



TE Connectivity

2025 INDUSTRIAL TECHNOLOGY INDEX

EXECUTIVE SUMMARY

ABOUT THE REPORT

The TE Connectivity Industrial Technology Index is a third-party, independent research study that examines innovation culture within the industries shaping our world.

The online survey was taken by 1,000 engineers and executives at industrial engineering companies in China, Germany, India, Japan, and the U.S. It was designed to provide insights on how companies are managing critical innovation issues.

THE STATE OF INNOVATION

For the first time in three years, engineers and executives share a common view of innovation as incremental progress rather than a total transformation. This shift reflects growing alignment in how both groups approach AI's opportunities and challenges.

AI has reached an inflection point, with 69% of organizations globally adopting AI technologies and 22% reporting extensive use. After past uncertainty, there is now a shared understanding of its potential, paving the way for stronger collaboration. As priorities shift toward financial goals and product innovation, expanding AI remains vital. The 2025 TE Connectivity Industrial Technology Index outlines how to deepen AI's role, upskill engineers, and tackle sustainability challenges to drive cohesive strategies.



AI ADOPTION RATES AROUND THE GLOBE

| | China | Germany | India | Japan | U.S. |
|----------------|-------|---------|-------|-------|------|
| To some extent | 70% | 65% | 73% | 75% | 62% |
| Extensively | 28% | 15% | 25% | 31% | 15% |

