

Adding recurring revenue to your business plan

Many integrators haven't developed a recurring revenue program. They are focused on one sales contract at a time and trying to service the current client. But they may be overlooking a potential revenue stream that's right in front of them: credentials.

With credentials as a part of every electronic access control system, it only makes sense that integrators influence credential choice. In fact, including the sale of credentials in the overall package solution seems like a natural extension of what the integrator provides—and, as a bonus, it sets you up for a recurring source of revenue.

Right now, credentials are typically sold after the solution is in place—often as an afterthought. And many times, the integrator may no longer be involved. However, by wrapping credentials into the total solution, you not only allow your customer to get everything all at the same time, but it also positions you as a one-stop security resource with recurring revenue.

The potential revenue from credentials may be larger than you think.

According to Jeremy Earles, Business Product Leader, Readers & Credentials, every market has potential for recurring revenue from credentials. The most promising is higher education. With approximately 25 percent of the population graduating each year—along with those students and staff who leave the university or lose their card—the amount of credentials needing replaced annually is 30-40 percent in some cases. And in the healthcare and commercial business sectors, about 25 percent of credentials need replenished annually.

“An integrator who is able to secure a handful of these accounts each year could really set himself up nicely for a recurring revenue stream in credentials,” Earles says.



And, Earles says, it all starts with “the ask.”

“Ask for the business because they need credentials one way or another,” he says. “It may take some work to make that first sale, but once you do, there's minimal effort to keep a client buying cards—it's a necessity and once the first sale is made, it's all about convenience of repurchasing.”



Plus, there are a lot of features that card manufacturers can offer to help keep business with integrator. Two key features are custom artwork and card tracking. Allegion offers both of these features:

- Custom card printing services
- CardTrax

Whether physical cards or mobile credentials, the opportunities are the same. Your customers will have greater convenience, fewer vendors and resources when they need it. Integrators have the opportunity for expanded revenue, greater recognition as a one-stop security resource for all things security, and regular touch points with the customer to strengthen the business relationship. It's a win-win all around.

If you want an Allegion integrator sales rep to assist your client, contact us today [online](#) or by calling 888-758-9823.

About Allegion

Allegion (NYSE: ALLE) creates peace of mind by pioneering safety and security. As a \$2 billion provider of security solutions for homes and businesses, Allegion employs more than 8,000 people and sells products in more than 120 countries across the world. Allegion comprises more than 25 global brands, including strategic brands CISA®, Interflex®, LCN®, Schlage® and Von Duprin®. For more, visit www.allegion.com.

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