



UNCERTAIN TIMES

David Needham considers the impact of COVID-19 on the physical security industry and identifies where support can be provided, backed by technology

The enduring effects of the COVID-19 pandemic have yet to be fully grasped. Its initial impact on businesses in the UK and around the world was swift and caused universal disarray. Businesses needed to react to significant challenges, with some floundering and others better able to adapt to the new social and economic reality. But as industry lays down plans for the uncertain times ahead, many wonder what measures will be necessary in the long term to mitigate further recurrences.

While physical security is a resilient industry, understanding the pandemic's repercussions and the effect they have had on both short-term goals and long-term ROI will be critical to move the sector

forward in the current climate. In order to develop a fuller understanding of how COVID-19 has affected our industry, Axis Communications conducted a survey of its partners in UK and Ireland to understand some of their more prominent challenges and future concerns. The survey also sought to gain insight into the current and future market environment, as well as identifying ways that technology can facilitate safer and more sustainable operations, with long-term business advantages.

Understanding how businesses have functioned in response to Covid is key to ascertaining the immediate effect on their operations and identifying which areas have been most heavily impacted. Partners were able to provide clarity on their ability to continue working,

their level of ongoing activity and the impact on revenues. The majority continued to work, although many continued to work but experienced interruption at some level. While a continuous work stream is reassuring, with only a very small minority revealing that they had not worked at all, the overall impact on their business was largely negative or unchanged.

41 percent of respondents indicated that they saw their business decrease, while slightly fewer said that their business remained the same as it had been before Covid. Given the broad range of industries served by the respondents, this trend is reflective of the static nature of the current economic climate. It is interesting to note that a number of partners have actually found success during the COVID-19 pandemic, with just over one fifth reporting that business had actually increased. Yet, for most, revenue forecasts expecting either an increase or decrease were similar.

FUTURE CHALLENGES

Through understanding the areas that have been causing the greatest anxiety, and obtaining greater clarity around future challenges, the areas needing the most help and support could be identified. The main concern was revealed to be economic recovery in general, followed by supply chain management. Approximately one third of respondents were concerned about losing customers, while HR issues were also raised as a cause for concern. Some respondents had already experienced problems with their supply chain and commented that keeping stock is important to them.

There is a clear sense of anxiety about the state of the market in general, and the fact that general supply chain issues persist is testament to this. Partners are understandably worried about the state of their business and whether rises in Coronavirus infection rates will bring loss of customers and related revenue. Respondents cited other concerns, such as the lack of networking activities and the challenge of managing employee safety. Encouragingly, most reported little difficulty in enabling remote work or complying with government and industry regulations.

In addition to the responses of its partners, understanding the highest priority challenges for the wider customer base would determine what can be done to help mitigate any concerns, and to identify where opportunities exist to strengthen customer and partner relationships. Just over half of the partners surveyed stated that their customers were concerned about economic recovery in general.

Other concerns included their ability to effectively function remotely. Remote operation seemed to be much more of a preoccupation among end customers than for partners, possibly because it is difficult or not practical, depending on individual job role or industry.

Nearly half highlighted lowering personal exposure to COVID-19 as being extremely important. When identifying areas where technology could assist, end customers cited its ability to reduce exposure, implementing contactless entry and issuing reminders among staff and teams to maintain safe social distances. The ability to comply with new regulations appears to be a larger worry for customers, according to partners, than for the integrators themselves, and they are understandably concerned with both short-term and long-term ROI. Since long-term investments

have an impact on relationships with suppliers, it is unsurprising to see that reflected in their responses.

Results revealed much about how businesses have been adapting to COVID-19, changing their methods and strategies to remain resilient. Many partners indicated that they have developed new ways of working to accommodate the necessary changes, such as increased use of video conferencing, a shift toward remote management systems and changes in sales activity. A third of those surveyed cited changes in service delivery and sales processes, while 30 percent revealed that digitalisation of workflows was another key area where reform has brought about worthwhile improvement.

