



# Industrial IOT:

Powering the next  
wave of industrial  
transformation

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## Highlights

# IIoT at a glance

- **IIoT Market Snapshot:** The global IIoT market is projected to grow at a 23.3% CAGR from \$483B in 2024 to \$1.7T by 2030, driven primarily by accelerating integration of AI/ML for predictive maintenance and operational optimisation<sup>1</sup>.
- **Regional leaders:**
  - **North America:** Leads in scale, driven by industrial automation, AI adoption, and advanced analytics.
  - **Europe:** Led by Germany and the UK, are accelerating IIoT deployment through decarbonisation targets, advanced factory modernisation, and large-scale digital-transformation programmes.
  - **Asia Pacific:** Fastest-growing region, fuelled by smart-factory adoption, government-backed automation, and large-scale industrial modernisation.
- **The Predictive-maintenance (PdM) segment** held the largest share of the IIoT market in 2024 and is forecast to grow at a c.35% CAGR to 2030, far outpacing other IIoT applications, it remains the highest-momentum segment and the primary driver of industrial efficiency gains.
- **The market growth is driven by PdM's ability to cut unplanned downtime,** extend asset lifecycles, and optimise maintenance through real-time analytics and sensor data. Its clear, demonstrable ROI is accelerating adoption across industrial sectors and underpinning the segment's rapid expansion.
- **Prime M&A targets:** Buyers are actively targeting PdM platforms that offer defensible data, recurring software revenue, and scalable AI-driven analytics.
- **While IIoT and PdM face challenges,** from cybersecurity risks to integration complexity, Princelet has strong experience advising businesses in this space and working with leading industry acquirers. This gives us a clear view of what buyers prioritise and how to position companies in the best light.



<sup>1</sup> Grand View Research, Inc., 2023. Predictive Maintenance Market Size, Share & Trends Analysis Report by Component, Solution, Service, Deployment, Enterprise Size, Monitoring Technique, End-Use, by Region, and Segment Forecasts, 2023 – 2030. [online] Available at: [www.grandviewresearch.com](https://www.grandviewresearch.com)

## What Is Industrial IoT, and Why It Matters

The Industrial Internet of Things (IIoT) connects sensors, instruments, and machines across industrial environments, manufacturing plants, energy systems, logistics networks, and utilities.

By integrating sensors, wireless networks, GPS, and automated control systems, IIoT allows assets to be monitored and optimised in real time.

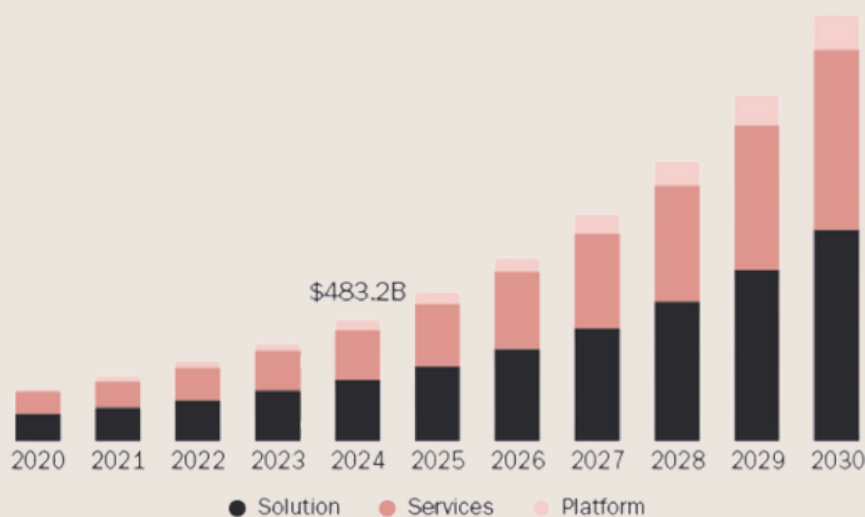
Unlike consumer IoT (smart homes, cities), IIoT targets mission-critical industrial operations where precision, reliability, and security are essential.

### What sets IIoT apart

IIoT unifies disparate industrial systems into a single, data-driven ecosystem. A factory sensor predicting equipment failure, a grid meter balancing electricity demand, and a robot improving construction safety are all part of the same connected framework, enhancing efficiency, sustainability, and operational performance.

