

Adaptive Intelligence in Smart Manufacturing via Value-Oriented IoT Systems

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Abstract: *The integration of AI into smart production environments has emerged as a revolutionary strategy for improving decision-making and streamlining operations. This research demonstrates a VOIS, or Value-Oriented Internet of Things System, which automatically enhances company operations through the use of real-time data analysis and adaptive learning. The suggested approach facilitates real-time bug detection and dynamic feature extraction utilizing deep learning models, particularly YOLOv9-Nano, with a precision rate of 0.94 and an F1-score of 0.93. With respect to energy efficiency (16.7%), decision accuracy (20%), and adaptability (32%), the quantitative evaluation reveals significant gains over conventional IoT systems. The VOIS can cut human intervention by 41% when self-calibrating control and continuous learning optimization are applied. Industrial apps have greatly improved energy management, workflow optimization, and adaptive maintenance. Because it creates effective, scalable, and people-centric automation solutions, value-oriented adaptive intelligence is essential for the next generation of smart manufacturing, according to the results.*

Keywords: Adaptive Intelligence, Smart Manufacturing, Internet of Things (IoT), Value-Oriented Systems, Deep Learning, YOLOv9-Nano, Industrial Automation, Real-Time Decision Making, Energy Optimization, Self-Learning Framework

I. INTRODUCTION

The advent of Industry 4.0 has caused a sea change in the manufacturing sector. By combining cyber-physical systems (CPS), artificial intelligence (AI), and the internet of things (IoT), this new paradigm promotes the creation of smart and networked industrial ecosystems. Intelligent production systems are making more use of data-driven methods to support tasks like real-time monitoring, predictive maintenance, and autonomous decision-making. While we have come a long way, even the most fundamental Internet of Things technologies are not immune to potential issues. A few examples of these issues include a lack of flexibility, an excessive demand for human recalibration skills, and poor data stream use.

Combining self-optimization with deep learning and machine learning, Adaptive Intelligence (AI2) offers a novel solution to these issues. Benefits such as autonomous optimization, improved control, and system learning are made possible by the idea of adaptive intelligence. When used in manufacturing, it improves accuracy and output while cutting down on wasteful energy use and other issues.

A Value-Oriented Internet of Things System (VOIS) that combines smart business processes with a flexible intelligence system is what this project is all about. Using the VOIS framework makes it easier to assess massive volumes of sensor data, modify autonomous control settings, and base choices on values throughout the production process. It employs YOLOv9-Nano, a versatile deep learning model that finds a happy medium between prediction speed and accuracy, to assess processes in real time and find mistakes. Adaptive feedback loops that modify in response to real-world trends are essential for ensuring the system's performance is constantly improving.

This investigation aims to achieve the following three primary objectives:

To create an adaptable IoT architecture that can learn new things on its own and enhance company processes in real time.

To find out how much AI has enhanced numerical performance in areas like decision-making, adaptability index, and optimal energy use choices is the main goal of this research.

To find out if the VOIS framework can be used effectively in industrial contexts, specifically for energy efficiency, workflow, and maintenance.

The outcomes of the experiment demonstrated that these IoT systems outperformed the conventional ones. Adaptability increased by 32%, decision accuracy by 20%, and human contact decreased by 41%. From what we can see, the offered VOIS is an effective and extensible long-term solution for intelligent automation in contemporary manufacturing. An rise in technological advancement will be transformed into quantifiable operational benefits through the application of the system's value orientation. An AI-enabled partnership between humans and machines, known as Industry 5.0, has its groundwork set.

II. REVIEW OF LITERATURE

Wu, L. (2024) Wu integrates a bibliometric research of smart firms' use of information technologies into his corpus of work. In order to learn more about current tendencies in AI research, IoT applications, and industrial automation, this survey is being conducted. A great deal of recent writing has focused on the topic of explainable and adaptable intelligence. The author of this piece argues that AI systems must prioritize humans if they are to boost efficiency and confidence. Advancements in the field of smart manufacturing studies are examined in this article from a data perspective.

