

# The Effect of the Internet of Things (IoT) on Education Business Model

BAGHERI, Maryam and HAGHIGHI MOVAHED, Siavosh

Available from Sheffield Hallam University Research Archive (SHURA) at:

https://shura.shu.ac.uk/14405/

This document is the Accepted Version [AM]

## Citation:

BAGHERI, Maryam and HAGHIGHI MOVAHED, Siavosh (2017). The Effect of the Internet of Things (IoT) on Education Business Model. In: 2016 12th International Conference on Signal-Image Technology & Internet-Based Systems (SITIS). IEEE Computer Society, 435-441. [Book Section]

## Copyright and re-use policy

See http://shura.shu.ac.uk/information.html

## The Effect of the Internet of Things (IoT) on Education Business Model

Maryam Bagheri Department of Computing Universita degli Studio di Torino Turin, Italy bagheri@di.unito.it

Abstract- The introduction of the Internet of Things (IoT) in education, which allows Internet based communications to happen between physical objects, sensors and controllers, has changed educational institutions massively. By embedding sensors in objects and integrating cloud computing, augmented reality, wearable technologies and big data in this platform, different parameters of the educational environment can be measured and analysed to provide useful information. It also has created a new interaction between people and the environment in educational organisation. In this research based on the recent IoT projects in education, we will categorize the application of IoT in education into four groups: energy management and real time ecosystem monitoring, monitoring student's healthcare, classroom access control and improving teaching and learning. We will investigate and analyse how this platform has changed the Education Business Model and added new value propositions in such organizations based on the Canvas Business Model.

*Index Terms*- Canvas Business Model, Classroom Access Control, Education Business Model, Energy Management and Ecosystem Monitoring, Higher Education, Internet of Things (IoT), Student's Healthcare, Teaching and Learning.

### I. INTRODUCTION

The Internet of Things (IoT) is a technological revolution that enables pervasive interaction between objects, people and environments. Data will be gathered by embedded sensors and actuators, which are then sent to specialised applications to create actionable information. IoT has been acknowledged as one of the foundation stones of Industry 4.0, due to its potential to change the existing industrial and business processes [1]. With the advent and growth of the IoT, physical environments are becoming smarter and more interconnected than ever before. This has changed the way we live by improving sustainability, efficiency, accuracy and economy in almost every aspect of our lives. IoT has been leveraged in many industries such as healthcare systems, traffic management, energy management, education, environment monitoring, smart homes and smart cities.

Governments and educational institutions are using IoT to streamline processes, leverage data and promote

Siavosh H. Movahed Department of Computing Sheffield Hallam University Sheffield, UK s.haghighi-movahed@shu.ac.uk

sustainability. The use of smart objects and wearable devices is well established in a number of universities [2]. Enabling technologies such as sensors, chips and other wearable devices which are all well understood, easily mass-produced, and inexpensive have become ubiquitous in education and used extensively in classrooms. This research focuses on the effect of IoT in education. The rest of this research is organized as follows: in section 2, we represent the background information on IoT in higher education and the education business model. Section 3, specifies the project aim and discusses the practical integration of IoT in higher education in the areas of campus energy management, classroom access control and campus security, student's healthcare and finally teaching and learning enhancements. It will then concentrate on the impact of IoT on the Education Business Model by introducing new value propositions based on the Canvas Business Model.

#### II. BACKGROUND

#### A. Internet of Things in Education

Education has changed from a knowledge-transfer model to an active collaborative self-directed model by the disruptive influence of technology in today's educational institutions. This has forced many institutions to rethink teaching and learning [3]. The influence of technology can be seen in many aspects of education from student engagement in learning and content creation to helping teachers provide personalized content and improving student outcomes. [4]. There are currently seven categories of technologies, tools and strategies that driving innovation in education: "Consumer Technologies, Digital Strategies, Enabling Technologies, Internet Technologies, Learning Technologies, Social Media Technologies and Visualisation Technologies"[2]. IoT is a subcategory of Internet technology, which supports education in many ways. IoT solutions enable educational institutions to collect a vast amount of data from sensors and wearable devices more easily and to perform meaningful actions based on these data. Such systems allow students to explore an environment by using embedded sensors, OR codes and other technologies. They can access learning materials and other information from anywhere at any time. Teachers also can use wearable devices and smart phones in the

classrooms to improve teaching and learning. A smart classroom can be defined as an intelligent environment equipped with different kinds of hardware and software modules. Video projectors, cameras, sensors and face recognition algorithms are examples of modules that monitor different parameters of the physical environment [5] or students' attributes such as concentration, performance and achievement [6].