## Industrial Internet Of Things Market

Size, by Component, 2020 - 2030 (USD Billion)



23.3%

**Global  
Market  
CAGR,  
2025-2030<sup>1</sup>**

<sup>1</sup> Grand View Research, Inc., 2023. Predictive Maintenance Market Size, Share & Trends Analysis Report by Component, Solution, Service, Deployment, Enterprise Size, Monitoring Technique, End-Use, by Region, and Segment Forecasts, 2023 – 2030. [online] Available at: [www.grandviewresearch.com](https://www.grandviewresearch.com)

## Geographic breakdown

The North American region dominated the Industrial Internet of Things market in 2024 with over 31% share, largely due to pioneering adoption of IIoT technologies, strong government promotion of industrial digitalisation, and a high usage of cloud, AI and connected device platforms. The U.S. is forecast to grow at a CAGR of over 18% between 2025 and 2030 as advanced manufacturing, infrastructure modernisation and operational efficiency become priority areas.

Europe is also accelerating, expected to grow at a CAGR of over 23% from 2025 to 2030, thanks to its strong manufacturing base, decarbonisation initiatives and increasing deployment of AI/ML, cloud and analytics.

Meanwhile, the Asia-Pacific region stands out as the fastest-growing region, with a projected CAGR above 26% over the same period, driven by large-scale factory automation in China and Japan, growing smart-factory investments in South Korea and Southeast Asia, and the adoption of 5G/Industry 4.0 frameworks to upgrade production ecosystems<sup>1</sup>.

## Applications



Predictive  
Maintenance



Environmental  
Monitoring



Agriculture



Construction



Smart  
Buildings



Disaster  
Management



Solar-Assisted  
Systems



Smart Grids



Robotics  
Technology



Automotive  
Industry



Healthcare



Coal Mining



Emergency  
Response Systems

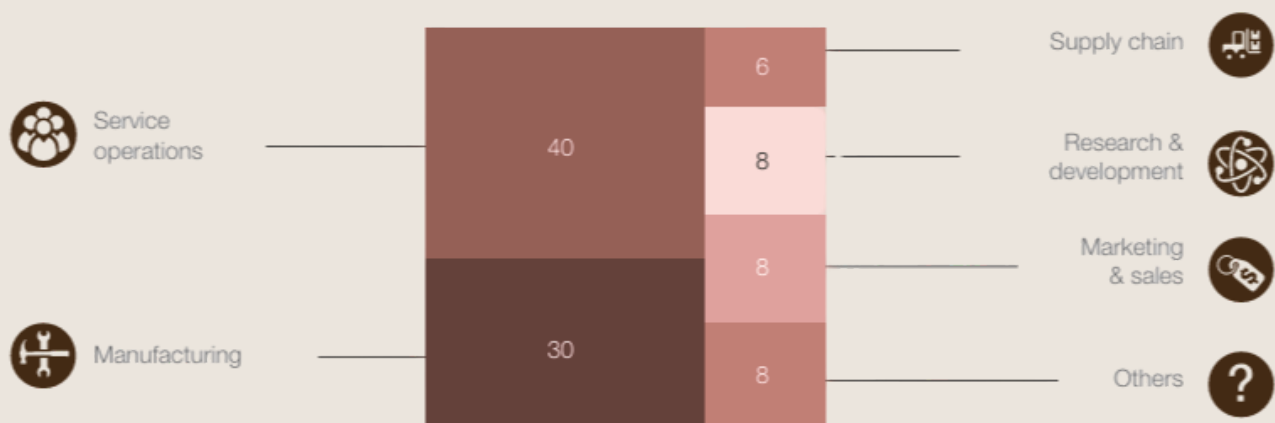
<sup>1</sup> Grand View Research, Inc., 2023. Predictive Maintenance Market Size, Share & Trends Analysis Report by Component, Solution, Service, Deployment, Enterprise Size, Monitoring Technique, End-Use, by Region, and Segment Forecasts, 2023 – 2030. [online] Available at: [www.grandviewresearch.com](https://www.grandviewresearch.com)



**Insight:** McKinsey analysis highlights manufacturing and service operations as the sectors where IoT delivers the greatest value, with predictive maintenance leading the charge<sup>1</sup>.

### IoT impact,<sup>1</sup>

% of respondents stating the IoT would have the greatest impact in a particular area



Responders were asked, "In which of the following functions of a company of your size in your industry could the IoT have the greatest potential impact?"

