

PLANON RECEIVES THE 2023 PRODUCT LEADERSHIP AWARD

Identified as best in class in the global IoT-driven smart buildings industry

Frost & Sullivan is proud to present Planon with this year's Best Practices Product Leadership Award in the Global IoT-driven smart buildings industry.

Frost & Sullivan's global team of Growth Pipeline experts continually identifies and evaluates growth opportunities across multiple industries, technologies, and regions of the world. As part of this ongoing effort, we identify companies that consistently develop growth strategies based on a visionary understanding of the future and effectively address new challenges and opportunities. This approach involves the deployment of best practices and strategic analytics across a value chain. Against this backdrop, Frost & Sullivan recognizes Planon for its valuable achievement.

Frost & Sullivan reserves this recognition for companies at the forefront of innovation and growth in their respective industries. These companies consolidate their leadership positions by innovating and creating new products, solutions, and services that meet ever-evolving customer needs. By strategically broadening their product portfolios, leading companies advance the overall market. Driving innovation and growth is a difficult task made even harder by the strategic imperatives forcing change today, such as disruptive technologies, value chain compression, industry convergence, and new business models. In this context, Planon's recognition signifies an even greater accomplishment.

Moreover, this recognition is the result of many individuals (employees, customers, partners, and investors) making critical decisions every day to support the organization and contribute to its future. Frost & Sullivan enthusiastically acknowledges and celebrates their contributions.

Sincerely,



David Frigstad

Chairman

Frost & Sullivan

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Planon excels in many of the criteria in the IoT-driven smart buildings space.

AWARD CRITERIA	
<i>Product Portfolio Attributes</i>	<i>Business Impact</i>
Match to Needs	Financial Performance
Reliability and Quality	Customer Acquisition
Product/Service Value	Operational Efficiency
Positioning	Growth Potential
Design	Human Capital

Addressing Interoperability Challenges with IoT-enabled Open Platform

Frost & Sullivan observes a growing global push to digitalize different aspects of building management due to mounting obligations to meet sustainability and decarbonization targets at the enterprise level. At the same time, the industry places equal importance on improving occupants’ comfort, safety, productivity, and wellness. The leading solutions that pave the way for transforming buildings into cognitive entities are powered by artificial intelligence, the Internet of Things (IoT), and Cloud services.

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- Anirudh Bhaskaran
Industry Principal

The smart building sector has witnessed robust investment growth, with a compound annual growth rate (CAGR) of 28.6% from 2017 to 2022. Frost & Sullivan estimates that in 2022, venture capitalists, private equity firms, and corporations invested nearly \$12 billion into the smart building space, double the investments in 2020. Frost & Sullivan also predicts an impressive growth trajectory for the smart building industry, projecting the revenue for digital building solutions to reach \$50.99 billion by 2028, growing at a CAGR of 25.1% from 2021 to 2028.¹

¹ [Top 50 Start-ups Advancing Decarbonization and Digitalization in the Global Homes and Buildings Industry \(Frost & Sullivan, August 2022\)](#)

However, the disparate and disjointed solutions offered by a growing number of property technology (PropTech) vendors intensify the interoperability challenges afflicting the global smart buildings space. As a result, building owners, operators, and service providers struggle to manage the isolated, incompatible, and vendor-specific solutions implemented across their building portfolios, creating unnecessary complexities and operational hurdles. Within this context, customers increasingly demand ‘open’ systems that implement standard processes and practices to allow them to navigate these diverse systems seamlessly. Addressing this market need with its IoT-enabled ‘Open Platform’ initiative, Planon stands out as a global product leader in the rapidly evolving smart buildings space.

A Global Product Leader in the IoT-driven Smart Buildings Industry

Planon is highly committed to innovation, evident through its comprehensive portfolio of PropTech-enabled smart building solutions, far surpassing its contemporaries in terms of solution diversity. More specifically, the company drives the real estate (RE) and facility management (FM) sectors’ cost-efficient, scalable, and value-focused digitalization by effortlessly developing a complete toolset to integrate third-party technologies and solutions. This approach enables customers to connect a wide range of smart building solutions on a unified platform. It allows them to utilize operational data (from a single building or an entire building portfolio) to guide their management and business decisions. Empowered by an array of unique capabilities, the Planon Platform is a truly open application platform that is compatible with other systems and allows the development of additional competencies with integrated IoT features.