Industry and higher education experts have given their perspectives on the IoT and its potential impact on higher education, the problems solved/created by the IoT, and security, privacy, and data ownership issues [27], [28]. For example Itai Asseo, strategic Innovation Executive at Salesforce, says that one of the biggest benefits of IoT in education is personalized and unique interaction with students. It helps students not only get personal recommendations and academic topics, but can also resolve learning issues when they are struggling academically by sending alerts to administrators [28]. Maggie Johnson, Director of Education and University Relations at Google, mentions that the IoT is present in many universities in the form of "security cameras, temperature controls, and access to buildings, lights, power" [28]. Bob Nilsson, director of solutions marketing at Extreme Networks, suggests that smart objects can be used in classrooms for improving teaching and learning. He also mentions to the role of the IoT in enabling remote presence for students, optimizing classroom and campus environments, students' health and safety and saving energy and resources. Chalapathy Neti, vice president, education innovation at IBM, says that IoT allows administrators to understand students' needs and manage buildings more efficiently. In the view of TJ Costello, Director IoT for Cisco U.S. Public Sector, IoT has provided an opportunity for students by improving their learning experience in connected campuses. It also helps administrators to connect everything on campus and facilitates campus management [28]. According to the current application of IoT in education, in this paper we will categorise the ways in which IoT can benefit higher education into four groups and we will discuss how this new platform could shape smart education for the next generation.

### B. Education Business Model

A business model is "a conceptual tool containing a set of objects, concepts and their relationships with the objective to express the business logic of a specific firm" [7]. Osterwalder and Pigneur [8] proposed "A nine building block business canvas" (Value Proposition, Channels, Customer Relationships, Customer Segments, Revenue Streams, Key Activities, Key Resources, Key Partnership, Cost Structure). The development of different technologies results in changes and enhancements to the organisation process and business model. For example, education has largely been influenced by the IoT development. Cisco predicts the increase of the global adaptation rate of IoE (Internet of Everything) in education from less than 5% in 2013 to 32% by 2022. This will happen through personalized instruction and data collection for making better decisions and could result in a 10-year net present value of US\$175 billion. By incorporating IoT in education learners become co-creators of knowledge, Data-driven decision making replaces ad hoc decision-making. An interactive crowd-sourced customised curriculum with scalable, recordable and replicable instructions replaces rigid one size fits all static instructions. [3]. The growing adoption of IoT in education adds valuable features to the existing education business model. In the next part we will discuss these features.

### III. RESEARCH AIM AND METHOD

This study is a qualitative research which focuses on the education business model. The aim of this research is to answer the following question: "How has the emergence of IoT affected the education business model in higher education?"

To do so, first a literature review in the current practical applications of IoT will be conducted to find best practices of IoT in higher education. Secondly, the current education business model will be analysed and the potential impacts of IoT on it will be discussed.

#### *A.* The applications of IoT in higher education

### 1. Campus Energy Management and Eco-System Monitoring

Internet of things has been applied in energy management and Eco-system monitoring to provide energy efficiency for a much more sustainable future. This has resulted in the introduction of Smart Grid, a specific form of IoT energy management application, by several national governments [9]. The utility companies can effectively balance power generation and energy usage to provide more efficient operations by adding intelligence to the existing infrastructure. Through the use of specialized sensors and actuator systems, energy consumption information will be gathered automatically to improve economy, efficiency and reliability of the systems. System operators use these analytics to predict many factors from grid status to weather conditions [10]. The same concept allows universities to create a green campus environment by reducing CO2 emissions, monitoring and controlling energy and water usage to provide a healthy atmosphere for teaching and learning. The architecture of a green campus has been proposed in [11] to manage computers and air conditioning systems in order to save energy. As a practical example, COMFORTSENSE is another energy management project, which has been implemented in Campus Luigi Einaudi, University of Turin. This project takes advantage of IoT technologies to improve building energy efficiency and comfort [12]. The idea is to consider university buildings

