

Innovation drives Iveco Group's vehicles

Digital factory launched
to drive growth



New-era operations

The commercial vehicle sector is accelerating into an era where humans and intelligent machines collaborate for unparalleled business outcomes. Companies with the ability to build innovative customer-centered digital products and services will spearhead this digital frontier. To gear itself for participation in this new era, Iveco Group—a global automotive leader active in the commercial and specialty vehicles, powertrain and related financial services arenas—wanted to establish a digital services factory to help it advance and differentiate its offerings, and drive competitiveness.

For companies in this segment, the shift from products to services is critical. Today's fleet managers need more than a quality vehicle—they need solutions that help them enhance sustainability (e.g., by managing down fuel emissions), improve total cost of ownership and support driver safety. Iveco Group knew that broadening its product portfolio to include digital services for these and other challenges would help it grow topline revenue, reach more customers and achieve the company's sustainability ambitions. But pivoting to digital services requires industrial businesses like Iveco Group to adopt new business models.

Developing digital services at scale demands a business operating model that facilitates collaboration between human and machine, and the supply chain ecosystem. Iveco Group wanted to develop a solid digital factory-driven operating model with skilled talent and leading-edge technology to advance the development of the connected products and services that could add value for its customers. It also wanted to enhance digital enablement of its workforce, putting in place the systems, processes and data required to drive a new level of customer engagement, sales and service delivery over the lifetime of its products.

“Delivering at speed to quickly satisfy fast-evolving market needs is one of the top priorities in the corporate agenda,” says **Fabrizio Conicella, Global Head of Digital and Advanced Technologies, Iveco Group**. “The introduction of a new way of working to power the digital factory is a crucial step to meet client expectations in terms of increased safety and better monitoring of total cost of ownership. It also facilitates a new and urgent integration with supply chain stakeholders.”

Enhancing Iveco Group's operations would require building up an operating ecosystem of talent, partners and suppliers. Iveco Group decided to work with Accenture to develop and manage a model that would set it up for future growth.

Enhancing Iveco Group's operations would require creating an expansive operating ecosystem of talent, partners and suppliers. Iveco Group partnered with Accenture to build and manage a model that would set it up for future growth.

When tech meets human ingenuity

A digital factory at scale

Iveco Group and Accenture are working together on a five-year initiative to enhance the company's digital capabilities, develop smart connected products and services, and reshape its operations. The digital factory will leverage the creative energy, advanced technologies and industry expertise of Accenture's Industry X Innovation Network of centers to grow Iveco Group's innovative industry skills and technology.

A skilled talent pool of more than 250 people collaborate within these centers to rapidly boost Iveco Group's innovative digital services. They ideate, design, build, test and scale the new products and services using advanced analytics, artificial intelligence (AI), the Internet of Things (IoT) and cloud computing. They help maximize the value and impact of cloud technology and shorten the innovation timeline, using an established agile way of working that allows Iveco Group to rapidly bring new products to market and continue to evolve them to meet customer needs and expectations.

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For instance, the digital factory has developed a portal with algorithms to optimize fuel consumption that helps truck drivers reduce emissions and keep costs under control.

Another example is the evolution of integrated in-cab voice activation technology that helps improve safety related to driver monitoring, requests for roadside assistance and other services. Future digital services will address global logistics, using delivery vehicle location technologies, geographic information systems and data inputs (e.g., weather, traffic) from ecosystem partners. Future services will also address changing vehicle technology requirements as the energy transition advances, such as solutions to monitor vehicle battery consumption.

Accenture is also partnering with Iveco Group to ensure its workforce has the skills required to fully leverage the benefits of its new digital service model. The team started a buddy system for Iveco Group and Accenture team members to pair up and explore new ways of working and improving customer value.

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FABIO RICCIATO

ICT Head of Customer Journey and Digital Architecture, Iveco Group



Accenture dovetails with broader Iveco Group goals by delivering against a 360-degree value framework that targets value creation at strategic levels, taking a holistic approach to sustainability, financial benefits and talent organization.



A valuable difference

Speed, scale and critical skills

The digital factory has contributed to the growth of Iveco Group’s innovation skills, technology and processes to design, develop and deliver new digital solutions and services to its customers. As it continues to ramp up, the speed and scale of digital service development and delivery will help Iveco Group rapidly meet new customer demands, creating new commercial opportunities and unlocking further growth.

“In an industry well known for its complexity, innovation becomes critical,” says Fabio Ricciato, ICT Head of Customer Journey and Digital Architecture, Iveco Group. “We have the ambition to simplify our clients’ lives by making drivers safer and vehicles more sustainable. We started a radical technology transformation that required a new approach to our way of working. Through the introduction of a DevSecOps framework, Iveco Group aims to speed up digital delivery and significantly reduce time-to-market by keeping products innovative, reliable and secure.”

Data insights are also presenting critical views on how Iveco Group customers use the vehicles and

services, giving the company a better understanding of its customers’ journeys and evolving needs so it can refine its offerings to improve quality and loyalty. Cloud technology has been instrumental in helping Iveco Group improve flexibility and reduce costs.

People-focused programs are helping Iveco Group develop hard-to-find digital skills and new ways of working across the company’s global workforce. These programs are also driving adoption of new processes, advanced technologies and agile work methods—all of which are improving customer value delivery.

By combining the new digital services with the company’s historical product-based business model, Iveco Group is well positioned for success as it moves into the new era.

With these changes, the company is reaffirming its commitment to customer centricity, partnerships with like-minded organizations, and sustainability.

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