

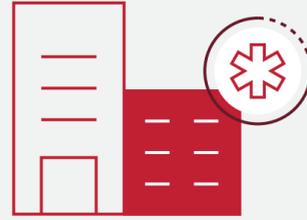
Top trends in safety

With product development cycles shortening and the definition of safety expanding, it's more challenging than ever for companies to ensure the safety of their products. To better understand these challenges and how technology will impact safety, UL conducted a survey among C-level executives and high-level professionals to uncover these top trends in safety.



1 Companies are not confident in their ability to ensure product safety.

Less than half (41%) described the degree to which they feel confident in their processes in place to ensure new product safety as "extremely well."



2 Moving forward, safety will include far more than just physical security.

As new risks present themselves in a more complex world, safety concerns have continued to grow. From 1970 to today, there has been an exponential increase in the number of regulatory categories and organizations related to safety. Even more safety criteria are emerging as new challenges present themselves in the way of data security, chemical usage and wellness concerns.

Survey respondents indicated that the following aspects of safety were "very important" (5 on the scale of 1 – 5 in importance).



3 Regulations and customer expectations are the biggest drivers of safety.

In the survey, 54% of respondents indicated that "industry regulation" is a "highly impactful driver" of product safety. In addition, 49% indicated that "customer expectations" were a "highly impactful driver."

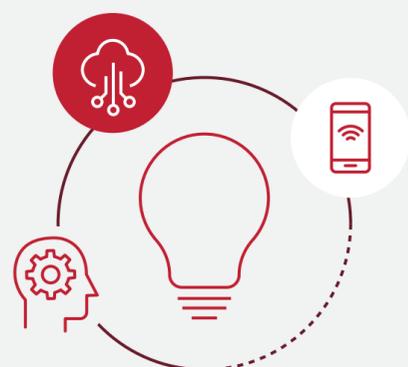


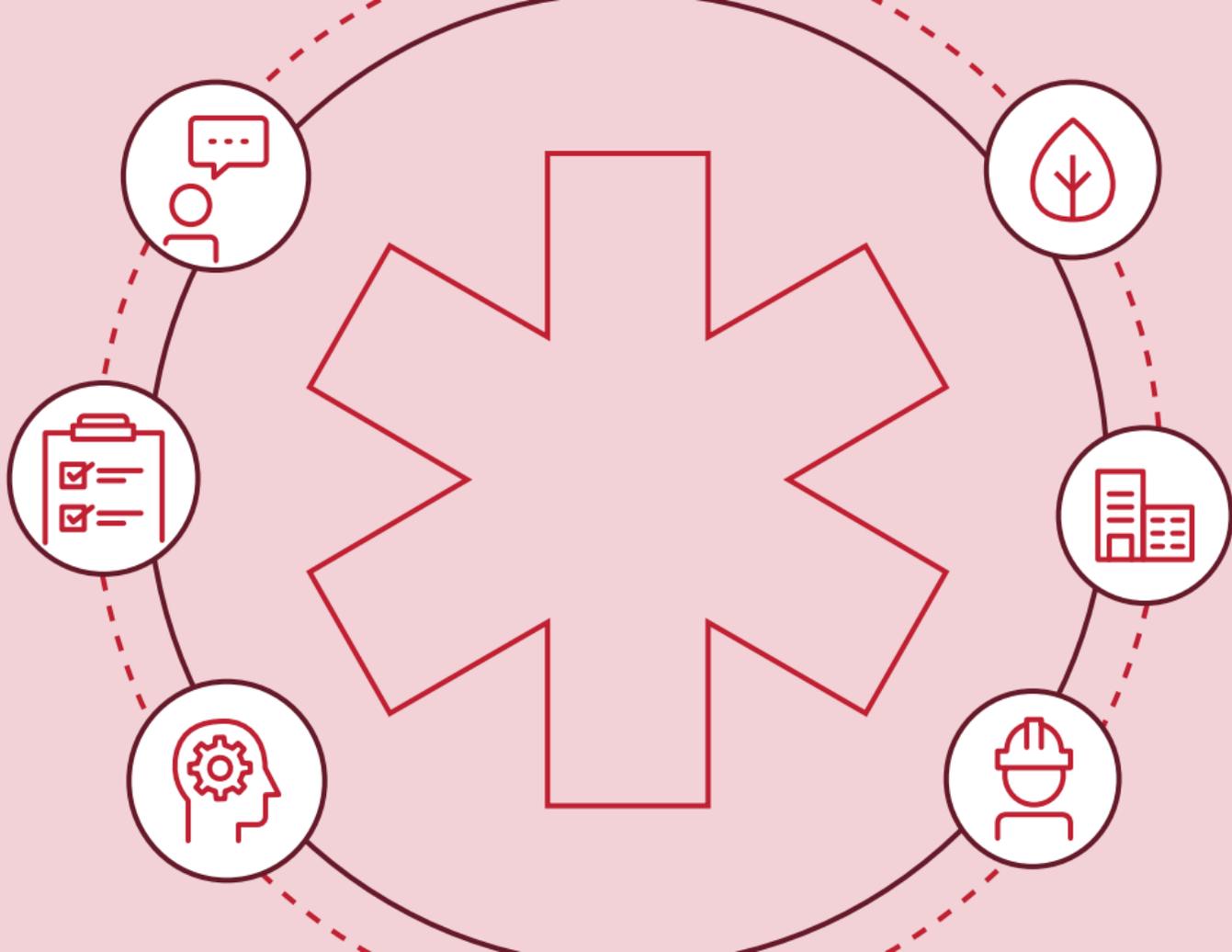
4 Regulatory change is a major challenge for companies.