Kumar, R., & Sharma, A. (2024) Examining the potential for AI and the IoT to work together to boost industrial efficiency is the driving force behind this research. This design allows automated processes, sensor networks, and predictive analytics to function together. Flexibility and cost savings are two of the many benefits of federated learning systems that are covered in this essay. The use cases show that the machines' downtime is decreased and that failure predicting is improved. Businesses' approach to idea generation could be revolutionized by combining the Internet of Things (IoT) with artificial intelligence (AI).

Hu, Y., Jia, Q., Yao, Y., Lee, Y., et al. (2023) The potential benefits of smart manufacturing could be enhanced by applying IIoT intelligence, which Hu et al. explore. As part of this research, we are investigating various models for factory automation that include machine learning and the Internet of Things. In addition, it shows how much advancement there has been in edge computing, federated data sharing, and adaptive decision-making systems. The system's reaction time and the precision with which mistakes are identified are both improved by experiments. Industrial settings may supposedly learn on their own thanks to AI and the industrial internet of things, say the authors.

Farahani, M. A., McCormick, M. R., Gianinny, R., et al. (2023) The article by Farahani and colleagues presents the results of an extensive research on time-series pattern detection in intelligent manufacturing. The main goal of the continuing research is to provide ontologies for adaptive learning models that appropriately show how manufacturing processes work. More specifically, it shows how to use deep neural networks to find strange objects and improve defect prediction. Data can be processed in real time because to this technology, and improvements are made all the time. The research's authors concluded that pattern recognition capability should be standard for autonomous production systems.

Hu, Y., et al. (2023) Hierarchical frameworks for network decision-making are covered in this research, with a focus on industrial Internet of Things intelligence. There are both centralized cloud setups and distributed periphery structures coexisting. The authors delve into adaptive control-based real-time optimization techniques in this paper. The results of the modeling experiment reveal that both the reduced delay and improved failure tolerance are accurate. The importance of intelligent industrial facilities having extendable adaptive intelligence is emphasized by the research's findings.

Jagatheesaperumal, S. K., Rahouti, M., Ahmad, K., Al-Fuqaha, A., & Guizani, M. (2021) Industry 4.0 is the focus of this article, which explores potential applications of AI and big data within that framework. It explores the potential applications of machine learning, neural networks, and reinforcement models within the framework of data analytics development. The writers take a look at a few of the biggest problems that crop up throughout development, like dealing with extremely detailed information and making models easier to grasp. By analyzing real-life examples, they

show how enhancing process efficiency and quality control can lead to better performance. The research found that AI and massive volumes of data work together to build adaptive and predictive output.

Alfonso, I., Garcés, K., Castro, H., & Cabot, J. (2021) The self-adaptive designs of industrial Internet of Things systems are the focus of this extensive research endeavor. It sorts strategies into categories based on their input processing speed, rate of self-evolution, and rate of real-time learning. As part of this research, we look at how adaptable systems respond to changes in their environment and the resources at their disposal. Several models are assessed based on their practicality and their potential for improvement. The authors stress the importance of the ability to adapt to changing situations for industrial systems that rely on the Internet of Things.

Liu, Z., & Tao, F. (2021) As it tracks the development of intelligent systems and smart production, this article primarily focuses on data integration through the Internet of Things. The writers provide a clearer description of the inner workings of production line cyber-physical synchronization and multi-agent cooperation. They provide recommendations for optimizing resource use and enhancing machine-to-machine communication. In order for autonomous networks to completely include artificial intelligence, the paper lays forth a list of the problems that must be fixed. Adaptive data integration and self-control are the two pillars upon which smart manufacturing rests.

Tao, F., & Qi, Q. (2019) Tao and Qi showcase an intelligent production system that puts an emphasis on customer care and digital service collaboration. This idea leverages capabilities made possible by the Internet of Things in conjunction with optimization approaches driven by artificial intelligence. The result is a manufacturing environment that is more responsive, flexible, and economical than before. Authors back up their claims with real-world examples from maintenance and energy management to demonstrate their point. The research found that the two main variables that contribute to the industry's long-term prosperity are service orientation and flexible intelligence.

