

Technology in metals 2022 survey results

Industry insights
to bring people
to the center of
the metals digital
revolution.



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Bringing people to the center of digital transformation

For over a decade, we have asked executives across the metals industry about the technology investments they're utilizing to shape their future.

Our 2022 survey findings revealed that uncertainty in a post-pandemic world has led to an acceleration in technology investments. As a result, metals companies are looking to build a more sustainable future, and they're asking critical questions like:

- With supply chain uncertainty, how can technology deliver greater visibility and agility?
- Which technology is the best fit for our company when there are so many solutions available?
- How can technology help meet customers' needs and exceed their expectations?

While these are all important thoughts to consider, there is one question that has risen in importance for metals leaders:

How can we successfully adopt technology?

As we analyze data and trends at Crowe, we've learned a lot about how to support metals companies in deploying legacy-building technologies. This year's survey can give you the insights needed to maximize your technology investment and the confidence to bring people to the center of digital transformation.



Digital technology investments

The future is Metals 4.0. Are you ready?

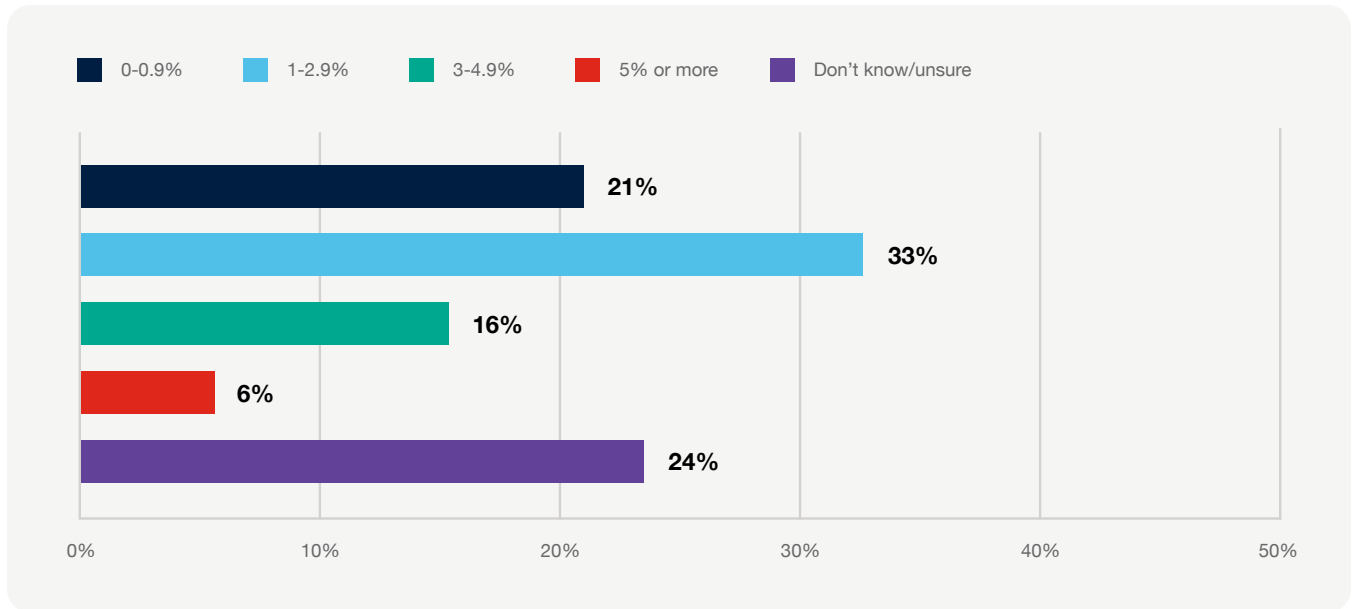
Industry 4.0 is here. Technologies such as cloud computing, artificial intelligence (AI), and machine learning (ML) create efficiencies, improve customer experience, and help cut costs for forward-thinking companies. At Crowe, we call this transformation of the industry Metals 4.0.

Metals companies that are looking to grow see Metals 4.0 investments as an absolute necessity to build a more sustainable future, predict where new opportunities will arise, and stay ahead of the competition.