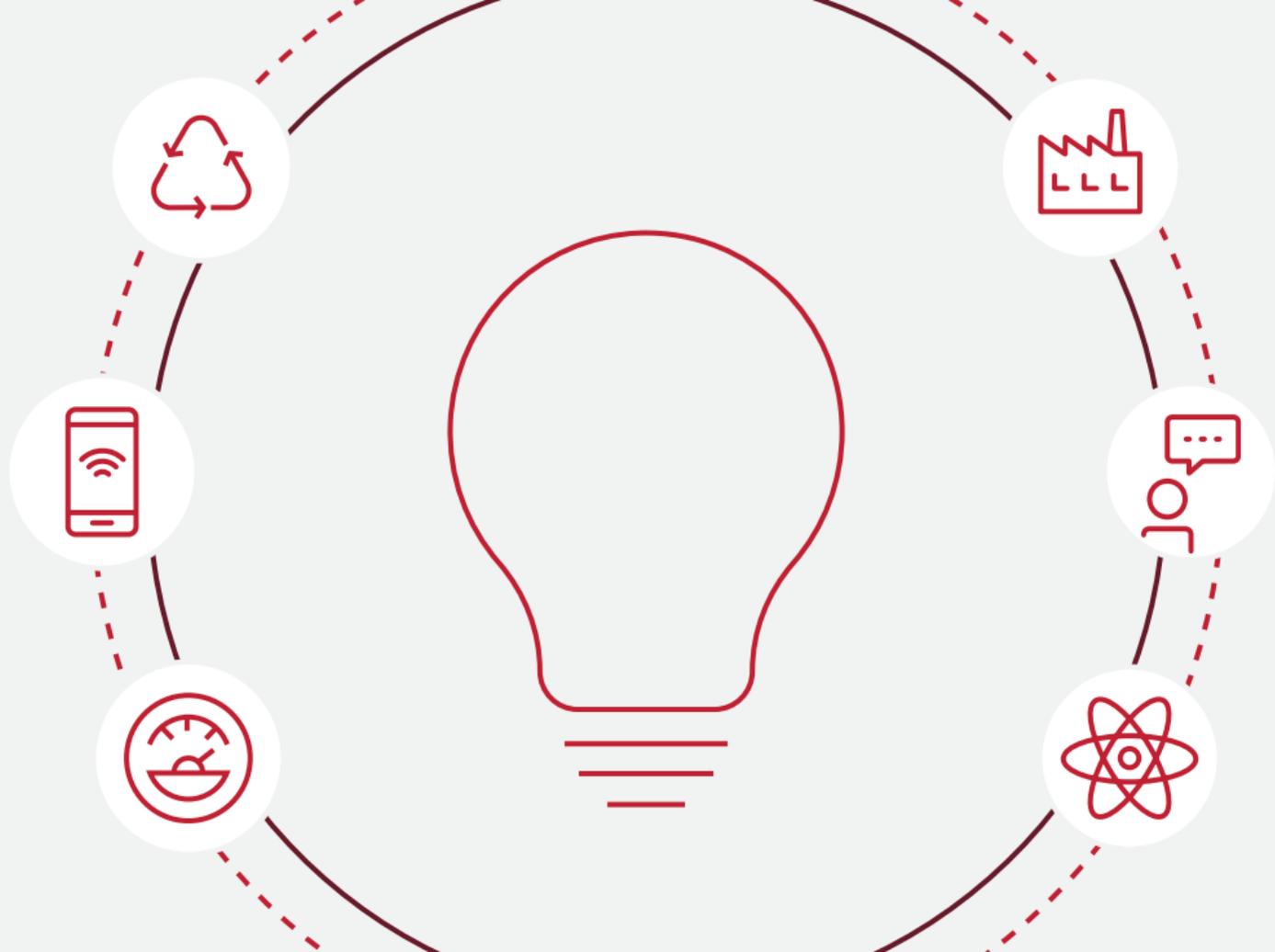
In the survey, an astounding 76% of respondents indicated that "regulatory compliance would have a major impact on and/or require a complete redesign of their approach to safety." In a question asking about key challenges to implementing and maintaining higher product safety standards, the greatest challenge was cited as "rapidly evolving regulations."

