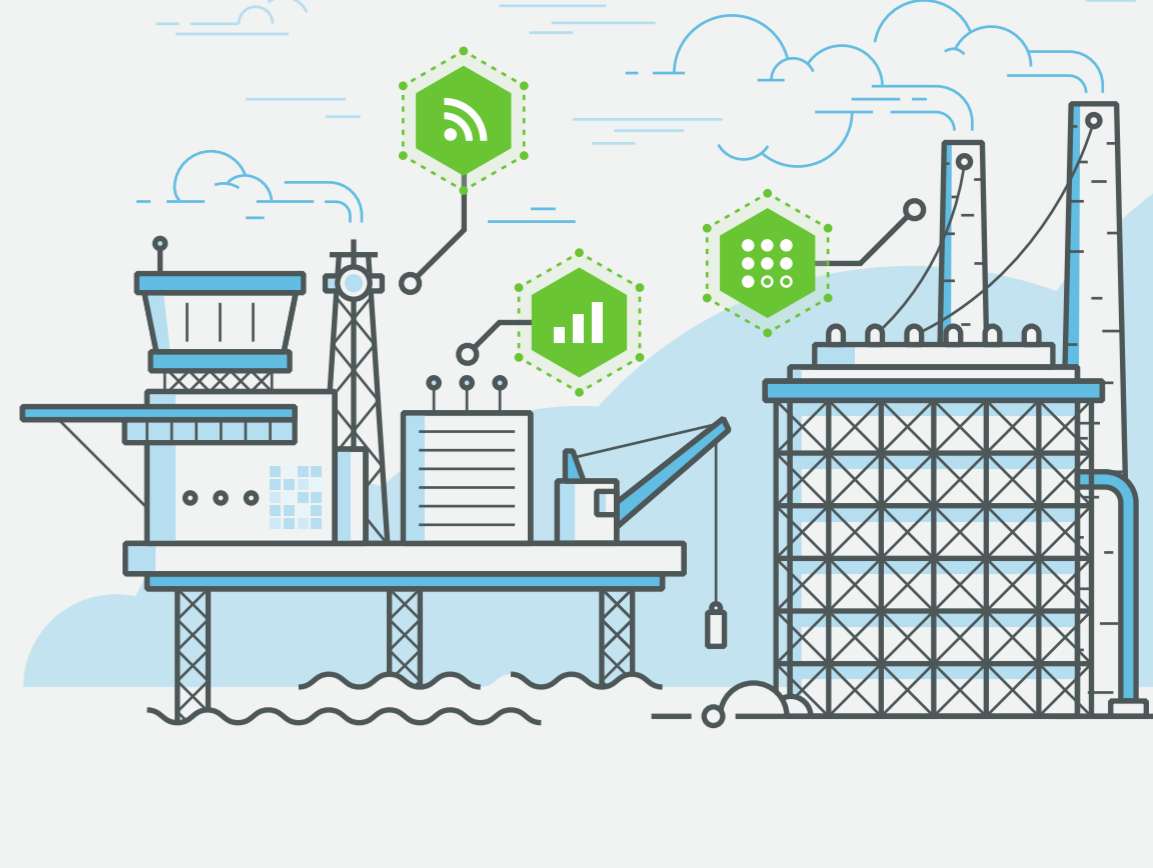


IIoT Impact on the Oil and Gas Industry

Environmental and mechanical influences can alter oil and gas processes—but the digital transformation of industrial environments through the Industrial Internet of Things (IIoT) helps companies connect critical assets, extract data, and keep businesses moving.



The Current State of IIoT Adoption in the Oil and Gas Industry

Based on present use, IIoT is already making a difference in many oil and gas environments:



89% currently have an IIoT solution in place

26% have used IIoT for 12 months or more

63% established their IIoT solution in the past 12 months

77% of adopters indicated their solutions are very or somewhat important for their company

10% plan to implement an IIoT solution this year

Solution implementation is based on business needs:

88% Cloud-based
Preferred method, likely due to ease of use and lower costs

13% On-premise

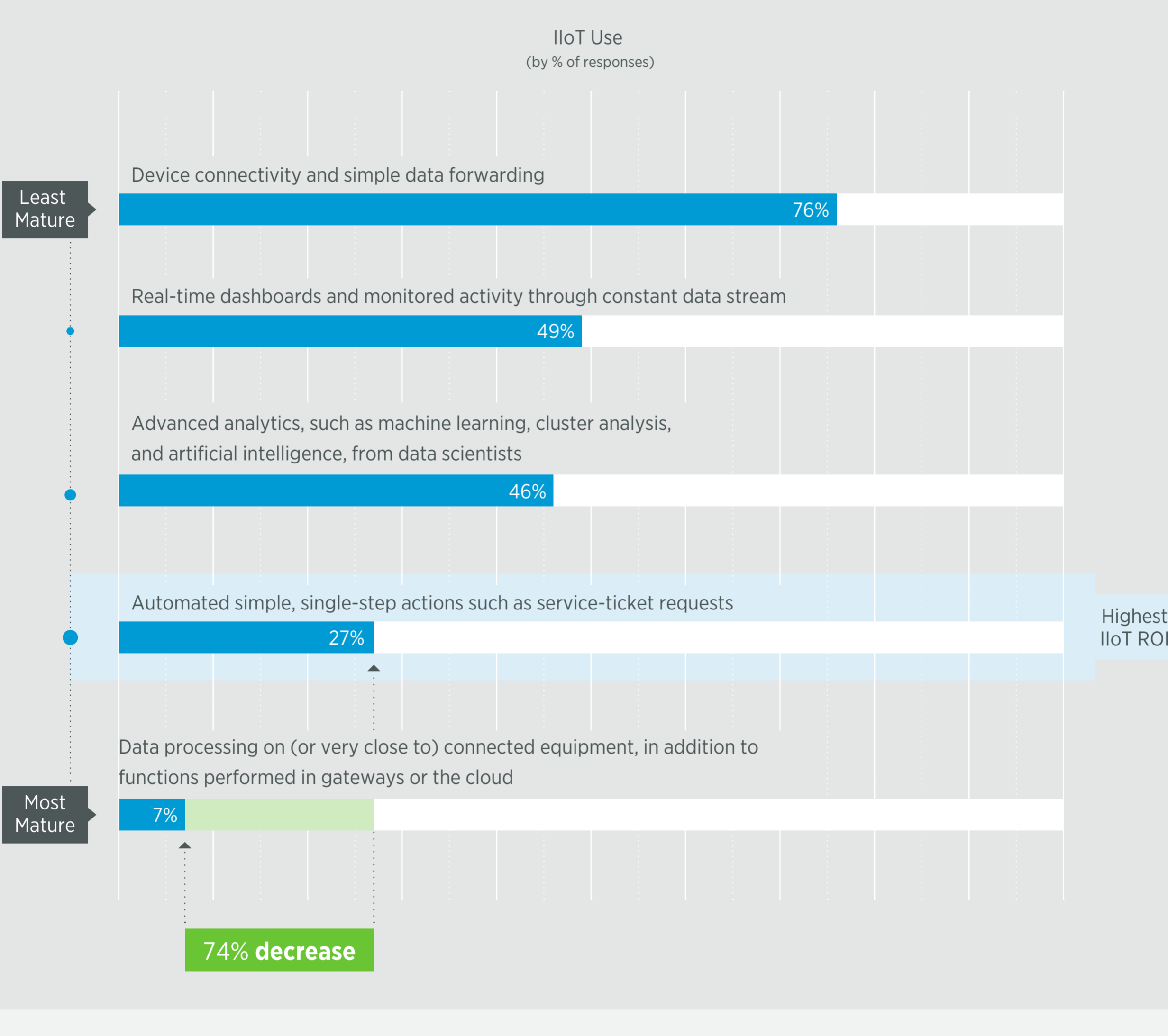
Evolution of the Oil and Gas Business Model: Room to Build on a Strong Foundation



The Bsquare Maturity Model identifies a framework for IIoT advancement and ROI realization in industrial environments.