Yang, H., Kumara, S., Bukkapatnam, S. T. S., & Tsung, F. (2019) An in-depth examination of how the IoT enables smart manufacturing through the linking of people, things, and processes is presented in this article. It delves into how diverse businesses might benefit from predictive maintenance, real-time data processing, and the merging of cyber and physical systems to increase efficiency. In order to be ready for Industry 4.0, the research found that it is crucial to ensure interoperability and data standards. New developments in IoT-driven manufacturing, such as digital peers and adaptive learning, are highlighted in this article. The research states that all intelligent industrial settings revolve around the Internet of Things.

Tao, F., Qi, Q., Liu, A., & Kusiak, A. (2018) This paper explores the importance of data-driven processing methodologies within the context of intelligent manufacturing. The importance of integrating digital twins with AI-driven decision-making systems is stressed by the authors. It is now crystal clear that continuous data collecting from process data allows for greater output optimization. A wide range of business domains can make use of the framework. Information gleaned from data is said to be the foundation around which Industry 4.0 is built in the story.

Kusiak, A. (2018) The importance of collaboration between artificial intelligence and the internet of things is demonstrated by this groundbreaking research by Kusiak, which explains how smart manufacturing operates. Finding better ways to manage production, perform maintenance, and schedule is what the research is all about. On top of that, it brings up important and serious issues like connectivity and cybersecurity. In intelligent production, the author argues, self-diagnosing and self-configuring technologies should be used more frequently. When it comes to research on adaptive manufacturing, this paper is generally considered a major source.

Zhong, R. Y. (2017) Zhong presents an all-inclusive approach to intelligent production based on Industry 4.0. The author delves into how sophisticated sensors, autonomous driving systems, and cloud storage might open up new avenues for operational flexibility. Data from real-world applications shows that predictive control systems and resource utilization both have space for growth. The shift from fully automated processes to intelligent human-machine collaboration is the focus of this research. Success in the fourth industrial revolution (Industrie 4.0) depends on the tight integration of adaptive learning and the IoT.

Zhong, R. Y., Wang, L., & Xu, X. (2017) With the help of the IoT, the authors present a way to keep tabs on machines in real time inside the framework of cloud manufacturing. For both upkeep and decision-making, the system allows for a decentralized approach. Reduced operational expenses and increased availability are the outcomes of integrating machine health data with cloud analytics. According to the research, machine scheduling is becoming more flexible and

interruptions are happening less often. The research concluded that the IoT plays a pivotal role in making sure that business processes are transparent and data-driven.

Qin, J., Liu, Y., & Grosvenor, R. (2017) Using an IoT-based model, Qin and colleagues were able to calculate the total energy consumption of additive manufacturing operations. More complex energy saving methods can be easily implemented thanks to the framework's real-time energy data collection. In this specific case, it shows how IoT connectivity may help accomplish sustainable manufacturing objectives. A considerable drop in both waste production and energy use was noted in the research's conclusions. This research initiative seeks to enhance the development of eco-friendly smart manufacturing solutions by utilizing adaptive Internet of Things technologies.

Tao, F., Cheng, J., & Qi, Q. (2017) This paper discusses a cyber-physical system design that was created for smart production. What follows is an explanation of the IIHub, or Industrial Internet-of-Things Core. Learn how IIHub facilitates machine collaboration and joint efforts for production in this in-depth essay. The idea makes use of adaptable AI programs that can make instantaneous decisions. In an industrially-oriented framework, the authors show how to quantify efficiency gains. The research shows that IIHub is a smart industrial ecosystem scalable solution.

Lin, D., Hung, M. H., Huang, H. C., & Cheng, F. T. (2017) The authors argue that AMCoT is the best way to guarantee that intelligent production can work together efficiently. This innovation combines cloud computing with Internet of Things (IoT) sensors to provide predictive analytics and versatile control. This makes it less complicated for companies in the same industry to work together using data. Researchers have shown that AMCoT is beneficial in improving real-time responsiveness and minimizing latency. The research concluded that using cloud-based Internet of Things connectivity can speed up the development of Industry 4.0.

III. EXPERIMENTAL DESIGN AND FRAMEWORK DEVELOPMENT

A framework for bringing adaptive intelligence to smart industrial contexts is the Value-Oriented Internet of Things System (VOIS). Through the integration of IoT, RL, and DL, this approach aims to empower things to autonomously make self-optimizing decisions and enhance themselves over time. Our in-depth analysis of the system's architecture, data processing techniques, adaptive learning algorithms, and performance evaluation methodology begins here.