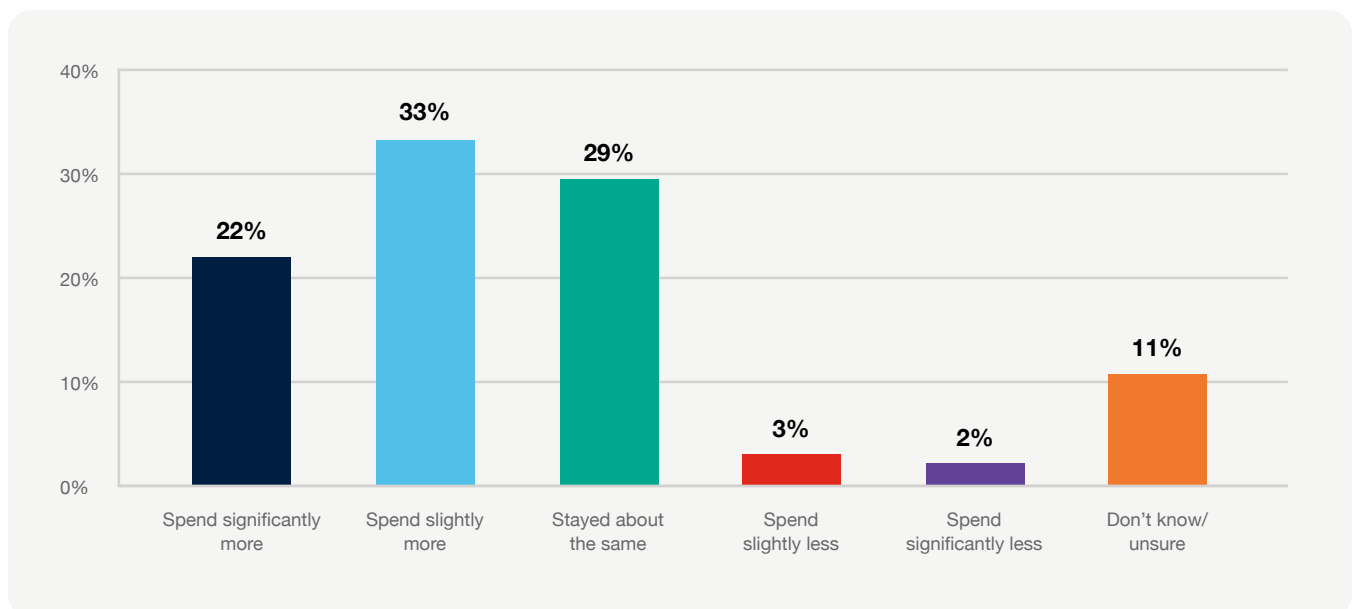
Question 1

What is your company's current investment in enterprise technology and digital solutions as a percentage of annual revenue?



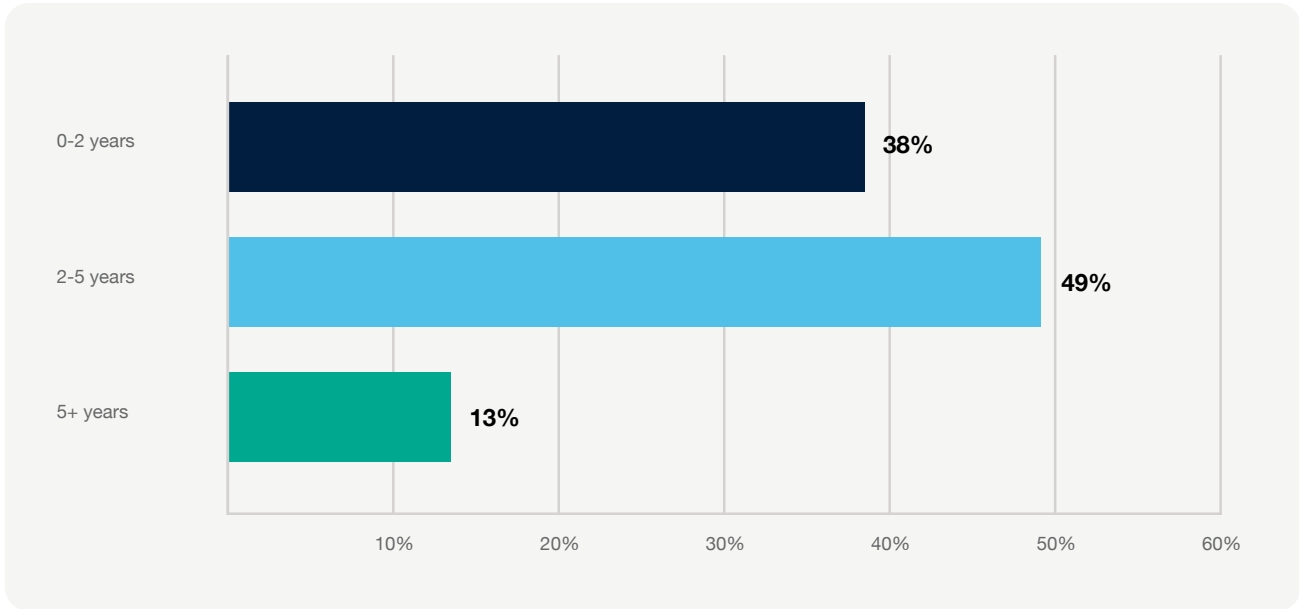
Question 2

How have you adjusted your technology and software investment spending plan for 2022 compared to 2021?



Question 3

When do you expect to see a return on your Industry 4.0 investments?



New challenges

Change is a painful barrier to success.

For several years we've noted that cybersecurity poses the most significant challenge for metals companies. This year, however, we saw a new challenge when it comes to barriers that hinder the success and growth of metals companies: **adoption uncertainty.**

It takes buy-in at multiple levels, including leadership and project participation, to collectively deliver a successful implementation and adoption of technology.

People must be at the center of a digital transformation road map.



**What are the biggest challenges your company is facing related to digital transformation and technology?
(Participants could select multiple responses)**

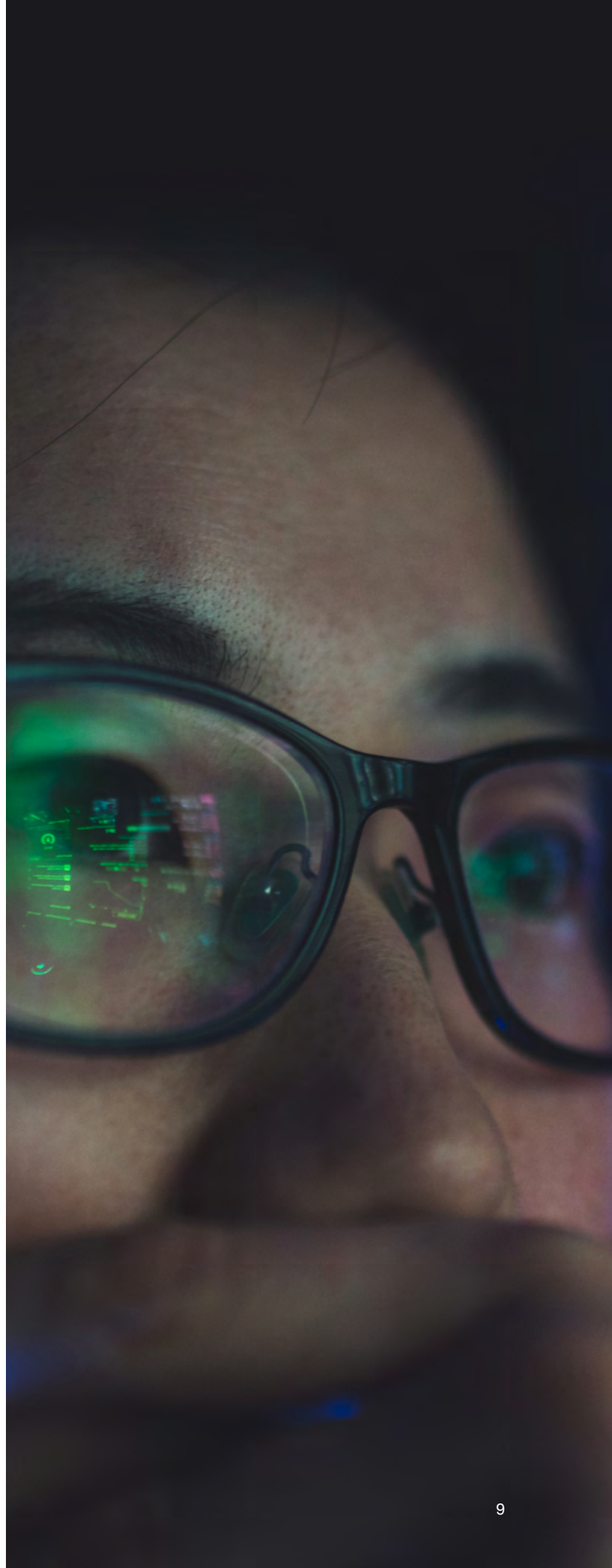
Metals companies used different words to describe their biggest challenges, but several key themes continued to emerge among the answers.



