Press contact:
Florence Lièvre
Tel.: +33 1 47 54 50 71
Email: florence.lievre@capgemini.com

Aerospace and defense leaders are prioritizing digital continuity to tackle industry disruption

- *77% of aerospace and defense leaders believe improving digital continuity will accelerate production ramp-up as it drives shorter time to market, with a 13% reduction on average*
- *More than 8 out of 10 (86%) defense organizations recognize the need to integrate AI and gen AI in engineering and product development*

Paris, June 12 2025 – The Capgemini Research Institute's latest report, *'The strategic edge: How digital continuity drives business outcomes in aerospace and defense,'* published today, finds that digital continuity[1] - the seamless integration of data and information across all stages of the product lifecycle and linked to the external partner ecosystem - is emerging as a critical enabler of business transformation in the aerospace and defense (A&D) sector. Over 80% of A&D leaders surveyed view digital continuity as a driver of business transformation and a route to gaining a competitive advantage. In 2024, A&D organizations on average allocated a significant 2.1% of their annual revenue to these initiatives, to ramp up production, accelerate development cycles, reduce operational costs, and stay agile amid global pressures. In the context of rising costs, supply chain instability, and geopolitical movement, investments in digital continuity are expected to increase to 3.4% by 2028.

"Digital continuity is a critical imperative for aerospace and defense organizations to thrive in today's challenging and uncertain geopolitical environment. If it is embraced as a way of working, it will help organizations increase productivity and free up key resources from the waste created by disconnected systems and data. Ultimately, it enables operational excellence, reduces product development cycle times and fosters a collaborative culture, setting A&D players up for long-term success. Business leaders clearly recognize this and as a result have been ramping up their investments in these initiatives," said Lee Annecchino, Global Industry Lead, Aerospace and Defense at Capgemini. *"In order to leverage the full potential, A&D organizations must focus on building interoperability across systems, enabling robust data management and adopting a comprehensive change management strategy."*

Digital continuity helps A&D organizations to ramp up quickly, driving many business benefits

Nearly nine in 10 (86%) A&D executives agree that digital continuity is important to their organizations' ramping-up strategies, and 77% believe that improving digital continuity will accelerate the process.

[1] *Digital continuity in A&D refers to the seamless integration of data and information across the product lifecycle including the external partner ecosystem; thus, ensuring a "single source of truth" that enhances collaboration and streamlines design, production, operations, and service through a strengthened feedback loop.*

Around a third (34%) of A&D organizations have already reduced costs with 13% cost reduction on average because of digital continuity. Thirty percent of A&D organizations have already realized shortened time to market and 18% have accelerated product development cycle times because of digital continuity, making it a top priority for investment.

Defense organizations are better prepared to ramp up production

According to the survey, 44% of defense organizations are prepared to ramp up production compared to just over a third of civil aerospace organizations. The readiness of defense organizations to ramp up production can be driven by geopolitical uncertainty and technological and infrastructure investment, including a more flexible manufacturing execution system (MES), and a more resilient supply chain. For example, 65% of defense organizations agree that their supply chain is adaptable to quickly changing customer demands, while only 45% of civil aerospace organizations believe the same.

The report also finds that more than 8 out of 10 (86%) defense organizations recognize the need to integrate AI and generative AI in engineering and product development and over half (56%) to develop autonomous systems. However, less than half of the defense organizations are prepared to integrate AI (44%) and only 35% are prepared to develop autonomous systems.

In order to thrive, A&D organizations must continually evolve in terms of skills, processes, technologies, security methods, and compliance policies concludes the report.

Report Methodology

In March 2025, the Capgemini Research Institute conducted a global survey to assess the maturity of digital continuity in aerospace and defense (A&D) organizations and the benefits achieved. The survey included 179 A&D organizations across 16 countries in Asia-Pacific, Europe, the Americas, and the Middle East. Over half (51%) of the participating organizations are headquartered in the United States. The survey sample also included 28 public sector or government organizations. All surveyed organizations have annual revenues exceeding $500 million, with the majority (56%) reporting revenues greater than $1 billion.

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, generative AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2024 global revenues of €22.1 billion.

Get The Future You Want | www.capgemini.com

About the Capgemini Research Institute

The Capgemini Research Institute is Capgemini's in-house think-tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, Singapore, the United Kingdom and the United States. It was ranked #1 in the world for the quality of its research by independent analysts for six consecutive times - an industry first.

Visit us at https://www.capgemini.com/researchinstitute/