Harnessing AI in industrials

From efficiency to revenue growth

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SIMON KUCHER
Unlocking better growth

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Our sole focus is on unlocking better growth, helping businesses across industries realize sustainable, profitable success. From pioneering pricing strategies to delivering complete commercial growth solutions, we create value, spark innovation, and deliver measurable impact.

40 Years

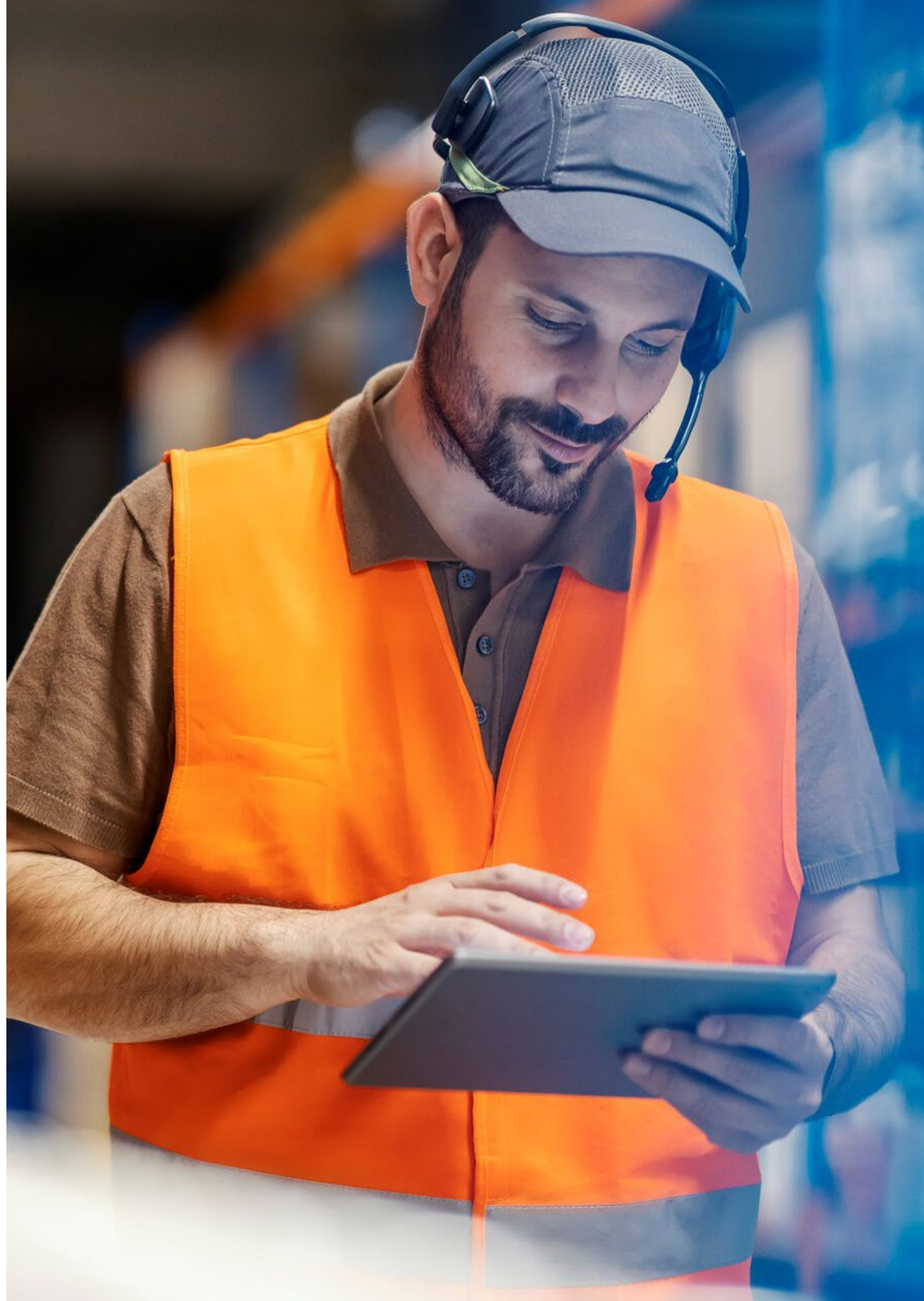
Unlocking Better Growth.