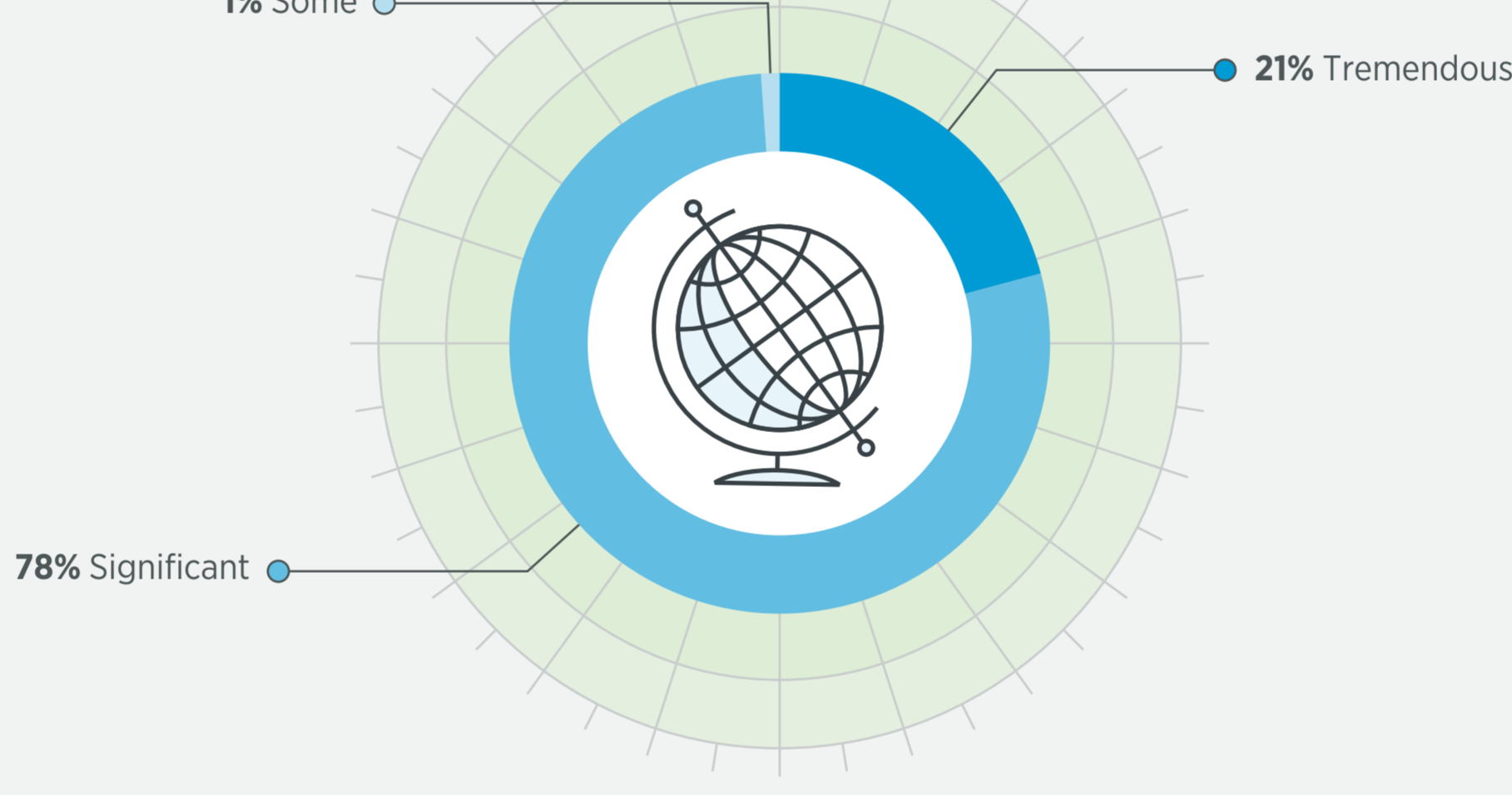
Here's how the oil and gas industry sits:

IIoT Maturity Model



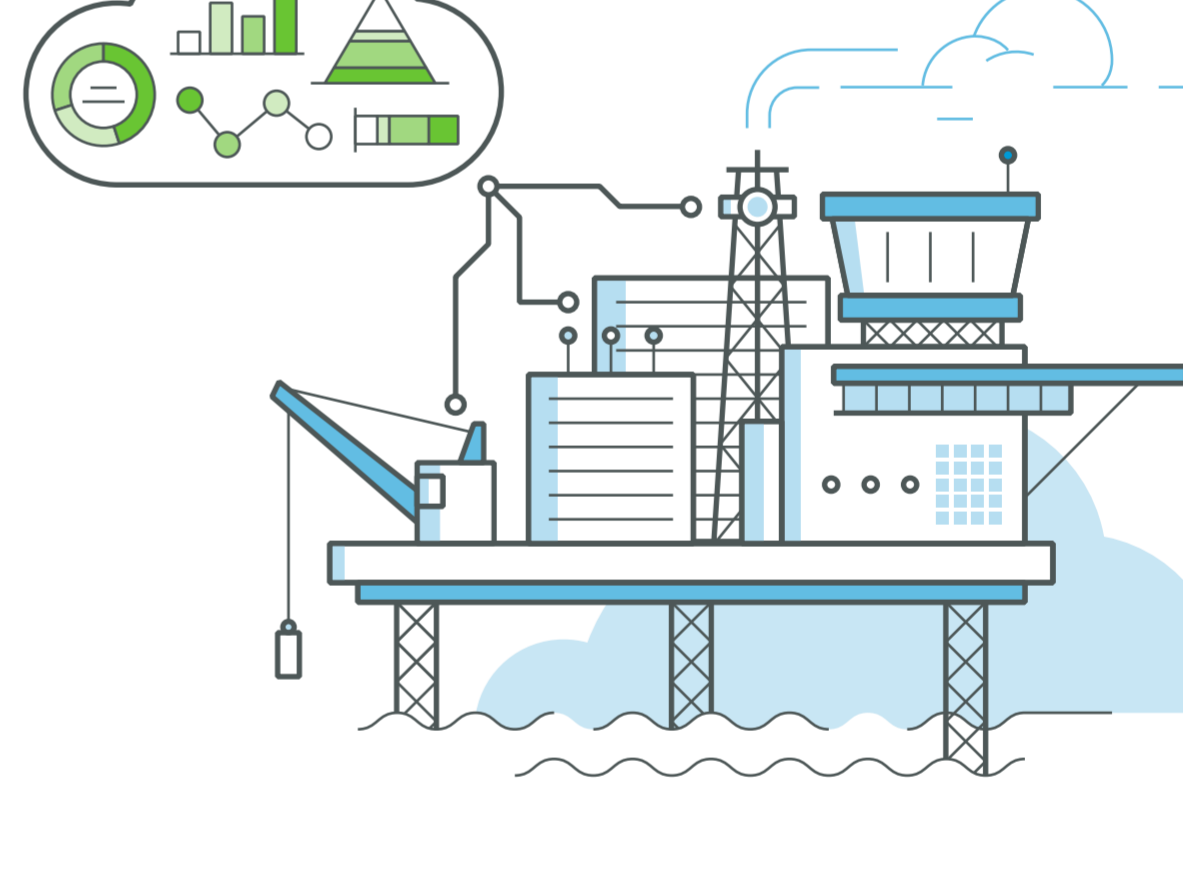
IIoT ROI shines once businesses apply advanced analytics and data processing techniques to identify correlations across all equipment. Based on this industry snapshot, oil and gas companies have significant opportunity to proliferate their IIoT capabilities and explore its potential.

Considered Industry Impact at a Global Level



Enhancing Operations Performance with IIoT

For the oil and gas industry, maintaining a widespread data network while generating significant amounts of information across sites is *changing* business operations.



Current adopters cite these top business challenges targeted by IIoT solutions:



95% Machine health, including predictive failure



76% Device connectivity



27% Automated actions

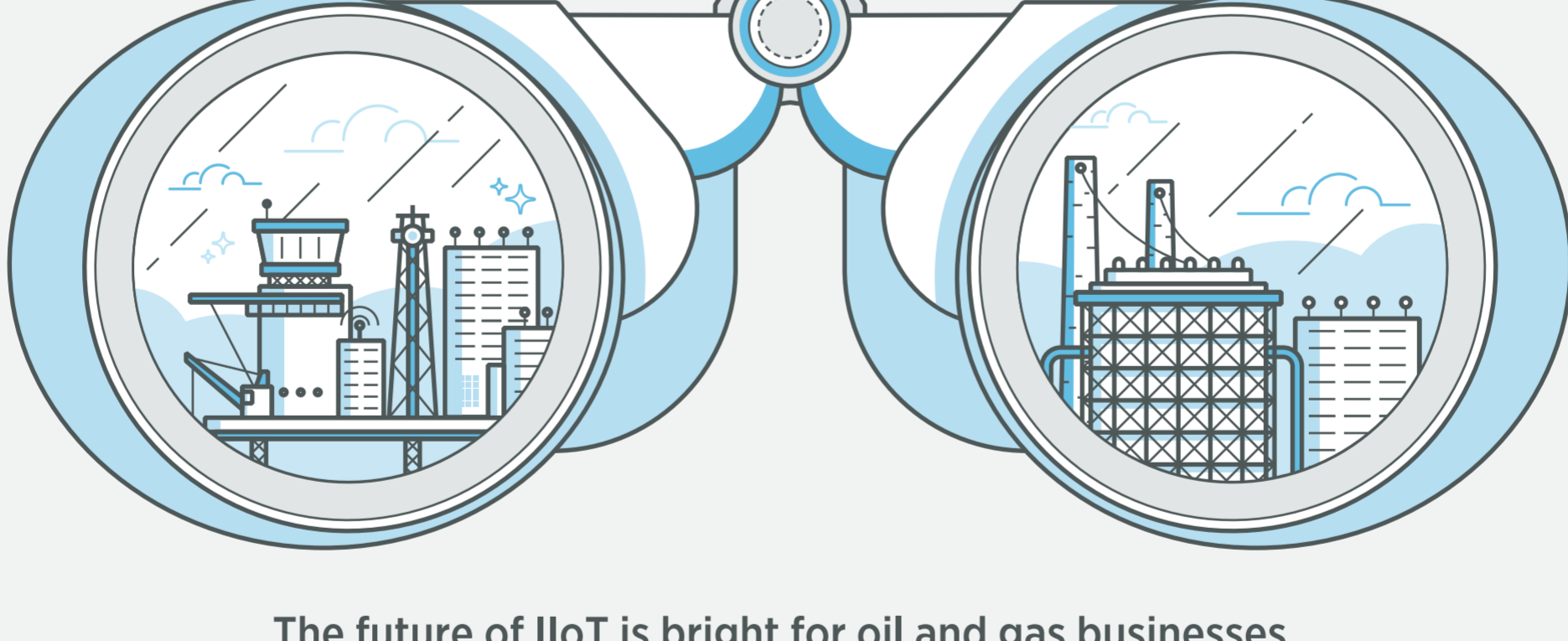
73% consider their IIoT solutions to be extremely/very effective

Organizational Performance Improvement:



- 13% Significant
- 73% A Fair Amount
- 14% A Little

Look to a Future of Digital Transformation



The future of IIoT is bright for oil and gas businesses.

In the next 12 months...



56% Investment will increase



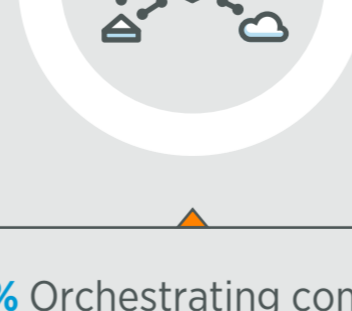
41% Investment will not change

71% of IIoT adopters have less than 50% of deployed devices IIoT-enabled

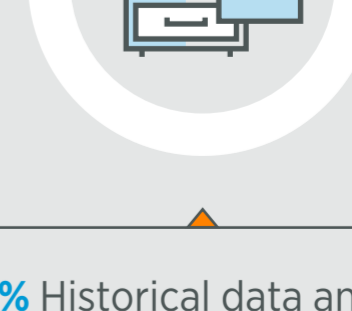
Business challenges next on the docket include:



71% Orchestrating single-step actions (such as service ticket requests)



24% Orchestrating complex actions across multiple systems (such as equipment to inventory)



24% Historical data analysis

Bsquare software solutions have been created to optimize business outcomes for diverse industries.

Download the Bsquare 2017 Annual IIoT Maturity Survey, and learn more at Bsquare.com.

All data is from the Bsquare 2017 Annual IIoT Maturity Survey, spanning Manufacturing, Transportation, and Oil and Gas industries. The online survey was conducted in the US between August 15, 2017, and September 1, 2017, and reached 310 respondents with functional operations responsibilities and roles of manager level or higher at companies with annual revenues of more than \$250 million for Transportation/Manufacturing and in excess of \$400 million for Oil and Gas.