<sup>1</sup> McKinsey & Company, 2018. The Internet of Things: How to capture the value of IoT. [pdf] May. Available at: <https://www.mckinsey.com/~/media/mckinsey/business%20functions/mckinsey%20digital/our%20insights/the%20internet%20of%20things%20how%20to%20capture%20the%20value%20of%20iot/how-to-capture-the-value-of-iot.pdf>

## Key Application: Predictive Maintenance (PdM)

Predictive maintenance (PdM) uses Industrial IoT sensors and AI to detect faults before they cause downtime. By analysing data from vibration, temperature, and performance sensors, PdM predicts when equipment will fail, enabling targeted repairs that cut costs and extend asset life.

Studies show machine-learning models can reach up to 98% accuracy in forecasting failures<sup>1</sup>, while deep-learning methods (CNN + LSTM) improve real-time detection and anomaly tracking<sup>2</sup>.

### PdM Market Forecast to grow at the highest CAGR within IIOT

The predictive-maintenance market is projected to grow from USD 14.09 billion in 2025 to USD 63.64 billion by 2030, a rapid 35.2% CAGR. Falling sensor costs, stronger edge-cloud integration, and broader industrial digitisation are making predictive maintenance easier and more affordable to deploy.

Companies increasingly see it as essential: AI models can spot issues weeks or even months before a failure, allowing teams to schedule repairs, plan inventory, and allocate resources far more efficiently. Cloud platforms remove infrastructure barriers, while edge analytics reduces latency and bandwidth needs - critical for remote sites or operations with limited connectivity.

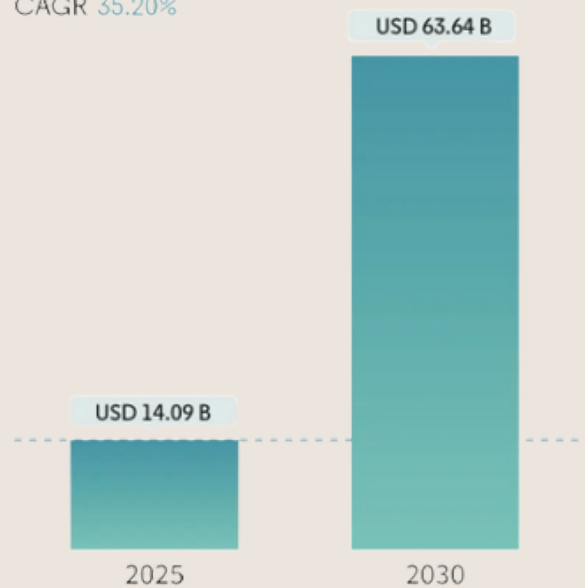
Although supply-chain volatility and rising semiconductor costs have increased hardware prices, these pressures are also accelerating innovation in lighter, on-device processing that reduces data-transfer requirements and keeps solutions cost-effective.

### ROI drivers

- Reduced downtime
- Extended asset life
- Higher operational efficiency
- Sustainability gains

### Predictive Maintenance Market

Market Size in USD Billion  
CAGR 35.20%



Source: Mordor Intelligence

<sup>1</sup> Ayvaz, S. & Alpay, K., 2021. 'A machine learning approach using IoT data in real-time', Expert Systems with Applications, 173, Article 114598.

<sup>2</sup> Abouelyazid, M., 2023. Advanced artificial intelligence techniques for real-time predictive maintenance in industrial IoT systems: a comprehensive analysis and framework. Journal of AI-Assisted Scientific Discovery, 3(1), pp.271-313.

## Competitive landscape

The PdM market is moderately concentrated, with automation leaders, cloud hyperscalers, and AI specialists competing for position. Siemens, ABB, and Schneider Electric use their installed base and vertically integrated portfolios to deliver end-to-end solutions. Cloud providers like Microsoft and IBM underpin the ecosystem with scalable IoT and AI platforms, while AI-first firms such as C3.ai and Uptake differentiate through specialised models and rapid-deployment templates.

Partnerships are central: Siemens aligns its Edge stack with Azure, and ABB invests in energy- and analytics-focused startups. New entrants emphasise hardware-agnostic, edge-capable software that accelerates retrofits, challenging hardware-tied incumbents. Vertical specialisation across sectors like telecom, aerospace, and healthcare, remains a key differentiator where domain expertise drives superior predictive accuracy<sup>1</sup>.

## Predictive Maintenance Industry Leaders



## M&A Implications: The Race for Data-Driven Assets

Industrial buyers and technology players are racing to acquire IIoT and PdM capabilities that enhance their portfolios and deliver measurable performance improvements.