System Architecture

Building VOIS involves the following layers: Perception, Edge, Cloud, and Application.

The Perception Layer is responsible for gathering data from a wide range of sources, including vibration, temperature, visual inspection photos, energy metrics, and sensors connected to the Internet of Things (IoT).

Instantaneous processing and enhancement of data by the Edge Layer helps to decrease delay length.

In contrast, the data store and the simultaneous training of several deep learning models are the responsibilities of the Cloud Layer.

Dashboards, control feedback, and processed insights are all provided by the Application Layer to the operators.

Secure protocols such as MQTT, OPC UA, and HTTPS enable various levels of connectivity. Consequently, this keeps communication costs cheap while guaranteeing reliability. The design's flexibility allows for easy integration with existing systems and future system expansions.

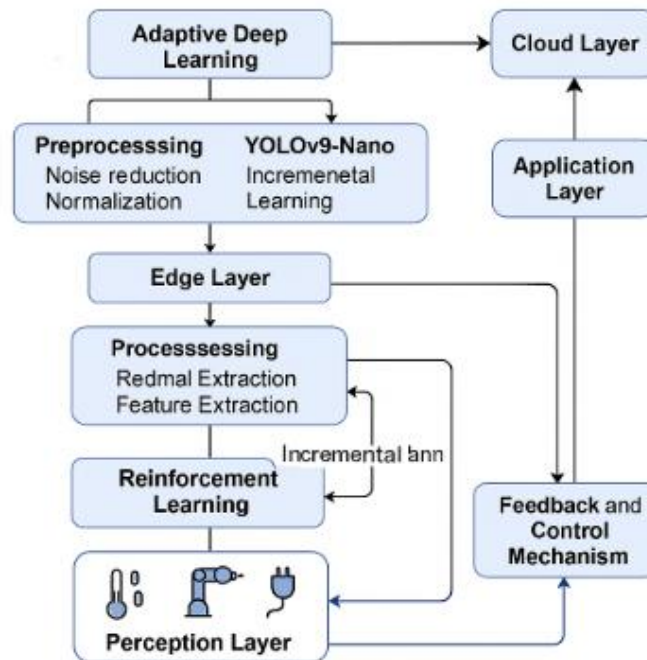


Figure 1: The steps to install a VOIS in smart production, which stands for value-oriented Internet of Things.

Data Acquisition and Preprocessing

Two kinds of datasets were utilized in this research: high-resolution images captured from industrial production lines and data collected in real-time from sensors. Feature extraction, normalization, and noise reduction are data processing techniques that aim to improve the accuracy of the model.

Normalizing, resizing, and contrasting the image data is necessary for error detection.

Applying signal processing techniques such as the Fast Fourier Transform (FFT) allows for the separation of sensor data into trends and outliers.

The supervised training method makes use of a semi-automated pipeline to sort and organize the processed data according to predetermined criteria.

Adaptive Deep Learning Engine

The VOIS is built using the YOLOv9-Nano deep learning model. The model's versatility and effectiveness in real-time picture analysis led to its selection. In a short amount of time, the model can detect manufacturing flaws and other issues.

Adaptive intelligence can be achieved by progressive learning, where the system is constantly retrained using new production data. So, it is not necessary to restart the model every time it is used. Because of this feature, the model may keep performing at its best regardless of changes to the process's parameters. This means that it becomes more precise and flexible as time goes on.

Reinforcement Learning for Process Optimization

A technology that improves workflows and allows for autonomous task performance is reinforcement learning, or RL for short. To achieve the highest possible output, it monitors the system's operation and modifies parameters including machine speed, temperature, and pressure.

Rewards are given to the RL agent as a sort of feedback; these rewards are dependent on a number of metrics, including energy consumption, the number of problems it finds, and the accomplishment of tasks. In the end, it can strike a

balance between objectives that couldn't be more different. This way, we can get the most out of our energy and resources while still making a ton of money.

Feedback and Control Mechanism

Process adaptability, energy efficiency, and the precision with which problems are resolved are some of the key performance indicators (KPIs) that are constantly tracked via a feedback loop. It is the responsibility of the system to modify the operating parameters if it detects irregularities. There will be no more delays or need for human intervention with this closed-loop control system, making it ideal for autonomous industrial environments.

