FROST & SULLIVAN

FROST & SULLIVAN BEST PRACTICES AWARD

IOT IN SMART BUILDINGS - GLOBAL

Customer Value Leadership 2019

FROST & SULLIVAN

2019

BEST PRACTICES AWARD

LYNXSPRING®

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Building automation revolves around an increasingly complex and growing world of new technologies and services that enable a plethora of applications and experiences within the built environment. The Internet of Things (IoT), machine learning, and artificial intelligence are changing the way users interact with the built environment. Moving beyond basic efforts to reduce energy use and incurred expenses by optimizing utilization of energy systems like heating, ventilation, and air conditioning, these complex systems and related services empower building operators to deliver novel user experiences. Utilizing data-driven decision making and actionable insights enable building operators today to improve their performance because of an increased level of measurable accuracy.

Although data has become the currency of the digital world, it only has value if someone interprets it and makes it usable and understandable to a range of different audiences. Data scientists are currently in short supply, causing a buildup of unanalyzed data. Meanwhile, building automation is also becoming more complicated, as multiple systems are integrating on single platforms, which introduces the essential notion of connectivity and interoperability—i.e., able to interact well with other systems.

These challenges have led developers to introduce increasingly sophisticated building automation platforms that leverage different technological capabilities and integrate various types of systems to collect data, normalize it, and use it to increase operational efficiency. Edge-to-Enterprise (E2E) platforms provide competencies vital for IoT companies to dive into and drive their strategic directions. It offers an alternative way of accessing data inherent in all devices and equipment and assembling and normalizing data quickly and efficiently. Many of these platforms struggle with back-end deployment and interoperability; however, opportunities through key partnerships and collaborations can help developers address these issues and facilitate integration. Partnerships and collaborations are becoming increasingly important as suppliers of all sizes seek to offer a comprehensive, end-to-end market segment solution.

Lynxspring's Customer Impact and Business Impact

Founded in 2002, Lynxspring has a longstanding reputation of technological acumen in the building automation industry, receiving Frost & Sullivan's Customer Value Leadership Award in 2014 and its Competitive Strategy Innovation and Leadership Award in 2017. The company's edge-to-enterprise platform for smart buildings and IoT systems allows users to manage connected devices at the edge, and in the network as well as the cloud.

Ease of Integration

"*Lynxspring's solutions have allowed us to work through any system type and installation process with ease and effectiveness. The product and service consultation they provide helps our staff, customers and their third parties in achieving the desired outcomes collectively. They are always prepared to add, adjust, and extend the abilities of their gateway to meet our customer needs. We have been working with them for over eight years now and are happy to consider them as our future strategic partner given the tremendous value they bring to this relationship.*"

Kendall Anderson, Marketing & PR Manager: FSG Energy

Facilitating quick deployment through strong back-end service integration is a critical differentiator in IoT platforms. The ability to integrate an IoT platform easily and quickly reduces expenses by eliminating the need to hire system integrators and allowing users to optimize processes sooner.

Lynxspring's E2E platform provides best-in-class service delivery and value enhancements through a well-synchronized suite of solutions to ensure timely integration. The company understands that users can send bits and pieces of information—not all of it—to the cloud. In other words, they can perform functions at the edge, in conjunction with the cloud. Thus, Lynxspring's E2E platform enables users to connect and access data immediately straight from the platform, as opposed to having to get inside of devices, sensors, or pieces of equipment. Users receive actionable data, and they can use it to implement changes instantly.

An Ecosystem of Symbiotic Partnerships

IoT is an ecosystem, and it encompasses multiple technologies that connect and interoperate. No single entity will dominate. Therefore, companies prefer to form strategic partnerships that allow the technology to come into place and deliver value; symbiotic alliances are vital to success. Lynxspring selects partners meticulously, ensuring that its technology is cutting edge and sets it apart from its competitors. The company collaborates with multiple groups in multiple alliances to enable connectivity in its products.

Lynxspring's ecosystem of partnerships consists of three main groups: original equipment manufacturers (OEMs), system integrators, and building owners and operators. Lynxspring helps OEMs by enabling their equipment to be smart and connected. The company works with them to extend the lifetime value of its equipment and service offerings by embracing Lynxspring's technologies and solutions as part of their offering. Its solutions offer the perfect gateway for services to assimilate from OEMs. Further, cross leveraging data from OEMs' systems helps Lynxspring create richer visualization and analytics for its customers.

The second leg of this network includes system integrators. Much of the technology available in the built environment industry depends on system integrators. Over the years, Lynxspring has created a system integrator channel throughout North America (and a few select international countries) of approximately 250 system integrator partners that rely on Lynxspring's solutions to deploy its technology in commercial office buildings, retail space, and universities.

The third part of the ecosystem consists of building owners and operators that either buy Lynxspring's products outright and deploy the solutions themselves or specify a preference for Lynxspring's products and require their customers to use the platform.

Additionally, Lynxspring's technology is also available to anyone in the IoT space that wants to get connected and get data. This group includes non-traditional customers that may not be part of the building space but have a challenge or need in the IoT movement (e.g., connectivity, access to data, integration, interoperability).

