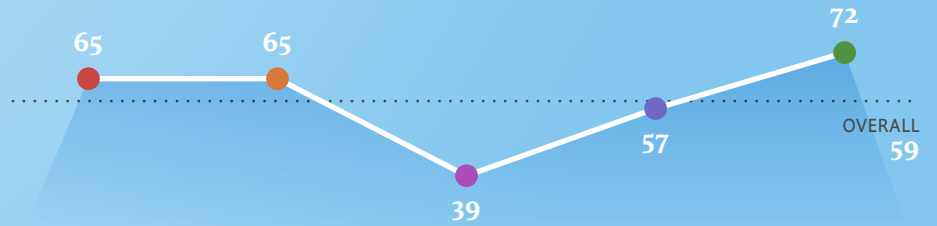


Intelligence in design

Design thinking—which puts the user at the centre of product development—will benefit from the growing use of AI and other technologies that deliver and act on sophisticated insights from data.

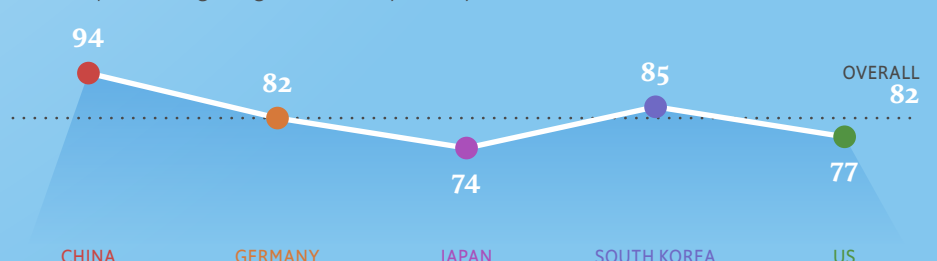
How important is the development of new products in the marketplace to how your company's supply chain operates?

% of respondents saying "very important", overall and by country



Is design thinking growing in importance in the technology hardware industry?

% of respondents agreeing, overall and by country



* HONOR is a global smartphone e-brand under the Huawei Group

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