VIDEO TECHNOLOGY IS WIDELY CONSIDERED A MAJOR ASSET TO CONTINUED SUCCESS

Process changes appear to have been widespread throughout the industry. While some had found the shift to remote working posed challenges and that the lack of site visits meant working practices had changed, only a relatively small number of those surveyed actually cited it as a concern. The overall theme was that remote working had worked well and had actually been implemented by some as a permanent business change. While some indicated frustration with the need to keep up with constantly changing regulations, others have heralded the opportunity to work more closely with their customers to understand their specific needs.

Most agree that the mandated use of personal protective equipment (PPE) and other healthcare regulations are likely to be only temporary, but expect them to remain in place until COVID-19 vaccines are more widely rolled out, and closer contact is once again deemed safe. Many also believe that an increased emphasis on employee and customer health is likely to continue, even as restrictions are eased. Unfortunately, fears about the strength of the supply chain remain widespread, with multiple respondents citing concerns that supply chain issues are here to stay. This sentiment may be exacerbated by the further uncertainty as a result of Brexit, and it seems likely that this will lead to a more permanent focus on reassuring customers by protecting the product supply.

An important element of future planning for anyone offering physical security solutions is to understand the technologies that their customers are interested in, and how a new security solution can improve or add functionality to their existing system. For partners, making the right solutions available to meet ongoing demand is critical to their own success, and for maintaining relationships with their client base. Responses revealed that customers cited an increasing demand for contactless entry solutions and tools to lower personal contact/exposure to COVID-19 as being key to continued operation. Also mentioned were crowd and queue management solutions, tools to identify and reduce traffic and the use of IP audio (network speakers) to issue

There is a growing desire for contactless entry solutions in the wake of COVID

reminders around the need to socially distance and follow appropriate health and safety protocols.

A third of respondents indicated that their customers will be more open in the current climate to exploring the use of IP-based solutions and accepting technologies driven by artificial intelligence. Many cited the fact that access control, occupancy tools and even track and trace technology require IP connectivity. Customers appear to be wise to the fact that embracing such technology opens up a wealth of interconnected solutions that can improve and enhance their businesses. An increasingly automated world means that analytics and AI bring many additional benefits through their ability to help monitor situations and make decisions based on visual data.

FOR MANY REMOTE WORKING WAS A SUCCESS THAT WILL BE CONTINUED TO BE USED IN THE FUTURE

While the evolution of camera design is slowing, it is the computing power within the cameras themselves that has become a central focus, with edge-based analytics providing more advanced detection and processing capabilities. Analytics,

with benefits around occupancy, crowd management, social distancing enforcement and people counting, are likely to prove extremely beneficial during Covid and beyond. Video technology is widely considered a major asset when it comes to ongoing business success.

LOOKING FORWARD

There appears to be a general acceptance that remote working will persist even after the end of the pandemic and technology such as contactless access control looks set to be a more permanent fixture. Automation, analytics, and touchless technologies will likely continue to be in high demand and maintaining their steady availability and continued maintenance and support will help ease the burden on integrators moving forward. A strong, trusted supply chain and continued support from both suppliers and manufactures will play a key role, inspiring partners and customers to embrace change and find new ways to drive productivity, bringing hope for future success.

A continuing demand for physical security solutions is the greatest incentive for the industry to forge ahead and face its challenges head on. Understandably, economic anxiety remains a common thread, yet these concerns have manifested themselves into a renewed drive to focus on keeping businesses active and customers engaged. This in turn strengthens Axis' resolve to continue to find new ways of innovating for a smarter, safer world ●

David Needham – UK & Ireland Sales Manager, Axis Communications – has over 20 years' experience in the security industry. As UK & Ireland Sales Manager David is responsible for directing, developing and supporting the sales team in this region.

Video technology is a major asset for crowd management, social distancing and people counting



Picture credit: Axis Communications