1. AI’s next frontier in industrials

Artificial Intelligence (AI) is rapidly transforming industrial operations, with many companies already leveraging AI for predictive maintenance, workflow automation, and supply chain optimization. But for forward-looking leaders, the next question is:

How and when will AI start driving topline growth?

Industrial decision-makers must take a structured approach to AI adoption, balancing efficiency gains with revenue impact, mitigating risk, and identifying the right AI applications to maximize return on investment (ROI). The key lies in understanding where AI creates real business value and where trust barriers still exist.



AI's total value potential by industry

AI's business impact isn't one-size-fits-all; its maximum value depends on the nature of decision-making in each industry.

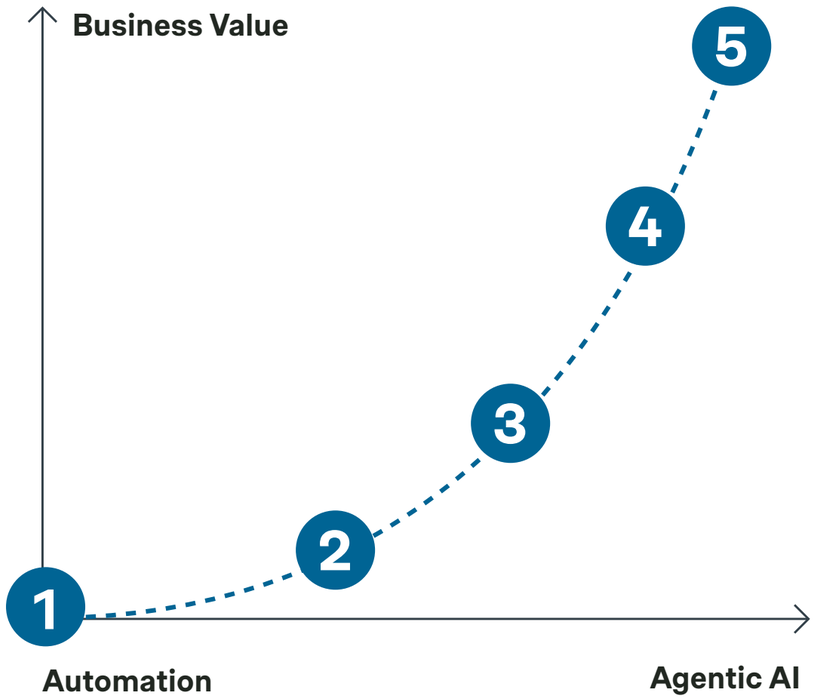
- Industries with high, repetitive decision volume (e.g., chemicals, logistics, manufacturing) see immediate gains in forecasting and automation.
- Industries with complex pricing models or customer interactions (e.g., machinery, components, industrial services) require a structured approach to AI trust-building before full adoption.

AI success beyond industrials

- **Retail:** AI-powered dynamic pricing has revolutionized online commerce, maximizing margins while responding to real-time demand.
- **Healthcare:** AI-driven diagnostics have improved early disease detection, enhancing patient outcomes and reducing costs.
- **Finance:** AI-led fraud detection models analyze millions of transactions in real-time to prevent fraudulent activities before they occur.

AI adoption isn't about technology alone - it's about identifying where AI creates real business value and the barriers to overcome.

2. The AI maturity curve: Understanding your AI readiness



Industrial AI adoption follows the **AI maturity curve**, moving through five stages:

1 **Automation:** AI streamlines rule-based, repetitive tasks, reducing manual effort and improving accuracy (e.g., AI-assisted quality control, invoice scanning).

2 **Machine learning:** AI analyzes patterns and predicts trends, providing insights to support decision-making, but humans remain the final decision-makers (e.g., predictive maintenance, demand forecasting).

3 **Human/AI hybrid:** AI collaborates with human decision-makers, executing predefined actions based on real-time analytics to optimize pricing, sales, and operations (e.g., AI-driven pricing recommendations).

4 **Generative AI:** AI generates new content, products, and insights from unstructured data, enhancing sales strategies, customer engagement, and business optimization (e.g., AI-powered service chatbot, product design).