and campus areas as a "living lab" to collect data through wearable devices and smart phones in addition to traditional data collection methods. This living lab is based on a codesign approach, which allows students to directly participate in the implementation of wearable device and mobile applications. Several fixed sensors have been set in classrooms, study rooms and the library to measure temperature, humidity, carbon dioxide and brightness. This allows the analysis of indoor comfort level and environmental variables to improve sustainability and comfort in the campus. In addition to these fixed sensors, staff and students are able to measure different attributes through wearable devices and visualise them in their mobile app. This app allows students to send feedback about air quality variables to show their degree of comfort. Building management can also use the data obtained from both fixed and wearable sensors to study and adjust energy management policies (such as heating, cooling and lighting) accordingly.

#### 2. Secure campus and classroom access control

Creating a safe and secure place in universities and managing students' access to classrooms, laboratories and other places in the universities are some of the challenges which could be addressed by bringing new technologies into education. RFID (Radio-frequency Identification) and NFC (Near Field Communication) are the two enabler technologies for implementing IoT which can be used to simplify access control and improve university security. The authors in [13] developed a classroom access control method over NFC to create a real time classroom control tool. The classroom registration system is based on a network of connected sensors that collect classroom access information and display the status of the classroom on both a web based application and university TV panels. The author in [14] proposed a method for monitoring student attendance by using RFID tags in student ID cards. This system records student IDs when they enter the classroom and tracks their current location in the campus by using geofencing technology. The Sookmyung Women's University (SWU) has implemented access control systems in the campus based on IoT architecture and transformed the university campus to a smart model by installing sensors and NFC tags. Students can open a mobile application called "Smart Sookmyung" to check the availability of free desks in the library and reserve appropriate seats. They can also record their class attendance or even register to enter certain buildings in the campus [15]. The Sookmyung Women's University has managed to cut their IT budget by using an integrating messaging system to send free notification messages to every student via this mobile application compared to the traditional services such as email [16]. The Bournville College is another example which has applied Cisco Physical Access Control Technology to control access to different areas of campus. This technology has simplified the process of managing access to 400 doors in total on the main campus including classrooms, offices and other communal areas in the campus. It also monitors foot-traffic patterns and sends notifications to the building management system [3]. According to a survey carried by the Bournville College, 95% of the students agreed that the system creates a safer learning environment for them.

### 3. Student's health monitoring

The IoT plays a major role in a wide range of healthcare applications, from monitoring patients to preventing disease. This technology has not only improved access to a higher quality health care but also reduced the cost of care [17]. Since the student health state is a key factor in determining the student's overall academic performance, access to a quality health care service is vital in any educational establishment [18]. A common application of IoT in healthcare is the use of wearable technology. A wearable device monitors physiological signals over long periods of time in a non-invasive and non-obtrusive manner [19]. Smart watches and fitness bands are the most common use case examples of these wearable devices. A study [18] shows how RFID technology is used to implement an eHealth solution (called Electronic Medical Records or EMR) to monitor students at risk of high blood pressure through the use of wearable devices. The system takes into consideration different students' health information such as their medical history, prescriptions, Electrocardiography (ECG) results, blood pressure and other vital signs by IoT technology. The Oral Roberts University is testing the use of wearable technologies to monitor satisfactory health and physical education progress for online students. Since online learners suffer more from back pain and neck pain and other similar problems, the wearable device will notify students to get up and move after long periods of sitting. The university will also analyse the gathered data to see if the smart watch has motivated online students to do more exercise [20].

### 4. Improving Teaching and Learning

IoT can help institutions to improve the quality of teaching and learning by providing a richer learning experience and real-time actionable insight into students' performance. It can create a smart learning environment where students can customise the environmental variables such as room temperature to their optimal choice [21]. Bob Nilsson [28] argued that IoT devices such as e-books, tablets, sensors, fitness bands, virtual and augmented reality headsets are being used in education today to track and monitor students in different aspects such as understanding students' learning patterns. A smart classroom has been proposed in [22] which can measure the level of student's interest by monitoring their behaviour using cameras and microphones. The impact of different parameters in the physical environment such as temperature, environmental noise and CO2 level on students' focus has also been

analysed. A smart classroom system will determine in realtime if the environment is optimised to maximise student's ability to concentrate on a lecture at any given time. Wearable technology in the educational environment can enhance the lecturing process with minimum disruption in the classroom [23]. The author in [24] presented the possibilities of using wearable technology to acquire and process data to enhance knowledge in higher education. For example, Google Glasses and Sony smartwatch are used in the Universitat Politecnica de Valencia classrooms to enable the lecturer to collect important information regarding student knowledge building process. This improves learning efficiency by providing a personalised explanation to student. This application helps the lecturer to automatically change slides while speaking and to control the timing needed for each concept and also the time consumed by each activity. Outside the campus, by embedded sensors in historical and urban locations or in the public gardens, students can receive information from nearby sensors.