Lynxspring Professional Services

Before deployment, the Lynxspring Professional Services (LPS) team collaborates with its customers to assess their individual needs and determine the most efficient route for integration and optimization. Together, the two entities develop a strategic plan, including a functional guide specification that outlines the operational value and desired outcome of the project and their roadmap for achieving it. During this process, the LPS team's unique understanding of the physical environment allows it to determine potential issues with usability and address them before they occur. Services include strategic advisory, system configuration, design, cybersecurity solutions, deployment services, analytics, project management, and training and certification.

The LPS team's Lynxspring University provides additional support through award-winning certified coaching programs that educate customers both before and after deployment. The chief aim of these programs is to provide customers with relevant skills and improve their comfort levels while continuing to foster longstanding relationships. In addition to a diverse range of courses such as Niagara Advanced Programming, JENEsys Field Certification Training for AAON Equipment, and Networking Fundamentals, Lynxspring University also creates real-world scenarios for participants to work through. Lynxspring University updates course offerings based on industry demand. Courses are available either on location at Lynxspring University in its headquarters at Lee's Summit, Missouri or through Lynxspring's On-the-Road Program.

Extending E2E to other Markets

As part of its strategic approach, Lynxspring intends to apply the basic structure of E2E in other relevant IoT markets (i.e., agriculture, equipment control) that are conducive to the company's key performance indicators while fortifying relationships with existing customers. An essential part of Lynxspring's outbound strategy is to understand what types of companies or organizations would be a good fit for Lynxspring's E2E solution. The company targets potential customers and marketing segments that it feels its technology applies to and can benefit. Lynxspring's sales team and representatives travel the world creating new business opportunities through a multi-channel approach. The company also offers webinars that promote its technology and how it can be useful in various environments.

Conclusion

As a well-known and trusted company in the smart building industry, Lynxspring consistently provides cutting-edge solutions that enable a wide variety of use cases. Specifically, the company addresses deployment and usability pain points by providing user-friendly technology and solutions that interoperate seamlessly with other system architectures. Edge-to-enterprise, along with Lynxspring's end-to-end customer service, positions the company for continued growth in the market, while cementing its position as a leader. With its highly innovative vision, commitment to quality, and proactive market drive, Lynxspring earns Frost & Sullivan's 2019 Customer Value Leadership Award in the global IoT in smart buildings market.

Significance of Customer Value Leadership

Ultimately, growth in any organization depends upon customers purchasing from a company and then making the decision to return time and again. Delighting customers is, therefore, the cornerstone of any successful growth strategy. To achieve these dual goals (growth and customer delight), an organization must be best-in-class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.

- Shift competitors' customers
- Increase renewal
- Increase upsell
- Customer value
- Increase market penetration

- Increase equity
- Improve recognition/recall
- Inspire customers
- Value leadership
- Clarify value proposition

DEMAND

BRAND

Customer Value Leadership

COMPETITIVE POSITIONING

- Clarify superior positioning
- Superior value to customers
- Competitors fall behind
- Best implementation
- Value mapping

Understanding Customer Value Leadership

Customer Value Leadership is defined and measured by two macro-level categories: Customer Impact and Business Impact. These two sides work together to make customers feel valued and confident in their products' quality and long shelf life. This dual satisfaction translates into repeat purchases and a high lifetime of customer value.

Key Benchmarking Criteria

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Customer Impact and Business Impact—according to the criteria identified below.

Customer Impact

      Criterion 1: Price/Performance Value
      Criterion 2: Customer Purchase Experience
      Criterion 3: Customer Ownership Experience
      Criterion 4: Customer Service Experience
      Criterion 5: Brand Equity

Business Impact

      Criterion 1: Financial Performance
      Criterion 2: Customer Acquisition
      Criterion 3: Operational Efficiency
      Criterion 4: Growth Potential
      Criterion 5: Human Capital

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate Award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP		OBJECTIVE	KEY ACTIVITIES	OUTPUT
1	**Monitor, target, and screen**	Identify Award recipient candidates from around the globe	• Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies	Pipeline of candidates who potentially meet all best-practice criteria
2	**Perform 360-degree research**	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates	Matrix positioning of all candidates' performance relative to one another
3	**Invite thought leadership in best practices**	Perform in-depth examination of all candidates	• Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4	**Initiate research director review**	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best-practice positioning paper
5	**Assemble panel of industry experts**	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized Award candidates
6	**Conduct global industry review**	Build consensus on Award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible Award candidates, representing success stories worldwide
7	**Perform quality check**	Develop official Award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8	**Reconnect with panel of industry experts**	Finalize the selection of the best-practice Award recipient	• Review analysis with panel • Build consensus • Select recipient	Decision on which company performs best against all best-practice criteria
9	**Communicate recognition**	Inform Award recipient of Award recognition	• Announce Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10	**Take strategic action**	Upon licensing, company is able to share Award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess Award's role in future strategic planning	Widespread awareness of recipient's Award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit http://www.frost.com.