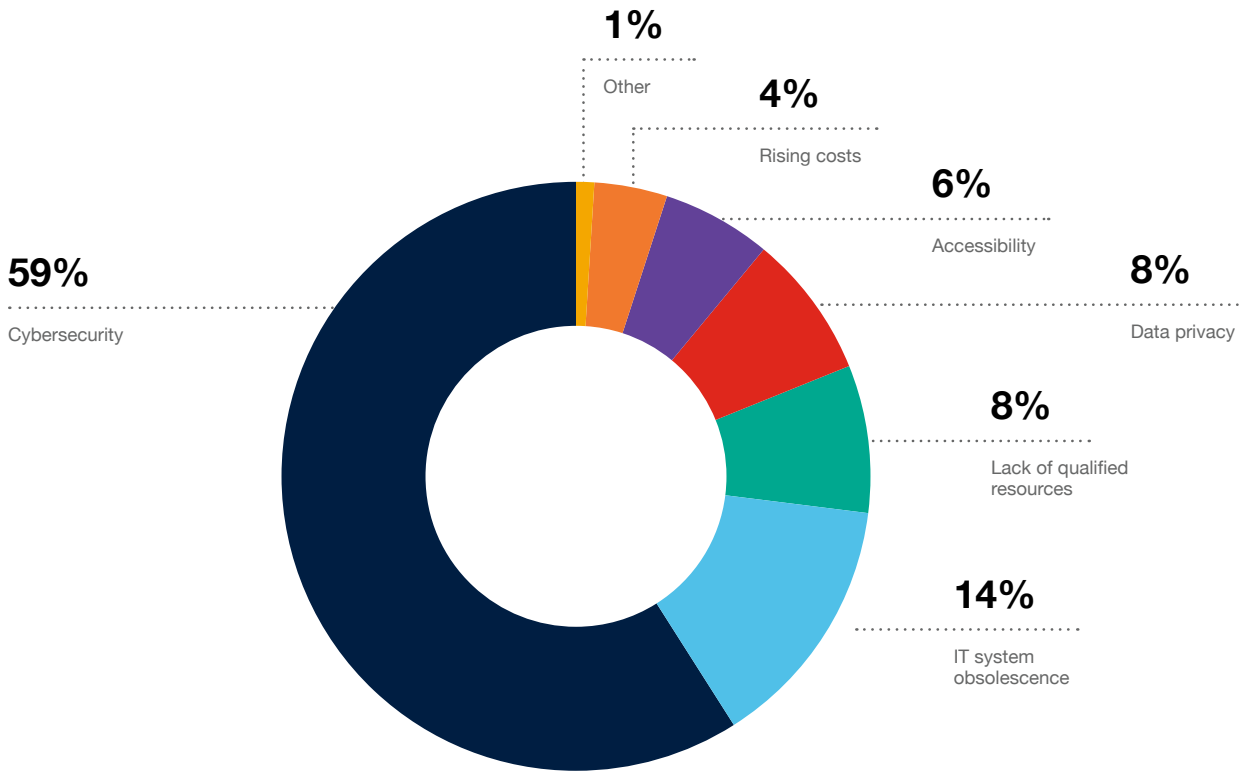
Cybersecurity

Metals executives are losing sleep over cyberthreats.

Cybersecurity is once again the number one concern for metals companies, and increased media attention amplifies customer expectations for secure data. Phishing scams and ransomware continue to be a challenge with an increasingly remote workforce having access through multiple devices and portals.¹



What do you believe is your single most significant IT-related business risk in the next three years?



Customer experience

How can your technology choices reach new customers and keep them happy?