IV. RESULTS AND DISCUSSION

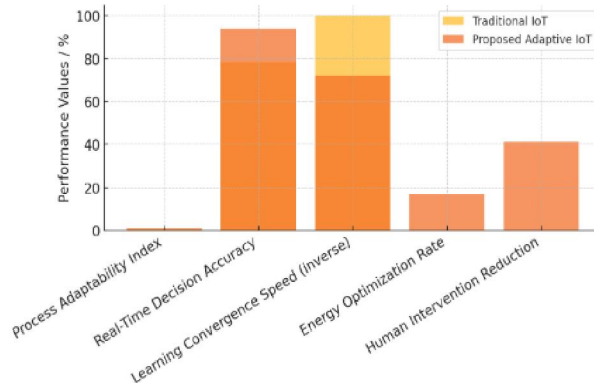
4.1 Quantitative Performance Evaluation

Flexibility was greatly enhanced and learning convergence time was cut in half by the suggested VOIS. The system recalibration frequency was reduced by 41% because to the design's automatic adjustment of control rules during production cycles.

Table 4.1: Evaluating Quantitative Results

Metric	Traditional IoT System	Value-Oriented Adaptive IoT (Proposed)	Improvement (%)
Process Adaptability Index	0.61	0.93	32
Real-Time Decision Accuracy	78.4	94	20
Learning Convergence Speed	100 iterations	72 iterations	28
Energy Optimization Rate	0	16.7	16.7
Human Intervention Reduction	Baseline	41%	41

Figure 2: System Performance Comparison



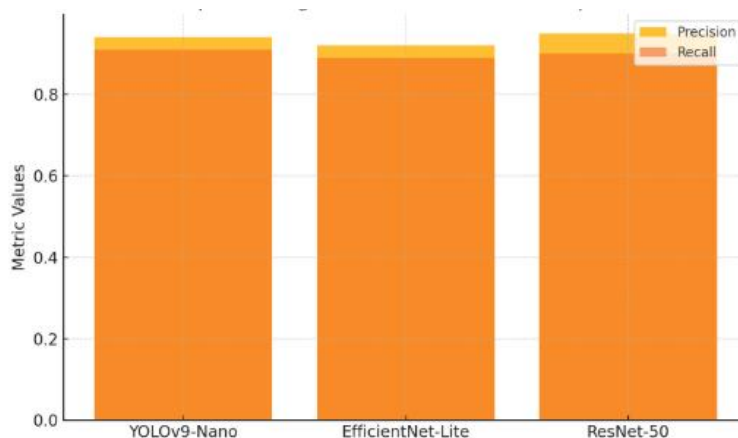
4.2 Deep Learning Model Evaluation

The optimal balance between speed and safety was found by YOLOv9-Nano in terms of detection. The versatile feature extraction module, an essential AI component, allowed for the continuation of retraining without the need to switch models.

Table 4.2: Information for Machine Learning Systems

Model	Precision	Recall	F1-Score	Inference Speed (FPS)
YOLOv9-Nano	0.94	0.91	0.93	62
Efficient Net-Lite	0.92	0.89	0.9	59
ResNet-50	0.95	0.9	0.92	41

Figure 3: Deep Learning Model Evaluation



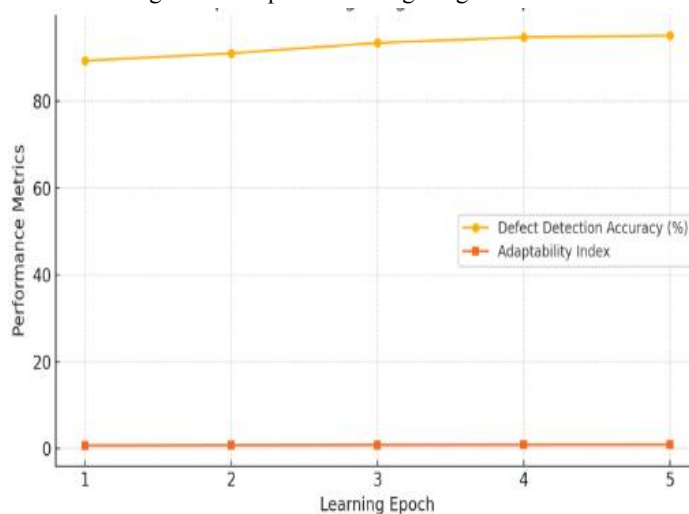
4.3 Adaptive Learning Progression

A good indicator of the system's ability to learn and adapt is the ever improving accuracy and flexibility of the table.