5 **Agentic AI:** AI agents operate autonomously under a master AI model, managing complex business decisions in real time with minimal human oversight (e.g., AI-driven revenue management, workforce optimization).

The AI maturity curve shows what's possible. The next step is to assess what's right for your business. These questions help identify which stage best fits your long-term goals – process by process, task by task. It's not about reaching stage 5, but understanding the gap between where you are and where you want to be.

Cognitive lead How much focus is required by a human to do this task?	**None**	**Low**	**Med**	**Med**	**High**
Level of AI autonomy How willing is the business to allow AI to make decisions that can impact revenue?	**None**	**Low**	**Med**	**Med**	**High**
Creating something new How likely is the result to be novel or unplanned for?	**None**	**Low**	**Med**	**High**	**High**
Self-learning / self-healing How likely will the process need to adjust to new circumstances?	**None**	**Low**	**High**	**High**	**High**
	1 **Automation** (invoice scanning)	**2** **Machine learning** (demand forecasting)	**3** **Human/AI hybrid** (pricing recommendations)	**4** **Generative AI** (service chatbot)	**5** **Agentic AI** (workforce optimization)

Where does your business sit on the AI maturity curve? Take our short assessment to benchmark your AI adoption and unlock your next steps for growth.

Take the AI readiness assessment ⟶

3. Where AI is gaining traction - and where it's not

Currently, industrial leaders are comfortable using AI in areas where efficiency gains are tangible and measurable:

- Supply chain forecasting – AI optimizes inventory and logistics based on real-time demand.
- Predictive maintenance – AI reduces downtime and extends equipment lifespan.
- Process automation – AI-driven automation accelerates workflows and minimizes human error.

However, there's significant hesitation when it comes to commercial AI applications:

- Dynamic pricing – Many companies are wary of letting AI optimize complex B2B pricing models.
- Sales automation – AI-driven sales recommendations are still met with skepticism in high-stakes industrial negotiations.
- AI-led product development – Generative AI can optimize designs, but companies hesitate to trust AI in R&D decision-making.

Key insight

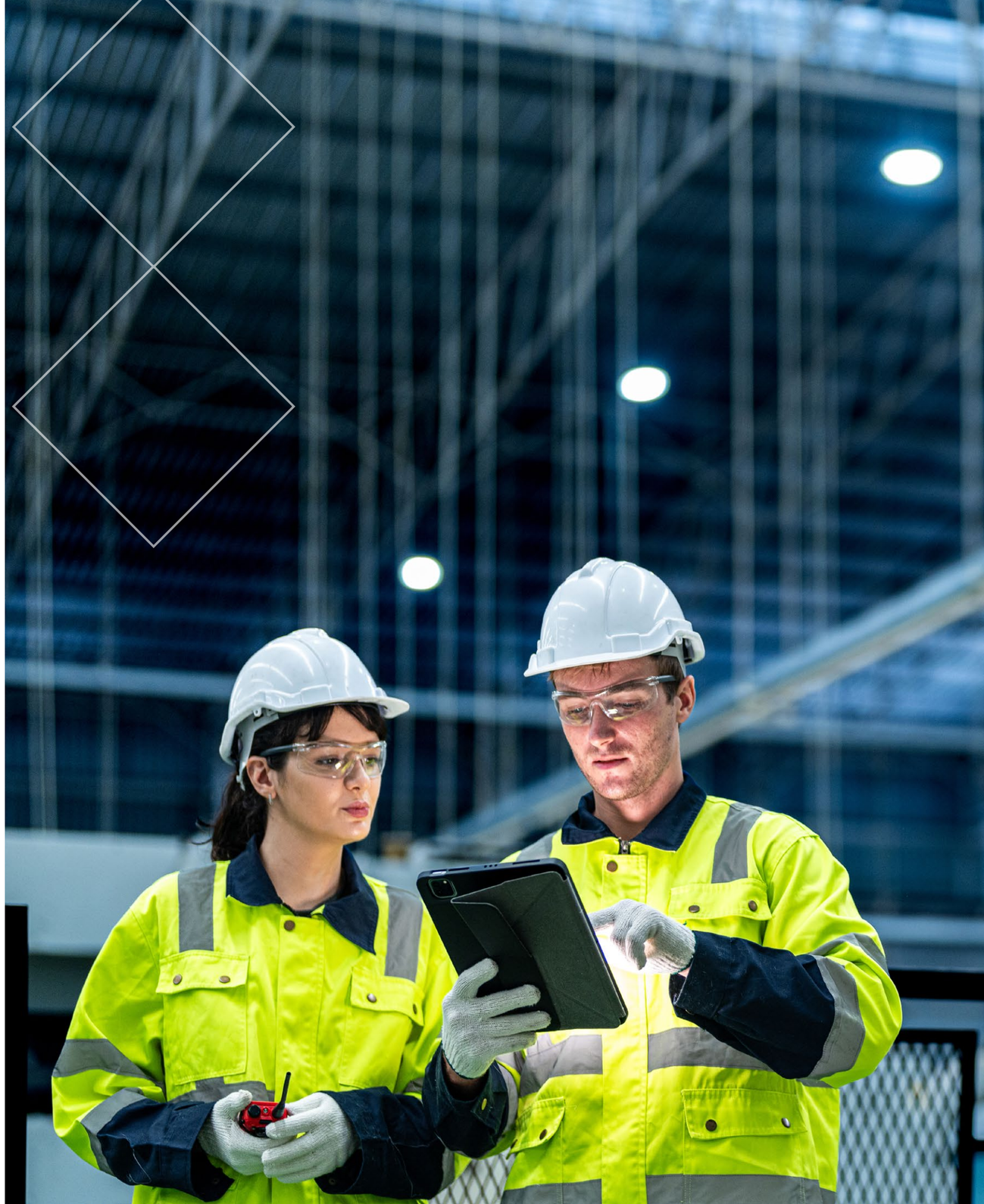
AI adoption is driven by risk appetite, with many companies still taking on a wait-and-see attitude. For tangible bottom-line gains, companies must determine where AI delivers the greatest value and where continuous human oversight remains essential.