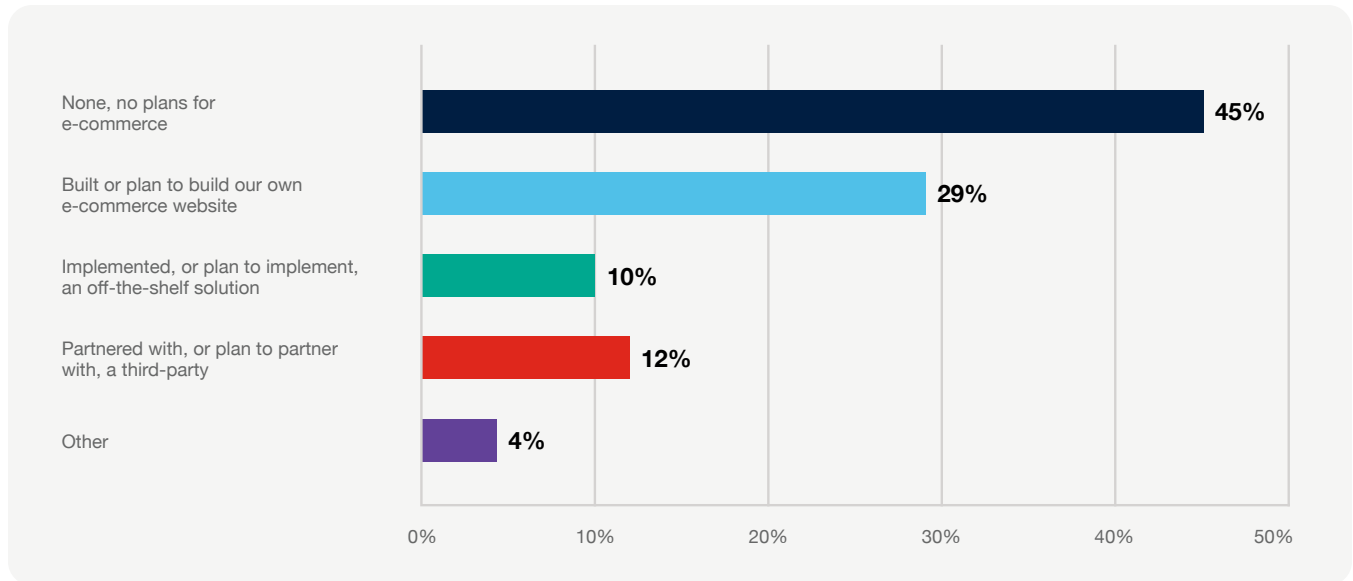
Customers' expectations are changing – quickly. Consumer markets allow customers quick access to content remotely from their phones and laptop. The same consumers are metals companies' customers who expect seamless efficiency and interactions throughout the sales process.

Despite increasing customer expectations, 45% of metals companies have no plans to offer their products via an e-commerce channel. An equal number of metals companies are offering or are planning to provide e-commerce to their customers.



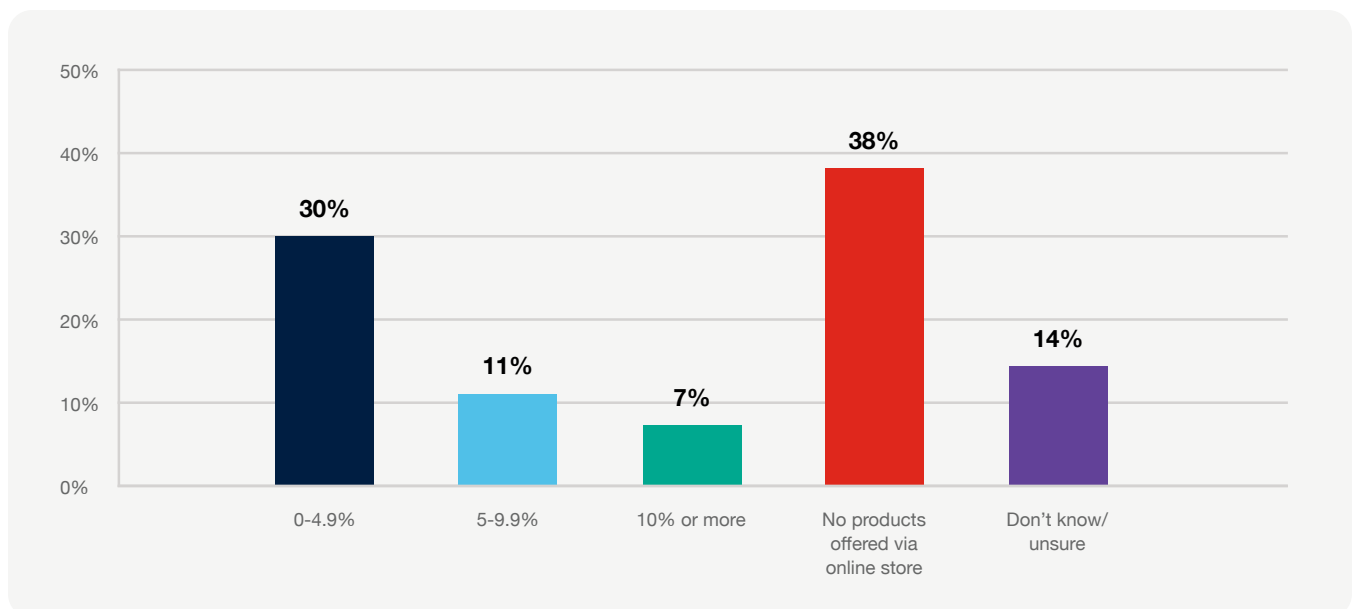
Question 6

What would best describe your strategy to offer customers an option to buy products from an e-commerce website?