Planon’s move towards an open system architecture helps customers automate their business processes while optimizing their built environment’s existing technology stack. To this end, the Planon Platform seamlessly integrates into smart building solutions already installed in buildings or those preferred by building users or operators. Additionally, this capability enables customers to fully leverage market innovations and local (or regional) technology preferences while efficiently and affordably managing operational complexities.

Planon addresses the smart buildings space’s IoT technology adoption challenge by employing a ‘problem-first’ approach that shapes its customers’ IoT implementation strategies around their business needs and infrastructure requirements. Within this context, the company combines the advantages of an integrated workplace management system (IWMS) with embedded IoT infrastructure to form its smart, sustainable building management platform. Available to building owners, occupants, and service providers, the platform operates as a ‘single pane of glass’ where customers can view all IoT-derived building, asset, workplace, and service-related data on a single-view interface. Furthermore, Planon stands out against other IWMS vendors with its unique Planon AppBuilder, an integrated development environment. Based on Java, this powerful tool provides customers and partners access to open-source libraries and application programming interfaces on Planon Platform services, facilitating the development of tailor-made software and standard applications.

Moreover, Planon adopts a slightly different approach to the ‘Digital Twin’ principle, where it creates digital twins as mini applications to monitor asset performance by tracking the IoT data flowing through them. The company automatically embeds the digital twins into its solutions’ process workflows (including business logic, Service-Level Agreement management, events, notification, and cost charging), receiving IoT data and interacting with existing solutions and applications on the same platform. Overall, Planon’s

digital twins for building operations combine continuous IoT-based monitoring, Fault Detection and Diagnosis, and System Response Automation capabilities. The solution's automated response feature, which either triggers a process or sends a command to the smart asset, is a key differentiator in the smart buildings space.

Offered as out-of-the-box offerings, Planon allows customers to deploy its pre-built IoT-driven use cases directly through the graphical user interface. Moreover, the company provides full flexibility regarding the collective deployment of its smart building solutions and software. For instance, customers can connect any smart device to the Planon Platform, choose which standard IoT use cases to implement, and scale at their own pace. This approach enables the company to address its customers' needs and extend its capabilities effortlessly to meet future requirements without requiring a significant initial investment. As a result, customers can convert their properties into smart buildings and transform their building operations into smart business processes in a scalable, affordable, and manageable way.

Pioneering Success Through Strategic Innovation Capabilities

Planon builds on the competitive differentiation afforded by its innovative solution portfolio through an ongoing focus on customer-led and market-driven innovation. The company boasts a 20-year track record of investing over 20% of its revenue to drive its research and development (R&D) efforts², significantly exceeding the industry benchmark of 10% to 15% R&D spend. Planon is committed to developing long-lasting partnerships with its customers, providing them with innovative, integrated, and future-ready solutions tailored to their needs.

In addition to these internal innovation and market diversification efforts, Planon focuses on industry partnerships and strategic acquisitions as part of its core growth strategy. The company maintains a growing global network of technology partners (e.g., Schneider Electric, Signify, Hexagon, AddOnn, MazeMap, bGrid, and Disruptive Technologies), system integrators (e.g., KPMG, EY, Jackson Cross, Tjene, Arazzo solutions, LLC., and Galax Solutions Limited), and resellers/implementation partners (e.g., Vetasi, CT ACTIVA, Kagile, FMpool, and MCG) to deliver the best software and services to its customers.³

Planon leverages its external partners' technology know-how to complement its in-house capabilities to address its customers' emerging demands for next-generation technologies, effectively managing client expectations and enhancing customer satisfaction.

Announced in May 2023, Planon's endorsed partnership with **SAP** provides corporate organizations and commercial RE companies with an integrated solution for optimized portfolio management and improved building performance sustainability. Moreover, this alliance opens up a significant global market of large corporates and mid-market customers.⁴ Within this unique partnership, SAP and Planon are jointly developing a 'hybrid solution' driven by the concept of the 'separation of responsibility' between the two platforms, wherein SAP combines its financial capabilities with Planon's RE and FM business solutions. In this approach, Planon transfers financial management towards SAP. The first-of-its-kind in the market, this joint solution intimately connects RE/FM business processes to corporate ERP/Financial wall-to-wall

² <https://planonsoftware.com/uk/about-planon/who-we-are/>, accessed August 2023.

³ <https://partner.planonsoftware.com/uk/our-partners/>, accessed August 2023.