4. The business case for AI: Cost savings vs. revenue growth

AI and efficiency

Most industrial companies begin their AI journey by focusing on cost reduction – and for good reason. AI-driven process optimization can deliver double-digit efficiency gains and are easier to implement, with lower risks. **But is that enough?** The next phase of AI adoption must focus on topline impact, using AI to:

- Optimize pricing in real-time to maximize margins.
- Automate key account management decisions through real time data collection and analysis for tailored sales strategies.
- Use AI-driven insights to inform new product and service innovations.



AI for profit

Fear of missing out (FOMO) vs. Risk of AI failure: Is now the right time for AI?
For every industrial leader considering AI investments, there's an internal debate:

FOMO

Will AI-driven competitors gain an irreversible edge?

vs.

Risk

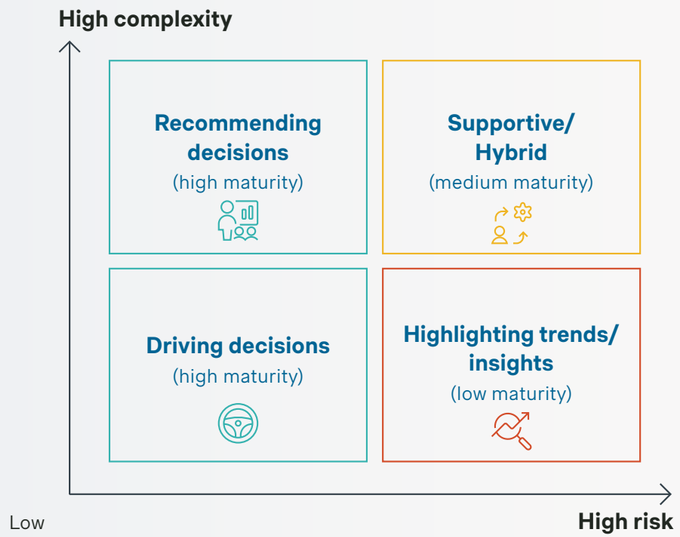
Will the AI investment pay off, or could it disrupt business models with unpredictable results?

The reality: Not all AI investments are equal. The industries that will see the biggest short-term upside from AI are those where:

- AI can predict, optimize, or automate high-value, repeatable decisions.
- Business processes already generate structured data that AI can use for learning.
- Human oversight slows down value creation, and AI can enhance speed-to-decision.