**Notable transactions in recent years illustrate this momentum.**



- Bellrock Property & Facilities Management Ltd acquired Mobeiss Ltd (2024) to integrate its mobile data-collection solutions with Bellrock's Concerto platform and broaden its IWMS/CAFM capabilities.
- Siemens acquired Senseye (2022) - enhancing its predictive maintenance capabilities.
- Addnode Group acquired ServiceWorks Group (2017) – expanding its Building Lifecycle Management platform with integrated BIM and IoT capabilities.
- IMI plc acquired TWTG (2025) – expanding its industrial-IIoT capabilities with a focus on connected monitoring and process automation analytics.
- SJE Inc. acquired AMI Global (2025) – strengthening its IIoT offering by adding remote-monitoring and cloud-connected solutions for industrial equipment.
- IBM acquired Prescinto (2024) - adding AI-powered renewable energy asset management.
- Schaeffler Group acquired ECO-Adapt SAS (2023) - expanding industrial analytics capacity.

# Valuation Dynamics: What Drives Premiums

Valuations in the IIoT and PdM space vary widely, reflecting the mix of hardware, software, and services within each business model:

| Model Type                   | Typical profile                         | Valuation Drivers                            |
|------------------------------|-----------------------------------------|----------------------------------------------|
| Software-First / SaaS        | Data analytics, cloud platforms         | Recurring revenue, scalability, high margins |
| Hybrid (Software + Hardware) | Connected devices with analytical layer | Data ownership, integration depth            |
| Hardware-Heavy               | Sensors, gateways, devices              | Strong margins, capital intensity            |

Premiums are highest for companies with recurring revenue, proprietary data, and strong integration potential into larger industrial ecosystems<sup>1</sup>.

## Industry Headwinds

While the growth story is compelling, there are notable challenges:

- **Cybersecurity risks** – connected devices create attack surfaces for critical industrial operations.
- **Integration complexity** – legacy systems often require costly retrofitting or custom interfaces.
- **Talent scarcity** – skilled data scientists, IoT engineers, and AI experts remain in short supply.
- **Regulatory hurdles** – compliance with data privacy, environmental, and safety regulations can slow deployment.
- **Capital intensity for hardware-heavy models** – upfront investments may limit scalability for some IIoT providers.

These headwinds underscore the need for strategic M&A and carefully managed deployments, particularly for software-led solutions that can scale with lower risk.

<sup>1</sup> Jahani & Associates. (2025, July 29). Enterprise IIoT Device Solutions Sector M&A Transactions and Valuations. Retrieved from <https://jahaniandassociates.com/enterprise-iiot-device-solutions-sector-ma-transactions-and-valuations/>

## Conclusion and outlook

# Who's Prepared to Maximise Their Value in the New Era of Industrial M&A?

### The industrial landscape is shifting fast.

IIoT and predictive maintenance are no longer “future technologies”, they're now central to how manufacturers, energy providers, and infrastructure operators run, optimise, and future-proof their operations.

As adoption spreads and digital transformation accelerates, the space will continue to attract investment, consolidation, and strategic interest from major industry players.

For founders considering an exit, the message is simple: the best outcomes go to companies that prepare early.

In IIoT and predictive maintenance, buyers are drawn to businesses that can:

- Demonstrate measurable value (e.g., reduced downtime, improved efficiency)
- Show strong recurring revenue.
- Highlight performance-enhancing technology
- Tell a clear, data-backed story



### We've seen this first-hand.

At Princelet, we've helped founders in this space successfully sell to one of the industry's leading strategic acquirers, and we know what buyers look for.

If you're thinking about your options or want to understand how to position your business for acquisition, we'd be happy to talk and help you plan the right path forward.

# About Us

We're a boutique corporate finance firm that works side-by-side with tech founders, shareholders and investors to deliver exceptional M&A outcomes.

We don't stop until the right acquirer is found, the best terms negotiated, and the deal signed.



2010  
Founded

£10-£50m  
Deals specialists

+£3 billion  
Aggregated deal value

35 deals  
Completed since 2012



# Our Team

We're a team of experienced advisors, former investors, and sector specialists.

Each of us brings a different perspective, but we're united by a shared belief in hard work, thoughtful approach, and seeing the deal through.



**Stephen Moore**  
Managing Director



**Mitchell Upama**  
Vice President



**Megan Hall**  
Associate, M&A



**Alex Ioannou**  
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