

How IoT is changing the integrator's job

The question is not if IoT—the Internet of Things—will change the role of the integrator, but how.



Consider this: According to the "2014 State of the Internet of Things Study" from Accenture Interactive, 69 percent of consumers plan to buy a smart device in the next five years. The study also confirms that by the end of this year about 13 percent of consumers will have an IoT device, such as an in-home security camera or automated thermostat. Even more, by 2020, it is projected that there will be between 100-200 billion connected devices, translating to approximately 26 smart objects per person.

While that can be overwhelming for integrators, it's also very exciting. The loT is certain to bring new opportunities to integrators who embrace the new technologies and position themselves as total solution providers.

What is IoT?

Understanding IoT is the beginning of being able to leverage it in your business.

"IoT is really pretty simple. It's billions of pieces of equipment connected together," says Allegion Futurist Rob Martens.

He says the phrase was actually coined way back in 1999. At that point, the Internet was dependent on people for information, but there was an understanding—a futuristic vision—that eventually smart devices would input the data themselves and reveal previously unseen actions, such as shopping habits, usage, productivity, cost savings and more just by recognizing patterns in the mass of data.

Martens says this vision has started to become a reality thanks to a few important developments over the past several years:

- Decreasing cost of connectivity as sensors, bandwidth and cloud computing become more affordable
- Improvement and sophistication of data analysis
- Free Wi-Fi
- Increase in smart devices, especially smartphones
- Scalability with an unlimited number of IP addresses possible







All of this has combined to bring IoT into the forefront. The low cost of equipment and service, combined with the high value, has created greater productivity and, most importantly, new revenue streams.

What's IoT mean for integrators?

A lot, according to Martens.

"IoT puts integrators in the square center," he says. "A symphony without a conductor only produces dissonant noise. The same applies to IoT. The integrator is the conductor, the one who will put all the devices together to create exactly what a business owner or homeowner desires."

In fact, Martens says we're already seeing some emerging IoT trends:

- Connected homes: Smart thermostats, security, lighting, entertainment
- Connected cars: Vehicle diagnostics, navigation, fleet management, etc.
- Wearables: Fitbits, GoPros, glasses and more
- Industrial Internet: Real-time analytics, robotics, supply chain efficiencies
- Connected cities: Smartgrids, meters, real-time monitoring

To leverage these trends now, integrators must help customers understand that they are not just buying a current solution but that they are making an investment in future technology using the embedded tools and infrastructure they have today.

How does IoT change customer expectations?

Martens says that "The Experience Economy"—a term first coined by B. Joseph Pine and James H. Gilmore in 1998—accurately describes what integrators can expect to see with IoT customers in the years ahead.

"Customers are increasingly buying with the total experience in mind," he explains. "It's not about the software and hardware functionality, but what they do to provide a complete experience, whether it's security, entertainment, health or something else. It's how technology and style fuse together to enable an experience that is intuitive and innovative at the same time."



Rob Martens is the **Futurist and Director** of Connectivity Platforms at Allegion. As technology strategist and futurist with a special focus on the IoT, Rob is responsible for identifying and incorporating trends, opportunities and partnerships in the electronic product space. Respected for his unique industry perspective, Rob has

been featured as an expert panelist at the International CES 2015, the Golden Seeds Annual Summit, the IoT Global Innovation Forum, Internet of Things World and APPNATION IoT, among others. His professional background includes CPG, industrial manufacturing, distribution, financial services, consulting, education and automotive businesses. Rob is a graduate of the University of North Carolina at Chapel Hill.

What can integrators do to prepare?

"IoT shouldn't be thought of as a grab bag," says Martens. "It really requires integrators to consider how solutions respond to users and allows them to interact with their environment."

For example, when it comes to building security, IoT is really about how a building responds to users, anticipates their life, and allows users and the environment to adjust to one another.

As a result, one of the first things that Martens believes integrators will need to do is gain access to parts of the building they've not had before.

"Integrators will need to monitor and be more familiar with how technology is used in a building in ways they may not have previously had to be in the past," he says. "That will likely require many to expand their scope of services."



At the same time, with a wider platform, it's an opportunity for integrators to determine the areas in which they want to grow or develop deep expertise.

Not surprisingly, security and privacy will grow in importance. This growth, Martens says, requires integrators to follow ageold parental advice: Choose your friends carefully.

"You're only as strong as your weakest link," he says. "If you pair a high-quality device with something that's not, you risk exposing your entire IoT system."

He advises integrators to do their due diligence by investigating the level of security provided. At the same time, they should evaluate:

- Ease of installation
- Paths for upgrades
- Types and degrees of flexibility
- Additional capabilities
- Amount of ongoing service required

Finally, Martens says integrators need to become well versed in the multitude of technologies that are emerging in the markets they serve.

"It's important to educate yourself on the differences between technologies," Martens says. "By understanding the strengths of the various solutions, integrators will be better able to develop an integrated solution and leverage the Internet of Things."

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.









