

How digital transformation enables the energy transition

For enterprises engaged in digital transformation, focusing exclusively on process- or people-centric change without considering the major transitions occurring in energy and power is both risky and sub-optimal, leaving significant cost savings and business transformation gains on the table.

Based on a May 2022 survey of 1,001 enterprises, fielded by 451 Research, part of S&P Global Market Intelligence and Eaton.

1

Digital transformation is a business priority, but still in the early stages

While digital change has become a priority in boardrooms, it is an evolution still in its infancy requiring c-level buy-in, up-skilling of digital capabilities and the adoption of enabling digital technologies.

50%

of enterprises are not yet executing a digital transformation strategy

74%

say their digital skills are not strong and need to improve

74%

have adopted 'some' digital technologies, but not broadly across their organization

2

The energy transition is coming – if not already here

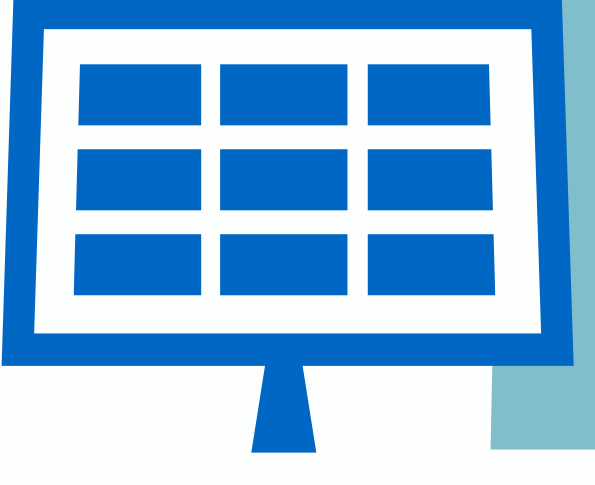
More than

77%

of enterprises anticipate changing their energy sources, and more than a quarter have plans underway.

Renewables like solar and wind are central to that transition.

Today:
25%
of top energy sources are renewables



Future:
53%
of top energy sources are renewables

3

Operational optimization + Energy transition → Digital transformation

Operational and business process goals tend to lead digital transformation efforts, but increasingly digital-savvy enterprises are embracing energy transition and power optimization aspirations as well.



4

What gets measured gets improved

To manage the energy transition and make power intelligence a critical enabler of digital transformation, enterprises must elevate the types of metrics they track and optimize.

Today, enterprises are most likely to measure:

38%
Electrical safety

51%
Total energy consumption

Baseline KPIs (simple)

Fewer enterprises track advanced power metrics:

24%
ESG scoring
Greenhouse gas emissions

34%
Power usage effectiveness

33%
Carbon offsets

Advanced KPIs (digitally-enabled)

5

A new digital toolkit is central to the energy transition and digital transformation journey

Digital leaders are aggressively adopting new technologies. But that's just the start. Legacy hardware is not being digitalized fast enough, while insight-delivering energy/power management platforms are deployed by just a third of enterprises, leaving significant and much-needed room for growth.

Digital technology adoption

73%

Cybersecurity

71%

Cloud/as-a-Service

42%

IoT sensors and platforms

33%

Digital thread/digital twin

27%

Energy/power management platforms

17%

Edge computing

11%

Connected/digitally-enabled legacy hardware/machine systems

Extended reality (XR) – metaverse, ie. augmented reality (AR)/virtual reality (VR)

Digital essential

Must-have mainstream

Energy/power-focused

On the rise

Niche today...

We make what matters work.*

* As the world gets more connected and more digital, the demand for energy and power grows. Our **Brightlayer** digital foundation helps you capture data from your assets and capitalize on insights to drive operational value. We call that intelligent power management. Our market-oriented software suites focus on unique industry challenges and needs, to help organizations realize a more safe, reliable, efficient and sustainable future. Because that's what really matters. And we're here to make sure it works.

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