5 New technologies will have a dramatic impact on product safety.

Respondents indicated that technologies are likely to require major changes in companies' approach to safety. In fact, 64% indicated that artificial intelligence and machine learning would "have a major impact" or "require a complete overhaul" of safety approaches. Similarly, 62% believed that IoT technologies would do the same.

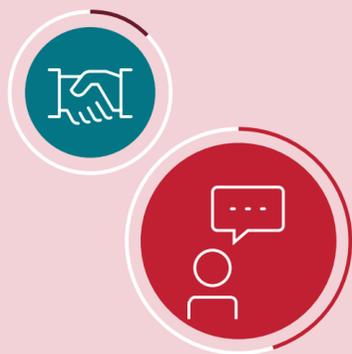






Top trends in innovation

With a combination of technology, consumer demands and threats of disruption accelerating the pace of innovation in business, companies are reevaluating how innovation is done. Interested in learning about how companies are approaching innovation today, UL conducted a study among C-level executives and high-level professionals regarding their challenges, capabilities and insights. Based on those responses, we developed the following top five trends in innovation.

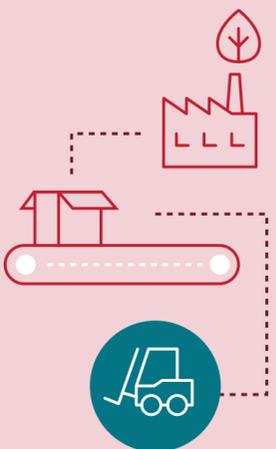


1 Customers drive innovation far more than channel partners.

Whereas 45% of respondents indicated that customer expectations were a “highly impactful driver” of innovation, only 12% said that channel expectations and only 8% said that supply chain volatility were highly impactful drivers of innovation.

2 New technologies will force an overhaul of innovation.

Respondents indicated that technologies are likely to require major changes in companies’ approach to innovation. In fact, 66% believed that artificial intelligence and machine learning would “have a major impact” or “require a complete overhaul” of innovation approaches. Similarly, 60% believed that Internet of Things (IoT) technologies would do the same.



3 Forceful societal changes are requiring companies to develop custom products.

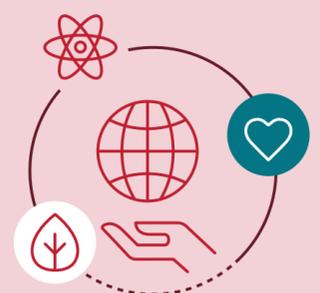
Instant access to information has raised consumers’ expectations and demands for more personalized, innovative products with all manner of sustainability, performance and personalization criteria, forcing companies to truncate the new product development process and innovate on all aspects of a product, from environmental attributes to packaging, to delivery methods and beyond.

Using Agile methodologies, High Accelerated Stress Test (HAST) or similar techniques, more than half (52%) of respondents have seen a 25% or more compression in product lifecycles.



4 Innovation is more than just new products and features.

Consumer demands are driving manufacturer innovation beyond new product features. Respondents indicated that the following are some of the considerations that are top-of-mind with consumers and pressing manufacturers to develop fresh approaches to innovation.



Percent of respondents who said this social trend would have a ‘major impact’ or require a ‘complete redesign’ of approach to innovation.



62%

Demand for higher degree of product customization



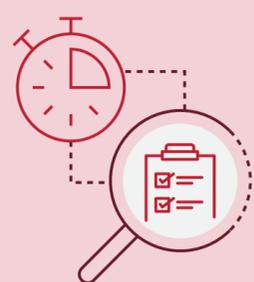
60%

Demand for data privacy protection



34%

Movement toward a sharing economy



5 Compressed timeframes put pressure on innovation.

In an open-ended response question, “How do new technologies specifically impact innovation?” the number one response is that they will enable faster time to market and faster innovation. While innovation looks forward to ever-increasing speed of innovation, the safety side of the coin is concerned about being able to ensure the safety of products as well as regulatory compliance within the expedited product development phases.