#### *B.* The affect of IoT on the education business model

In this section, we first, explain the nine building blocks of the canvas business model in education and provide some common examples for each block in Table 1[25]. Second, we show the impact of IoT on this model by highlighting new features which should be consider as a result of the application of IoT. These features are shown in the shaded boxes in Table 1.

*Customer segments* focus on the persons whom the institute serves. In an educational organisation customer segments are students, parents and government. This part of the education business model has not changed by applying IoT.

*Value propositions* are the reasons that students and others choose a particular educational institution. The traditional education business model emphasises widely-recognised credentials such as the value in the labour market or the university ranking as a value proposition [25]. IoT offers different value propositions such as customise curricula, access to learning resources on any device from anywhere, lower costs, personalised learning, enhanced safety and collaboration.

*Customer relationship* considers the way institutes build and maintain relationship with their students, teachers and others. In the traditional education business model, "Alumni organisations, university email systems, university social networking, learning management systems and media relation officers" are common examples in this building block [25]. IoT adds a new dimension to customer relationship by providing a virtual and personalised relationship with real time interaction. This new dimension is only possible by having new communication channels which are not present in the traditional model.

*Channels* represent how institutions can deliver their value propositions to their customers. The traditional education interacts with people through different channels

such as "on-campus teaching, conference participation, scholarly journals and media" [25]. Mobile app and web based interface are the two new channels which have been added to deliver new value propositions.

*Key activities* are activities which are fundamental to the organisation such as "research, teaching, assessment, developing programs in subjects of value to the society, and granting degrees" [25]. Constant data collection and analysis to better understand people and the environment are the new key activities added to the education business model.

*Key resources* are the main assets that every educational organisation must possess such as faculty members, buildings and accreditation [25]. People (students or staff) and environment (campus) database and IoT technology developers are two important resources to implement key activities.

*Key partners* are other institutions that the organisation partners with on a regular basis. These can be "research granting organisations, private companies seeking research partners and regulatory/accreditation bodies" [25]. IoT technology providers are key partners in new business model which implement IoT technology in the educational environment.

*Cost structure* includes the main costs and how these costs will be paid. "Faculty members and instructor salaries, administrative staff, building maintenance and marketing" and IT costs are the main costs in an educational place [25]. IoT incurs additional costs for educational institutions for the implementation and maintenance of the technology but it has the ability to save future costs significantly in different ways such as energy saving and automated access control.

*Revenue streams* are the sources of funds that make the institution sustainable and how the institution generates these funds such as "government capital grants, tuition fees, philanthropists and research grants" [25]. These revenue streams mostly remain the same in education business model.

### IV. RESULTS AND DISCUSSION

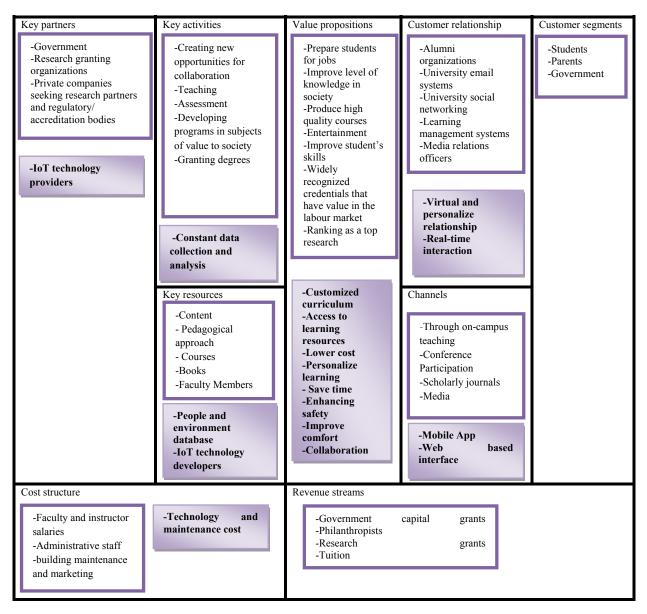
A comparison between the new and the traditional education business models shows that IoT has introduced changes in many parts of the canvas education business model and can provide many benefits for educational organisations. These can be summarised as follow:

#### A. New value proposition added

The following value propositions have been added to the education business model by involving IoT in education.

