

Are companies prepared to
implement **IoT solutions?**

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“The Internet of Things” (IoT), and the amount of data from connected devices is in the early stages of tremendous growth over the next few years. A recent report from McKinsey estimates its potential economic impact could be up to \$11.1 trillion by 2025. The impact of this projected growth is already making its way into the operations of many enterprises. While this number is staggering in its implication, enterprises have a lot of work ahead to create value from the IoT systems and the resulting wave of IoT system data. How many different connected devices or IoT systems are in your home now? Think about a mature Enterprise. The McKinsey report states “interoperability between IoT systems is critical. Of the total potential economic value, the IoT enables, interoperability is required for 40 percent on average and for nearly 60 percent in some settings.” While it’s stated that interoperability will leverage the maximum value from IoT applications, are enterprises really ready for an IoT data from one or more IoT systems?

Some evidence would suggest not. In one use case brought to light by McKinsey, up to 99 percent of connected device data is not currently being used beyond simple operational awareness such as anomaly

detection. Part of this problem can be attributed to closed IoT systems that don't allow for interoperability between the local and cloud based IoT systems and the data service providers that can create actionable results for the Enterprise. Another part of the problem is caused by not having a solid solution for Big Data aggregation combined with a good Enterprise Application Integration strategy.

Here are a couple of questions enterprises need to take into consideration in order to succeed when deploying IoT platforms:

1. **How flexible is the enterprise in terms of working with multiple IoT systems providers and data services in an interoperable environment?**
2. **Does the enterprise have access to Enterprise Application Integration (EAI) and Integration Platform-as-a-Service (iPaaS) solutions?**



It's fairly straightforward to connect device data from one IoT System to one data service provider for analysis and reporting, but the challenge comes in aggregating data from multiple IoT systems to be processed by multiple best-in-class data service providers to get the most out of your data. This is where the need for interoperability becomes

very important. It's difficult to scale your solution to its maximum potential when limited by closed systems or locked data.

There is a technical prowess required to make IoT solutions work together, enterprises that once tried to consolidate their systems with one all-encompassing vendor are now embracing the interoperability of many specialty vendors to provide the best operational efficiency and accelerated deliverables. Before IoT Systems integration requirements, many successful enterprises were already utilizing a mix of on-premise EAI platforms and cloud based iPaaS solutions for Enterprise System integration. The major vendors offering EAI and cloud based iPaaS solutions are working on the integration of connected device data from multiple IoT and Machine-to-Machine (M2M) systems but have yet to complete the solution. If your enterprise wants to become a part of the IoT landscape, you need to have good answers to how you're going to integrate multiple IoT platforms and create actionable results from IoT data.