⁴ <https://planonsoftware.com/uk/news/planon-partners-with-sap/>, accessed August 2023.

processes in a productized way. As a result, RE and FM activities become a fundamental part of customers' business processes and the application landscape, simplifying solution implementation.

Similarly, Planon's ongoing strategic collaboration with **Schneider Electric** allows it to co-develop smart building management solutions to digitally transform buildings into healthy, sustainable, and future-ready workplaces. This partnership provides the company with new options to sell its solutions as part of the Schneider Electric EcoStruxure software offering.⁵ A perfect example of Planon's intrinsic integration capabilities regarding operating technology (OT), the collaboration empowers the company to connect its solutions to buildings' infrastructural technologies. In addition to OT integrations to Schneider Electric products, Planon is independently positioned to incorporate any OT product/vendor that clients show interest in.

In line with its partner ecosystem strategy, in 2022, Planon added more than ten partners and acquired five companies (COOR, SPM Assets, AIA, Ubigreen, and controllIT). As a result, Planon successfully diversified its IoT-based connected solutions portfolio across all segments, augmenting its RE management product lines, expanding its energy management offering, and extending its integrated IoT capabilities. With this growing ecosystem of technology collaborations, Frost & Sullivan finds Planon significantly outpaces its competitors in meeting specific customer requirements and strengthening its market presence.

Moreover, Planon's ongoing solution innovation efforts and extensive build and test automation enable it to offer new software releases every month for on-premises and cloud implementations. The company inspects the applications daily during development by conducting code and design reviews and incorporating Static Application Security Testing and Software Composition Analysis into its continuous integration build environments. Planon also performs third-party-led annual penetration tests and monthly Dynamic Application Security Testing vulnerability scans on every new cloud release. Furthermore, Planon offers an impressive uptime of over 99.9% for its cloud services. Considering customer transparency as a high priority, the company maintains a public dashboard at trust.planoncloud.com⁶, displaying uptime, scheduled maintenance, and data center performance history.

Customer-centric Approach as Central Pillar for Growth Strategy Driving Excellence

With its customer-centric corporate philosophy, Planon operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. Planon continually conducts customer success activities through its "Planon Life-cycle Services" offering across the entire lifecycle of its solutions. Starting at the beginning of the buying cycle, the company helps customers identify and access the most appropriate software capabilities to meet their specific needs. Similarly, during the implementation and adoption phase, Planon offers in-depth technical support to streamline solution roll-out, simplify integration, optimize software configuration, and maximize utilization. The company also extends business value by exploring innovation and value-add opportunities.

⁵ <https://www.prnewswire.com/news-releases/schneider-electric-completes-its-investment-in-planon-beheer-bv-planon-to-digitally-transform-buildings-into-the-healthy-and-sustainable-workplaces-of-the-future-301196131.html>, accessed August 2023.

⁶ <https://trust.planoncloud.com/#/>, accessed August 2023.

Moreover, Planon trains its employees, regardless of their roles within the organization, to act as customer success managers to help customers maximize its products' and services' overall value.

Furthermore, Planon maintains ongoing customer interactions to ensure its offerings align with evolving customer needs. To facilitate this, the company offers dedicated account managers and an in-house support desk staffed by business and technical professionals for 24/7 live support. Customers can provide feedback and submit change requests through its customer portal and frequent vendor-led formal user group meetings. Additionally, Planon encourages end-user-led initiatives, like the Planon-peer events at United Kingdom universities, and virtual community portals to gather ideas and concerns. Other user-focused activities include annual user conferences, industry-specific webinars, round tables, and one-day events.

Since its inception, Planon's exceptional reputation and focus on customer needs have elevated it to the status of a coveted preferred partner. The company's focus on delivering exceptional customer value

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- Sama Suwal
Best Practices Research Analyst

through increased operational efficiency, reduced total cost of ownership, optimized building sustainability, and decreased operating costs helps it strengthen its brand image, build customer loyalty, and foster long-term customer relationships. As a result, Planon boasts of a 97% customer retention rate, an impressive feat in the competitive smart buildings space.

Similarly, the company complements its customer retention efforts with targeted customer acquisition activities, consistently adding new partners to its established base. Onboarding 175 new customers in 2022, Planon helps more than 2,800 customers

worldwide utilize its solutions to deliver benefits to over three million users. Some notable customers include Bayer AG, Brown University, Siemens, Nike, Danfoss, Tip, Carglass, Veritas, and Dehner.

