

Cisco challenges leading security brands

Author: John Kirtland - Group Sales and Marketing Director - Quadrant Security Group

Will Cisco's serious entry to the security market really bring about the wholesale changes that many commentators have been predicting? John Kirtland certainly thinks so.

In the November 2006 edition of Security Management Today, I wrote an article entitled 'IT bytes...', focusing on the imminent arrival of traditional IT manufacturers into the physical security arena.

Since then, I'm sure we've all followed the progress made by several IT vendors with a storage-led solution, although the impact of these systems has yet to be felt. To be frank, I'm finding it quite hard to be certain how they will take their products – or are they solutions? – to the wider market.

Were my predictions correct? Have any of the IT manufacturers made a significant impact in the security space? Has their route to market impacted upon how we are doing business?

Without doubt, the significant entry is being made right now from the network – rather than the storage – end of the system, with the arrival of Cisco's solutions for what it calls 'physical security'. These solutions bring together a number of very nifty video surveillance, management and storage systems with the formation of an expanding range of IP cameras to create a portfolio of products that are truly network-friendly. Does this mean that we

simply have another set of products to choose from? In its simplest form, the answer to this question is: 'Yes'. In many other ways, however, the answer is far more complex.

Experience of convergence

For a start, the solutions are good and will challenge many of the traditional leading brands who are offering IP-based solutions. The difference that Cisco will make in this respect is that its understanding and support doesn't stop at the network port. The company's expertise in networks is second to none, and its knowledge of convergence (networks which support a variety of traffic – data, voice and video) is unquestionable.

This will be a critical influencer, and is one which complements the ever-increasing involvement of IT Departments in the selection and deployment of security systems. When we look at most other traditional security manufacturers, we find that their knowledge of IP networks doesn't go very deep while – at best – their experience of converged systems is limited.



High quality resellers

A second influencer here is the standard that Cisco has set in creating its reseller channels. The company's programme is detailed, comprehensive and rigorously managed. For sure, the security installer who has previously enjoyed free of charge training and easy admission to manufacturers' reseller programmes is in for an expensive surprise.

For its traditional partners, Cisco has in place a channel programme that covers all aspects of the resellers' business, from sales through to service. They have done this for very clear strategic reasons. In recognising the strength of their product, they've determined that their own business success can only be delivered through resellers who are properly trained and accredited to a level that's trusted by the market.

For nearly twenty years, Cisco has been developing its channel programmes to an extent where – in my opinion – the company leads the industry on a global scale.

Cisco will not admit resellers on the back of a one-off deal by allowing them to qualify 'after the event'. The company also follows strict guidelines in terms of discounts available to ensure that a level playing field is in place among its channels. The sophistication of these routes to market means that Cisco can deliver ahead of its competition in all areas of sales, design, implementation, service and support.

As Cisco rolls out its surveillance and access control product sets, it's adopting the same high standards of training that has set it apart in the IT market, and delivered a marketing model that has seen the company placed either first or second in every field it enters (with global revenues of over \$9 billion per quarter).

What impact is likely for the customer?

This channel programme will have a number of effects on the customer. It will ensure that the weak gaps present in most of the models used in the security industry will be filled. As customers compare the standards of design and delivery, they will soon begin to take advantage of the Cisco model.

I'm thinking here of adequate product knowledge to complete good designs, as well as providing adequate support without falling back on the manufacturer every time.

A key benefit will be the advanced IP knowledge that these resellers will gain, and they will provide an important bridge between the world of security and the world of IT. The smart resellers will be the ones who can seamlessly work with their clients' IT Department and IT providers, bringing to the party their own 'flavour' of security expertise. This will eventually work its way through to the rest of the industry and, hopefully, drive an improvement in standards across the board.

By far the most important difference that will assist all customers is the role that Cisco will play in accelerating the steady flow of IP-based systems we see being implemented. As the key decisions and budgets for technology migrate to the IT Department, the availability of technology from an IT-centric supplier will only hasten this change. For those customers who already have a high density of Cisco product in their equipment racks, the selection of Cisco surveillance products will be a relatively simple decision.



Will this have an impact on the cost to end users?

This point is debatable because there are so many variables. Certainly the cost of training is significant. The lowest level Express Foundation qualification requires up to 20 days of classroom courses, ten days 'video on demand' training as well as additional time to study in order to pass an intensive examination (for which you also have to pay).

The total cost for this, without including for the cost of lost engineer time and the associated revenue, is at least £6,000. This additional cost will have to be factored into the cost models used by the resellers so we should not be surprised to see some increase in labour pricing.

The reverse side of this coin is that the standard of expertise is better known and far more measurable. The Cisco certifications are known to be well implemented and tightly managed. The holder of a CCNA, CCDA, CCIE, etc is a known quantity. Given the recent bad press on exam marking and standards in education, they are probably a more accurate measurement of achievement than a certificate for a national examination. Some installers may find this cost of entry prohibitive, while others see this as an important investment in a highly technical and standards-driven field.

Impacts elsewhere in the industry?

We will see a new set of distributors come to the fore. These will be the IT system distributors who already work closely with Cisco and the other manufacturers.

They will be the preferred route for the new Cisco product set, and it's hard to see how the traditional security distributors will compete for this business. Unlike the security industry, the sale by a distributor of their own-branded products would be seen as a competitive threat to the IT manufacturers and this will be a key element in their decision-making.

What happens next?

We have known for some time that the security industry has been hovering on the edge of a period of change and, in my opinion, has been waiting for an external factor to come into force to be the tipping point.

Cisco's entry into the market, bringing with it much innovative technology, will undoubtedly move us beyond the tipping point. In terms of our roles in the industry as end users, integrators, distributors or manufacturers, I sincerely believe that we'll soon be tearing up our current business plans and re-writing them to take this change into account.



Article originally appeared in
Security Management Online
16th January 2009.