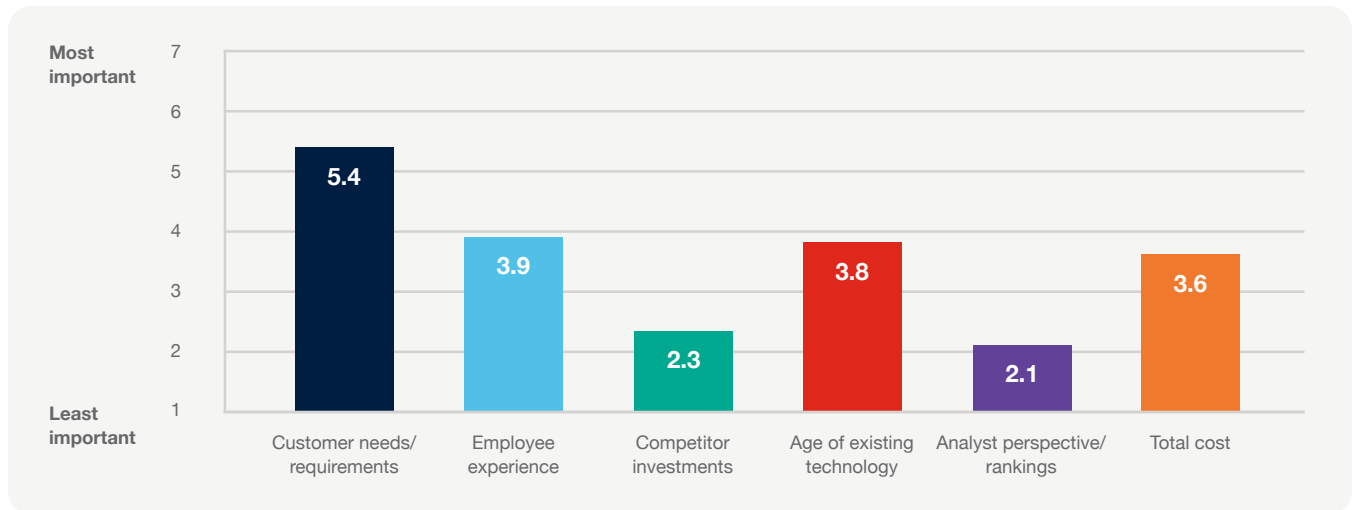
Question 7

How much revenue does your e-commerce website currently generate (e-commerce meaning allowing customers to place orders online)?



Question 8

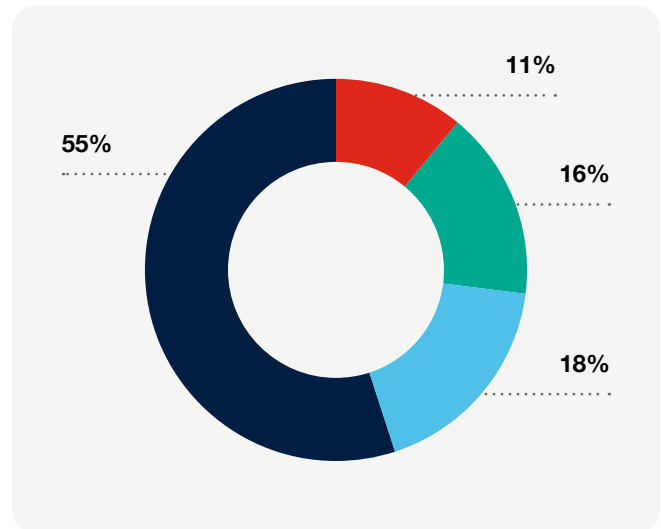
Please rank the following factors in order from most important to least important when it comes to making decisions about technology investments.



Question 9

What is the year-over-year change in customers requesting (requiring) an online portal for views/visibility?

- No change
- # of customers requesting increased 10-19%
- Available/offered only for key customers
- # of customers requesting increased 20% or more



Evolving technology

As the needs of metals companies evolve, so must their technology.

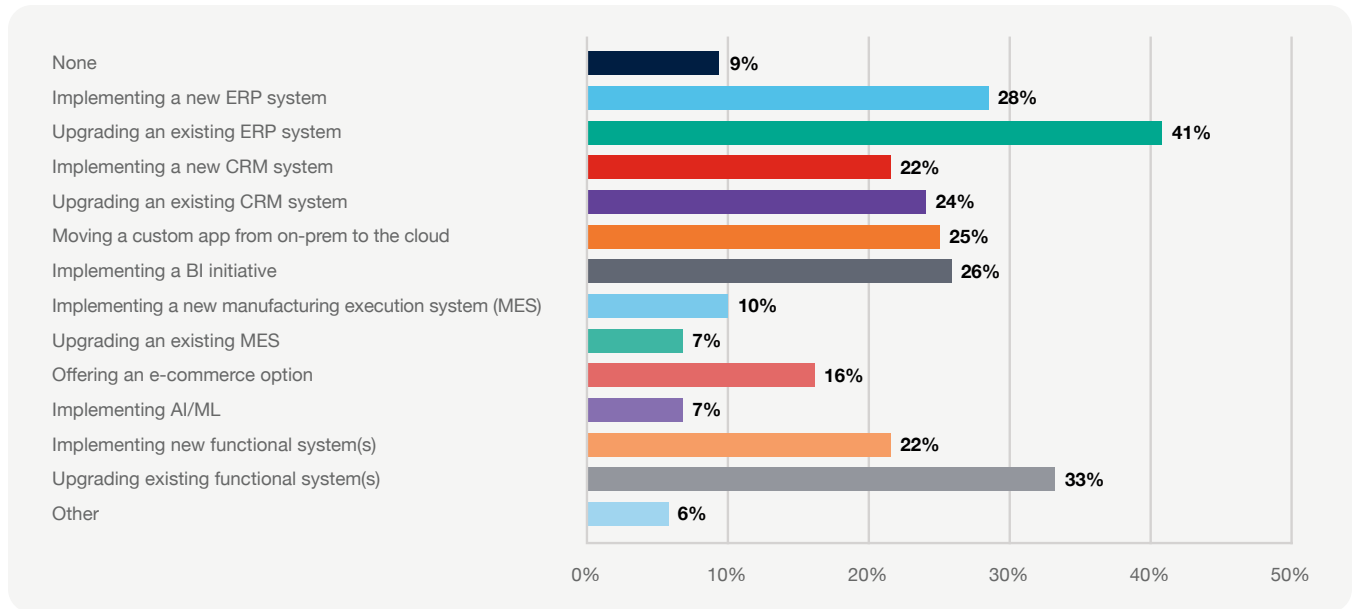
Core business applications such as enterprise resource planning (ERP) technology and customer relationship management (CRM) systems can be critical to a company's digital transformation strategy. Sixty-nine percent of metals businesses indicated that they are currently implementing a new ERP system or upgrading an existing one. In addition, 46% are investing in CRM to increase customer engagement.

