



IDC Research Shows 77% of Mining Companies Worldwide Are Just Embarking on their Digital Transformation Journey

Innovation, Ecosystems & Platforms: Can Mining Companies Transform to Realize the Value in the Data?

SINGAPORE, November 24, 2016 – IDC Energy Insights announced today the release of a new report assessing maturity and progress of mining organizations worldwide with regards to their Digital Transformation (DX) initiatives. The report highlights that as a whole, the mining industry is at a nascent stage of digital transformation, with 77% of mining companies worldwide just at the initial stages of IDC's five stage maturity journey. The report also shows that the other 21% of mining companies are already organized and consistent in their DX initiatives, bringing repeatable and managed success in being DX-enabled.

These extremes present the reality that companies that are just surviving digitally must face an aggressive imperative to break down the walls between DX and mining operations to thrive and flourish.

"Mining companies are at the edge of a transformation precipice – all trying to work out how to jump to the other side. The drive to create competitive differentiation through operational excellence, visibility and agility will fuel this transformation that will change the operational and commercial structures within mining before it is finished," says [Emilie Ditton](#), Research Director, IDC Energy Insights.

Core to this transformation is the ability of mining companies to utilise and extract value from data; in the form of knowledge, insight and action. Across all core functional activities – supply chain, planning and scheduling, maintenance, operations and trading, mining companies have no choice but to reassess the relationship between operations, technology, process, people and data. At the core, the transformation that is taking place is the transformation of how decision making takes place.

The transformation that mining companies will need to undertake is a business transformation - one that is enabled and driven by technology capabilities and innovation. Capabilities across IDC's third platform – cloud, mobility, analytics and social – and the innovation accelerators of IoT, robotics, cognitive processing, and security particularly will shift

the value that can be created through the integration of IT and operations, creating the foundation and connections for the flow data across and between processes.

IDC Energy Insights expects that as mining companies progress along their journey of innovation and technology investment that has begun, the business case for the integration and what it means for processes and workflows will transform, even beyond what is anticipated now.

“Third-platform technology accelerators – for example the ability to process data at scale and to enable operations with platforms embedded within process - will shift the reality of what a mining operation can be. We will see a shift in the business case for the integration between IT and operations and the technology foundation that is required to enable it,” says [Emilie Ditton](#), Research Director, IDC Energy Insights.

The integration of IT and operational technology across software, systems, governance and organisation is a critical part of the transformation that mining companies will need to undertake. IDC Energy Insights’ survey of the IT/OT priorities of mining companies worldwide in January 2016 demonstrates that cloud, mobility and IoT are amongst the top priorities for technology investments of operational technology functions within mining companies globally. These survey results show also that priorities across cloud, edge computing and organisational change will be core drivers of the transformation agenda of mining companies.

“Mining companies are just at the beginning of their DX journey. Most mining companies do not think of it in these terms, rather in terms of operational excellence, digital mining and IT/OT convergence, but none the less it is a DX led transformation. Ultimately through enabling processes and workflow with data, platforms and innovation will reshape the industry as we know it.” says [Spashy Saxena](#), Senior Market Analyst, IDC Energy Insights.

For more information about the research or to purchase this report, please contact Emilie Ditton editton@idc.com. For media inquiries, please contact Tessa Rago trago@idc.com or Alvin Afuang aafuang@idc.com

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IDC MaturityScape Benchmark

IDC MaturityScape Benchmark report is designed for IT and business leaders and functional leaders and their teams who are responsible for the creation and delivery of business capabilities. By utilizing IDC benchmark data, IDC MaturityScape benchmark helps mining leaders assess their DX maturity level against industry benchmarks. To be viewed as a supplement to IDC MaturityScape: Digital Transformation in Mining (IDC # US40829817, July 2016), it provides a comprehensive overview of IDC’s digital transformation maturity scale enables mining companies to maturity against their peers, pinpoint which dimensions of an initiative peer organizations are more mature in, and identify the benefits organizations achieve as they move to more mature stages. This benchmark study was focused on major mining companies worldwide.

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For more information contact:

Sparshy Rajeev Saxena

srsaxena@idc.com

+612 9925 2221

Emilie Ditton

editton@idc.com

+612 9925 2211

Theresa Rago

trago@idc.com

+65 91593053

Alvin Afuang

aafuang@idc.com

+63917 7974596