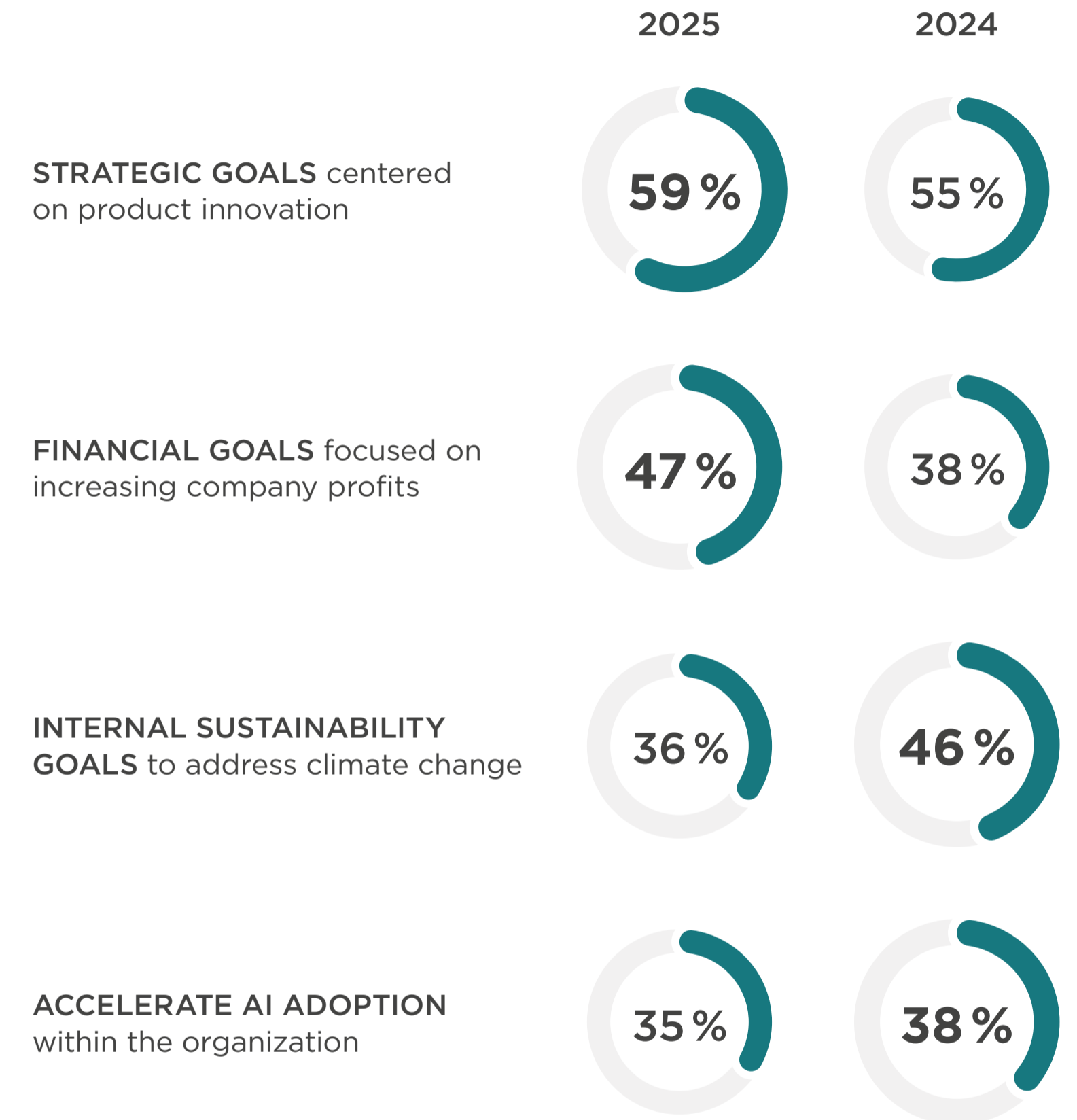


HOW GLOBAL RESPONDENTS RANKED THEIR ORGANIZATION'S TOP 2030 GOAL

| | China | Germany | India | Japan | U.S. |
|--------------------|-------|---------|-------|-------|------|
| Sustainability | 18% | 29% | 12% | 18% | 11% |
| DEI | 6% | 7% | 6% | 11% | 8% |
| Company profits | 21% | 24% | 28% | 28% | 42% |
| Product innovation | 43% | 27% | 35% | 33% | 26% |
| AI adoption | 13% | 15% | 20% | 12% | 15% |



IMPORTANCE OF REACHING THE FOLLOWING GOALS BY 2030 (2025 INDEX'S FINDINGS VS 2024)





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THE PATH FORWARD

As organizations implement AI and target industry use cases, we can expect breakthroughs in product innovation and cost-saving efficiencies. Engineers and executives are increasingly aligned on innovation and collaboration, positioning businesses to accelerate AI integration, sustainability, and strategic goals for long-term success.



[VIEW THE FULL GLOBAL REPORT](#)

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OPTIMIZING USE OF ARTIFICIAL INTELLIGENCE

While most organizations use AI, those in China and Japan lead in adoption and prioritizing innovation. Globally, AI is often limited to basic tasks, but advanced applications are emerging. Closing training gaps, especially in key industries, will accelerate progress and innovation.



HOW LONG HAS YOUR ORGANIZATION USED AI?

| | China | Germany | India | Japan | U.S. |
|----------|-------|---------|-------|-------|------|
| 3+ years | 60% | 38% | 29% | 51% | 9% |
| <1 year | 17% | 33% | 36% | 18% | 55% |



TOP AI USE CASES BY INDUSTRY

| | | |
|---------------------------------------|------------|--|
| DATA, CLOUD COMPUTING, AND AI | 85% | Automated data cleaning |
| ENERGY | 74% | Forecasting demand |
| WIRELESS/5G | 73% | Network monitoring and fault detection |
| INDUSTRIAL MANUFACTURING | 71% | Predictive maintenance systems |
| AUTO/COMMERCIAL TRANSPORTATION | 69% | Vehicle development and design |



ENGINEERS HAVE STRONG VIEWS ON AI

- 71%** HAVE AN INTEREST IN AI TRAINING
- 64%** SAY AI UPSKILLING IS NOT A JOB THREAT
- 61%** RECOGNIZE THE BENEFITS OF AI TRAINING

SUSTAINABILITY INNOVATION

Organizations are aligned on long-term sustainability goals, but economic constraints and market pressures are creating short-term hurdles. Internal challenges further slow progress. To address this, 80% of organizations say industry collaboration is essential.



WHAT'S PREVENTING INDUSTRY INNOVATION FOR SUSTAINABILITY?

| | |
|--|------------|
| Economic constraints | 68% |
| Industry practices that impede sustainability innovation | 62% |
| Lack of consistent sustainability industry standards | 63% |
| Lack of consumer demand for sustainable innovations | 64% |
| Short-term market pressures | 68% |
| Investor concerns about sustainability measures | 59% |