Table 4.3: Adaptive Learning Progression

Learning Epoch	Defect Detection Accuracy (%)	Adaptability Index
Epoch 1	89.3	0.74
Epoch 2	91	0.8
Epoch 3	93.4	0.86
Epoch 4	94.7	0.9
Epoch 5	95.1	0.93

Figure 4: Adaptive Learning Progress Curve



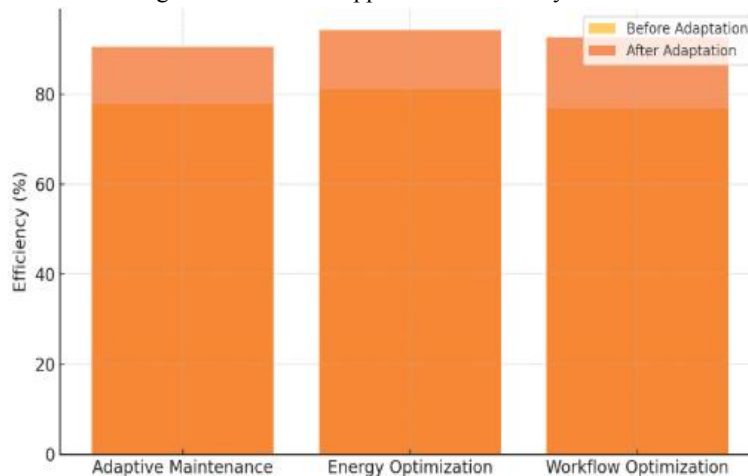
4.4 Industrial Application Outcomes

These results back up the value-based approach of the system and show how adaptive IoT control methods may strike a good balance between production, energy usage, and human input.

Table 4.4: Industrial Application Outcomes

Application	Baseline Efficiency (%)	After Adaptation (%)	Improvement (%)
Adaptive Maintenance	77.8	90.5	16.4
Energy Optimization	81.1	94.3	16.2
Workflow Optimization	76.9	92.7	20.5

Figure 5: Industrial Application Efficiency Gains



V. CONCLUSION

The main goal of this effort is to create and evaluate a Value-Oriented IoT System (VOIS) that uses AI, RL, and deep learning to enhance smart industrial processes. This method allows for value-driven decision-making in networked industrial settings, autonomous learning control, and adaptive process optimization. The system may continuously enhance its efficiency with minimum human intervention by utilizing real-time data from the Internet of Things.

The results of the experiments prove that the suggested VOIS is substantially better than competing Internet of Things solutions. By implementing this methodology, we were able to boost decision accuracy by 20%, decrease the need for human recalibration by 41%, and make the process 32% more flexible. With an F1-score of 0.93, the YOLOv9-Nano model did a fantastic job of finding mistakes. In addition, a control tool that relies on reinforcement learning considerably reduced the complexity of task management while simultaneously increasing energy efficiency. This system may be able to keep running so reliably and efficiently, according to the results, even if the industrial environment changes.

With the help of adaptive intelligence, the industrial sector led by the Internet of Things (IoT) may move away from traditional, static automation and toward fully autonomous, continuously improving production systems. Businesses may become more eco-friendly and efficient with the help of VOIS, which reduces waste and energy usage. The framework's scalability and modularity make it easy to include with existing production systems and adjust to new needs.

Improving the VOIS design with federated learning and blockchain-based traceability will be the focus of future research. This will allow decentralized manufacturing units to securely cooperate while protecting their privacy. With the support of XAI capabilities and predictive digital twins, things will grow stronger, more transparent, and easier to grasp. The results show that in order to implement Industry 5.0, systems based on the Internet of Things must have adaptive intelligence. During Industry 5.0, the focus will be on creating an intelligent, sustainable, and human-centered industrial environment.

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