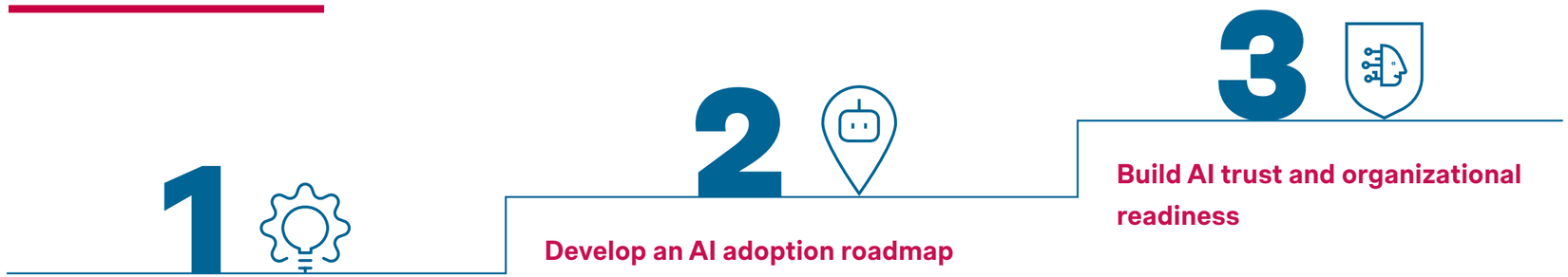
Where AI delivers the most value today is determined by decision complexity and risk appetite. For companies in high-complexity, high-risk industries, AI's role will remain supportive, rather than fully autonomous. But for companies in data-rich, decision-heavy industries, AI will be a competitive advantage that rapid adopters will exploit first.

Depending on your industry's complexity and risk profile, AI's potential role will differ:



Where does your company fit in this matrix?

5. How to build an AI roadmap in industrials



Identify where AI creates value

- Which tasks are repetitive, data-driven, and easy to automate?
- Where does AI have the highest potential to improve margins or revenue?

Develop an AI adoption roadmap

- **Phase 1:** Automate manual processes and adopt AI-driven operational efficiencies.
- **Phase 2:** Use Machine learning to enhance decision-making in pricing, supply chains, and forecasting.
- **Phase 3:** Implement AI-driven strategies to enhance revenue growth through smarter pricing, customer segmentation, and predictive sales.

Build AI trust and organizational readiness

- AI adoption must align with business culture, trust levels, and industry expectations.
- Companies must balance human oversight with AI-driven automation to accelerate adoption while ensuring trust.

Avoid this common AI trap

In the excitement of embracing AI and boosting efficiency and profit, companies often believe they need a complete tech overhaul. Or they conflate system upgrades with AI integration. The right AI and business partner can help you understand whether your business truly needs a full tech upgrade to apply AI effectively.

6. Simon-Kucher: Your AI growth partner

Simon-Kucher helps industrial companies develop AI strategies and tools that align with business goals and drive measurable impact today. Whether you're exploring AI for the first time or looking to scale its adoption, our experts can help you:

- Understand where AI can drive the highest ROI in your business.
- Align AI strategies with commercial and operational priorities.
- Navigate the transition from efficiency-driven AI to revenue-driving AI.

Contact us today to develop a value-driving AI strategy and unlock new levels of profit, efficiency, and growth.

About Simon-Kucher

Simon-Kucher is a global consultancy with more than 2,000 employees in 30+ countries. Our sole focus is on unlocking better growth that drives measurable revenue and profit for our clients. We achieve this by optimizing every lever of their commercial strategy – product, price, innovation, marketing, and sales – based on deep insights into what customers want and value. With 40 years of experience in monetization topics of all kinds, we are regarded as the world's leading pricing and growth specialist.

Simon-Kucher has deep roots in the industrials sector. We can help you optimize your B2B commercial strategy for better growth. From chemicals to construction, industrial goods to oil and gas, we are here to support you on your journey to sustainable, profitable growth. Rather than apply a one-size-fits-all approach, we work with you to create a solution tailored to your specific business needs and challenges.

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