Metals companies are also signaling increased investment in automation and analytics with artificial intelligence (AI) and the Internet of Things (IoT). New technologies like this can help them stay ahead of market volatility, and to provide real-time information and machine performance at any given time.



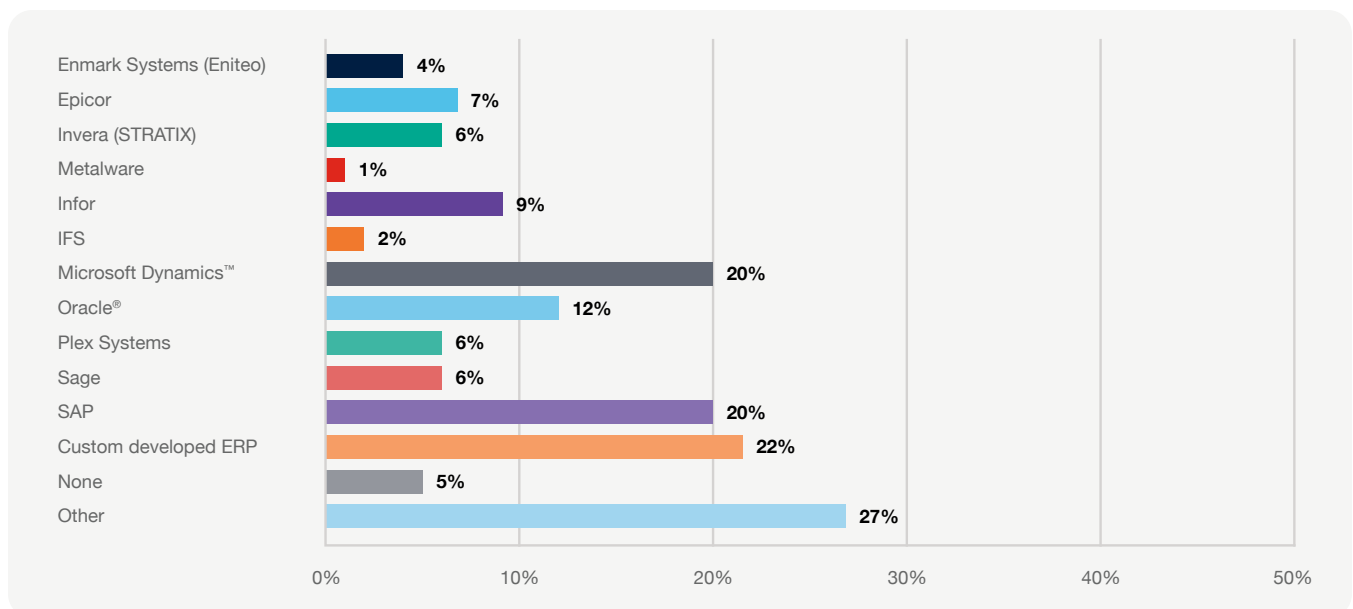
Question 10

Which of the following IT projects do you currently have in progress? (Participants could select multiple responses)



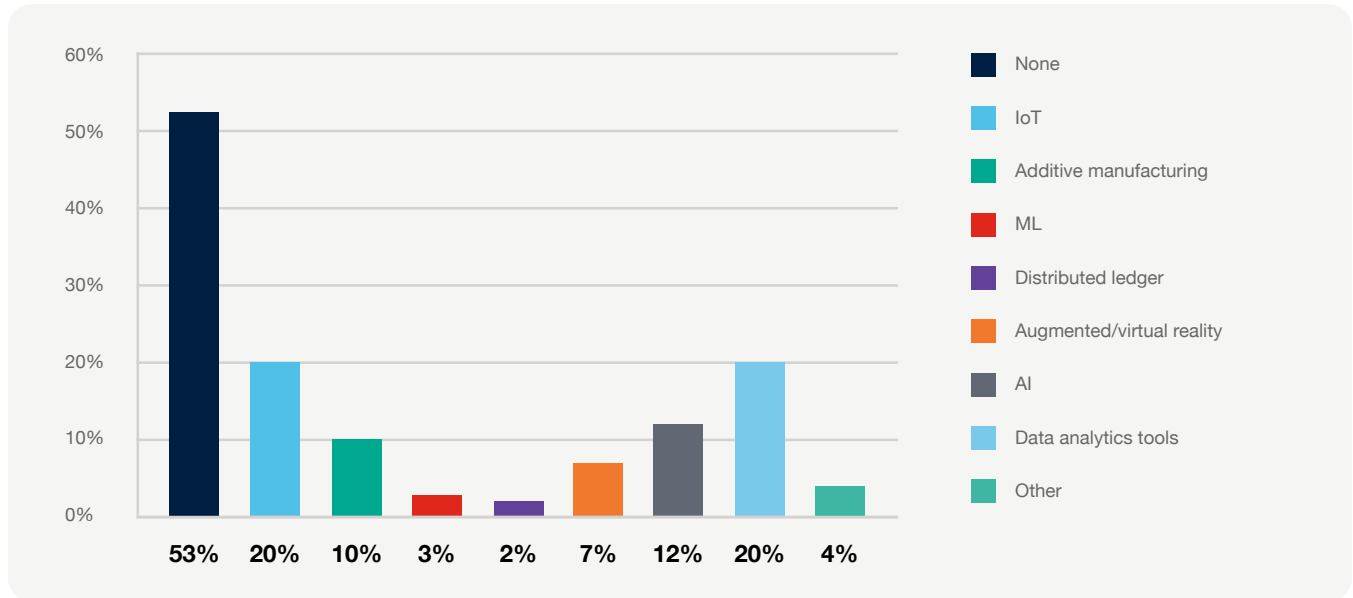
Question 11

What ERP provider(s)/system(s) do you currently use within your company? (Participants could select multiple responses)