#### 1. Reducing cost

Although IoT has increased technology and maintenance costs in the cost structure block of the canvas model, it helps the organization to cut costs in different ways by automating operations. For example, energy managers can access realtime energy consumption data from the campus and identify



energy wastage easily which can result dramatic cost reduction. In addition smart objects can alert staffs to serve service equipment before a problem occurs [28].

#### 2. Improving comfort and saving time in education

The use of IoT in higher education saves time and brings comfort to students and staffs by real-time monitoring of people, things and places and providing relevant feedback to them. Students can track their health conditions. They can access different parts of the campus by using an RFID tag or an NFC enabled ID card. They can choose a suitable study room based on their air conditioning requirements such as temperature and humidity levels. Energy operators can also monitor and manage energy consumption of the campus centrally. Routine tasks such as student attendance registration which have traditionally been time consuming [26] could be replaced by automatic registration systems to simplify the process and release lecture time.

3. Enhanced Safety

Educational spaces should be safe places for students. With the IoT, access to different parts of the campus can be managed and monitored centrally without dedicated security personnel for each part of the campus. For example, out-ofhour laboratory access can be managed by RFID tagged student ID cards and monitored with smart surveillance systems.

#### 4. Personalized Learning

High-speed resilient secure wireless networks, have made learning and teaching possible on any platform at anytime from anywhere both in and outside the campus. The data that has been collected from smart devices can be used to offer a more personalised learning experience in realtime. This will not only engage students more, but also enables the lecturer to focus his or her attention on other students who need more face-to-face instructions.

#### 5. Increasing student collaboration and engagement

IoT has changed the university classrooms by embedding sensors and mobile devices into the environment. This has created a unique opportunity for increased student engagement and collaboration in teaching and learning.

#### *B. New relationship and new channel*

Since IoT has provided new value propositions to education, the traditional communication channels aren't useful to deliver these values to the customer. IoT has created new virtual channels through the use of mobile apps and graphical web-based interfaces. These new channels have resulted in new form of relationships which are virtualised and more personalised than before.

#### V. CONCLUSION

This research details how the Internet of Things (IoT) can shape smart campuses and classrooms. We have categorised the application of IoT in education into four groups: campus energy management and eco-system monitoring which provides energy efficiency for a sustainable future; access control systems which create a safe and secure place in universities; student's health monitoring which provides access to a quality health care service for university students; teaching and learning enhancement which provides a richer experience for learners. We have also shown the potential influence of IoT on the education business model. The analyses of the Canvas business model show that IoT has a big impact on value propositions. These include reducing cost, personalised learning, time saving, enhanced safety, improved comfort and collaboration. This has also resulted in new customer relationship and channels by forming a virtual and personalized relationship.

#### REFERENCES

- W. H. Dutton, "Putting things to work: social and policy challenges for the Internet of things", info, Vol. 16 Iss 3 pp. 1-21, 2014.
- [2] L. Johnson, S. Becker, V. Estrada and A. Freeman, "The NMC horizon report: 2015 higher education edition," The New Media Consortium, Austin, Texas, 2015.
- [3] M. Selinger, A. Sepulveda and J. Buchan, "Education and the intenet of Everything," Cisco Consulting Services and Cisco EMEAR Education Team, 2013.
- [4] J. Wellings and M. H. Levine, "The digital promise:transforming learning with innovative uses of technology," Sesame Workshop, 2009.
- [5] W. Xie, Y. Shi, G. Xu and D. Xie, "Smart classroom an

intelligent environment for Tele-education," 2nd IEEE pacific rim conference on multimedia, China, p. 662-668 2001.