Customer Case Study 1: Brown University

Brown University integrates its Building Automation System (BAS) with the Planon Universe offering to streamline and automate work order processes. Previously, a full-time staff member manually supervised the university's BAS, creating hand-written tickets for each alarm, which was both time-intensive and prone to human error. Integration with Planon transformed this process: alarms are promptly relayed to the company, where real-time work orders are crafted and dispatched to the respective technical teams. These teams can then seamlessly assign tasks to available technicians via Planon's resource planner solution, expediting issue resolution. As a result, the customer achieved substantial cost savings and operational streamlining, with projected annual savings of around \$38,000.⁷

⁷ <https://planonsoftware.com/uk/resources/case-studies/brown-university/>, accessed August 2023.

“The BAS Planon integration has transformed our processes. What was completely manual is now automated and streamlined, allowing our team to shift their focus to important, critical tasks.”

- Colin D. Johnson, ITIL - Senior Applications Support Specialist at Brown University⁸

Customer Case Study 2: Bayer CRE

Since 2015, Bayer AG’s corporate RE services provider, Corporate Real Estate (CRE), has utilized Planon’s solutions to manage its portfolio, including more than 26,000 technical facilities. More recently, the customer leveraged the company’s open application platform to accelerate its ongoing digital transformation initiative, improve operational excellence, and enhance business value. To this end, in 2021, CRE launched a pilot project with Planon’s partner Hexagon to create digital twins of the technical facilities at a target building at its Leverkusen site. Following the successful pilot of this low-investment integration that resulted in significant cost savings and process optimization, CRE extended this technology across additional buildings in the Leverkusen campus.⁹

“Using Hexagon in addition to Planon’s IWMS offers real added value. The solution was implemented quickly and noticeably expedites our daily business processes.”

- Rene Pollmann, Head of Technical Services at Bayer CRE¹⁰

Planon demonstrates high-growth potential. The company is well positioned in the market, with an industry-leading solution portfolio that provides tremendous value in high-demand sectors. The company’s market-leading technologies, customer-centric approach, and robust partnership strategy facilitate a solid financial performance. In 2022, Planon secured an annual revenue of over \$128 million (€117 million) and a growth rate of 32% (19% from organic growth and 13% from acquisitions).

Frost & Sullivan believes the company will drive the IoT-driven smart buildings space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

⁸ Ibid.

⁹ <https://planonsoftware.com/uk/resources/case-studies/bayer-corporate-real-estate-integrates-digital-twin-with-planon-partner-hexagon/>, accessed August 2023.

¹⁰ Ibid.

Conclusion

To be a product leader, a company must understand the market's needs and deliver a winning solution designed and embedded with high quality and reliable performance. Frost & Sullivan finds that Planon embodies this concept and exemplifies it with best practice implementation.

A leading provider of innovative software solutions and services for the real estate and facility management sectors, Planon eliminates data silos and integrates solutions into a unified shared information platform, providing all building stakeholders with real-time access to actionable insights. Empowered with several distinctive capabilities, the Planon Platform operates as a truly open application platform, seamlessly integrating solutions already installed in existing buildings or those preferred by building users or operators. Planon's move towards an open system architecture helps customers automate their business processes while optimizing their built environment's existing technology stack.

Moreover, Planon addresses the Internet of Things (IoT)-driven smart buildings space's technology adoption challenges by employing a 'problem-first' approach that shapes its customers' IoT implementation strategies around their business needs and infrastructure requirements. The company combines the advantages of an integrated workplace management solution with embedded IoT infrastructure to form its smart sustainable building management platform. Available to building owners, occupants, and service providers, the platform helps customers convert their properties into smart buildings and transform their building operations into smart business processes in a scalable, affordable, and manageable way.

With its strong overall performance, Planon earns Frost & Sullivan's 2023 Global Product Leadership Award in the IoT-driven smart buildings industry.

What You Need to Know about the Product Leadership Recognition

Frost & Sullivan's Product Leadership Award recognizes the company that offers a product or solution with attributes that deliver the best quality, reliability, and performance in the industry.

Best Practices Award Analysis

For the Product Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Product Portfolio Attributes

Match to Needs: Customer needs directly influence and inspire the product portfolio's design and positioning

Reliability and Quality: Products consistently meet or exceed customer expectations for performance and length of service

Product/Service Value: Products or services offer the best value for the price compared to similar market offerings

Positioning: Products serve a unique, unmet need that competitors cannot easily replicate

Design: Products feature innovative designs, enhancing both visual appeal and ease of use

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