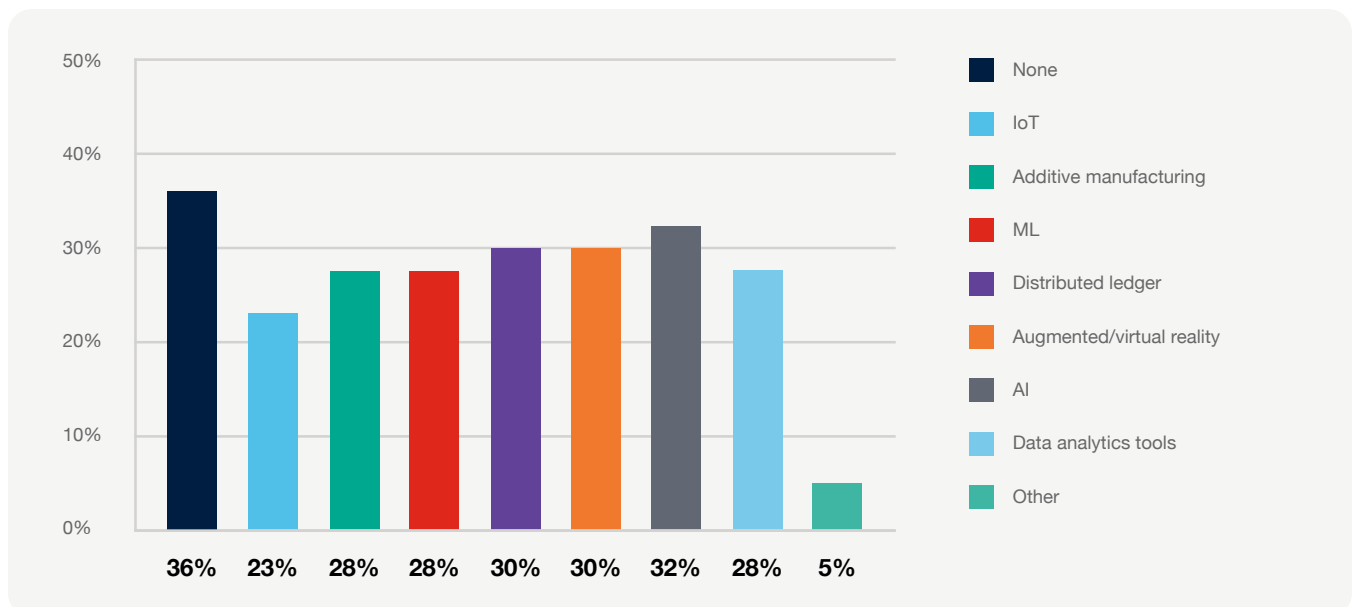
Question 12

Which of the following technologies and/or approaches are currently in use at your company? (Participants could select multiple responses)

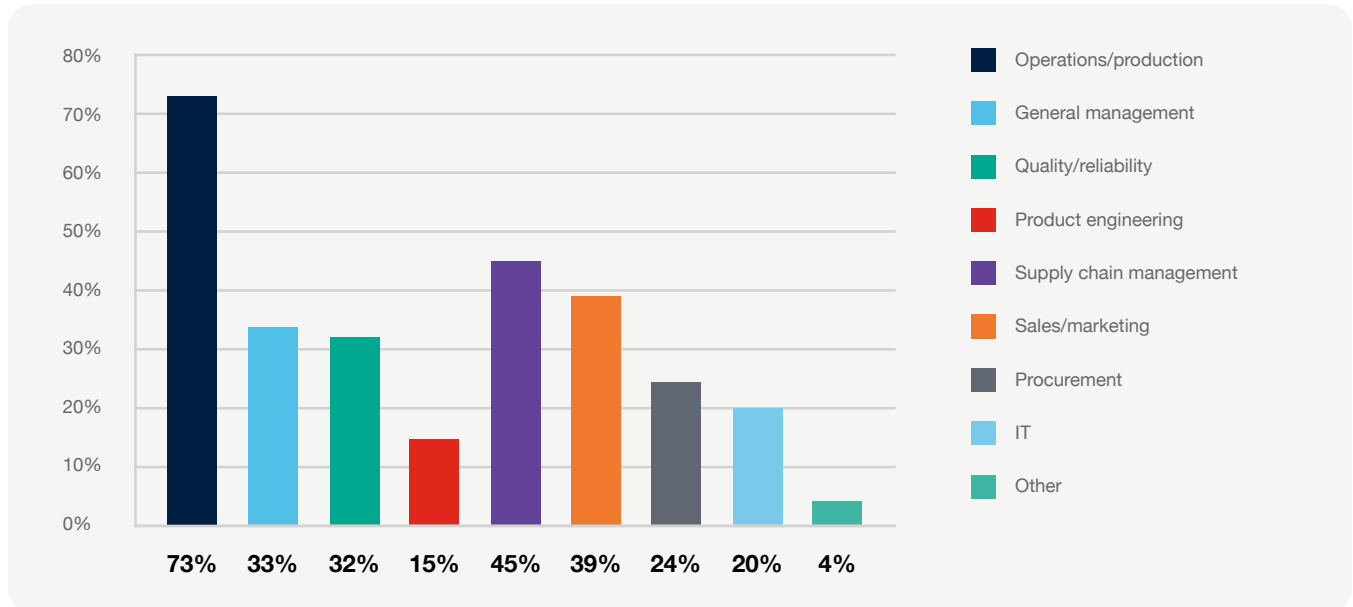


Question 13

Which of the following technologies and/or approaches are currently not in use at your company that you plan to put in place within the next five years? (Participants could select multiple responses)



Please select the top three areas where you feel automation could have the largest impact on your business.