- [6] M. Mendell and G. Heath, "Do indoor pollutants and thermal conditions in school influence student performance? A critical review of the literature," Indoor Air Journal, vol. 15, pp. 27-32, 2005.
- [7] A. Osterwalder, Y. Pigneur and C. Tucci, "Clarifying business models:origins, present, and future of the concept," ommunications of the Association for Information Systems, vol. 16, p. 1–25, 2005.
- [8] A. Osterwalder and Y. Pigneur, Business model generation: A handbook for visionaries, game changers, and challengers", Willy, 2010.
- [9] S. Kim and S. Kim, "A multicriteria approach toward discovering killer IoTapplication in Korea," Technological Forecasting and Social Change, vol. 102, p. 143–155, 2015.
- [10] C. Donitzky, O. Roos and S. Saut, "A digital energy network: the Internet of Things& the smart grid," Intel, 2014.
- [11] H.Wang, "Constructing the green campus within the Internet of Things architecture," International Journal of Distributed Sensor Networks, 2014.
- [12] "Green.Unito", Univeristà degli Studi di Torino, 2015.[Online]. Available: http://www.green.unito.it/?q=node/87.
- [13] D. Palma, J. Agudo, H. Sánchez and M. Macías, "An Internet of Things example: classrooms access control over near field," Sensors, vol. 14, p. 6998–7012, 2014.
- [14] K. Ashwin, S. Krishnakumar, M. Maheshwari and A. Perumal, "RFID based student attendance and monitoring system," International Journal of Innovative Research in Computer and Communication Engineering, vol. 3, 2015.
- [15] Y. KANG, "S Korea's KT explores Internet of Things on campus", 4 Agust 2014. [Online]. Available: http://asia.nikkei.com/Business/Companies/S-Korea-s-KTexplores-Internet-of-Things-on-campus.
- [16] Y. KANG, "KT built IoT-based smart campus at Sookmyung Univ", 2014. [Online]. Available: http://asia.nikkei.com/Business/Companies/S-Korea-s-KTexplores-Internet-of-Things-on-campus.
- [17] D. Niewolny, "How the Internet of Things is revolutionizing healthcare," freescale, 2013.
- [18] T. Takpor and A. Atayero, "Integrating Internet of Things and EHealth solutions for students' healthcare," in Proceedings of the World Congress on Engineering, vol. 1, London, UK, 2015.
- [19] Fábio, M. D David, F. M. Márcio, P. João Silva, "A Real Time, Wearable ECG and Blood Pressure Monitoring System," Information Systems and Technologies, 2011.
- [20] C. Straumsheim, "Wearable", https://www.insidehighered.com/news/2015/04/01/oralroberts-u-smartwatches-provide-entry-internet-things," 1 April 2015.
- [21] K. Simic, M. Stojanovic and I. Djuric, "A model for smart elearning environment," the 14th international symposium SymOrg, p. 377–382, 2014.
- [22] N. Gligoric, A. Uzelac, S. Krco, I. Kovacevic and A. Nikodijevic, "Smart classroom system for detecting level of

interest a lecture creates in a classroom," Journal of Ambient Intelligence and Smart Environments, vol. 7, pp. 271-284, 2015.

- [23] S. Vallurupalli., H. Paydak., S.K. Agarwal, et, "Wearable technology to improve education and patient outcomes in a cardiology fellowship program—a feasibility study," Health Technol, vol. 3, pp. 267-270, 2013.
- [24] M. M. R. Llorente, "Wearable computers and big data:interaction paradigms for knowledge building in higher education," Innovation and Teaching Technologies, pp. 127-137, 2014.
- [25] k. Hampson, " Business Model Innovation in Higher Education (Part 1)", 2014. http://acrobatiq.com/business-model-innovation-in-highereducation-part-1.
- [26] M. Ayu and B. Ahmad, "TouchIn: An NFC supported attendance system in a university environment," International Journal of Information and Education Technology, 2014.
- [27] J. O'Brien"The Internet of Things: Unprecedented collaboration required", EDUCAUSE Review, June 2016. https://er.educause.edu/articles/2016/6/the-internet-ofthings-unprecedented-collaboration-required.
- [28] I. Asseo, M. Johnson, B. Nilsson, N. Chalapathy, and T.J. Costello "Internet of Things: Riding the wave in higher education", EDUCAUSEreview July/August 2016.