Environmental, social, and governance

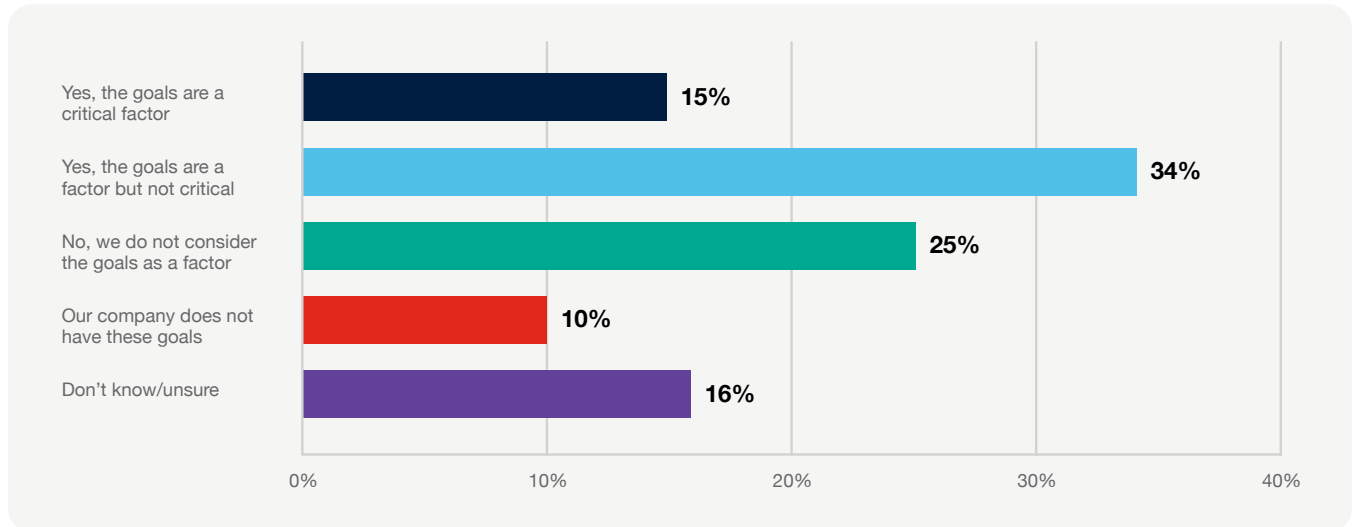
Metals companies need technology to meet new standards around ESG.

The common mistake many metals leaders make is to overlook the importance of environmental, social, and governance (ESG) requirements. The reality is that no matter where in the world your customers are operating from, they are facing increasing pressure from both internal and external stakeholders to adhere to emerging ESG guidelines. If, as their metals supplier, you cannot provide assurance that those standards will be met, they will look elsewhere.



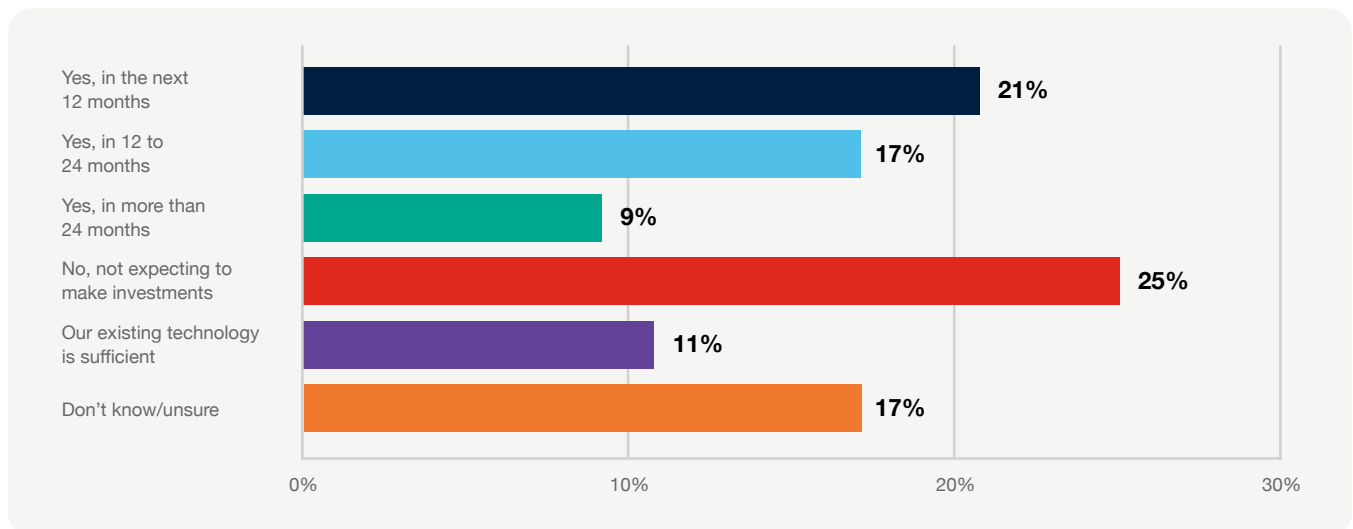
Question 15

Do your company's sustainability and environmental goals affect your plan for technology investments?



Question 16

Do you expect to make specific technology investments to address company sustainability and environmental goals?



The future is Metals 4.0 – take a step closer

Let our experienced metals team guide you and apply industry-specific data to build a sustainable future and bring people to the center of digital transformation.

**Subscribe to our Metals 4.0 blog
and transform with confidence.**

Subscribe now

About the survey

This year's online survey elicited more than 200 responses from senior executives and managers across the global metals industry. Respondents represented various metals-based companies, including manufacturers, service centers, mills, scrap recyclers, producers, and processors, with annual revenues from less than \$25 million to more than \$1 billion.



Have questions?

I'll do my best to answer those for you. Get in touch with me today.

[Get in touch](#)

Tony Barnes
Principal, Metals
+1 317 208 2532
tony.barnes@crowe.com

Endnotes

- ¹ The Economic Value of Prevention in the Cybersecurity Lifecycle. Ponemon Institute, April 2020.

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