



Best Practices for Managing Video Platforms

***Making this Technology Succeed for
Your Financial Institution***

The United States is leading cloud adoption worldwide. As a result, capital budgets for IT are either in contraction or simply holding the line as US business increasingly adopts cloud infrastructure. According to the Gartner Group, IT device spending was down -5.3% in 2019 and is expected to be up just +1.2% in 2020. That said, hardware does need to be refreshed periodically. How often is enough when upgrading or replacing internal hardware? Many, when asked, would stick with the 4–5 year rule. However, the answer can be more complicated than that, depending on the equipment itself and on whether the business model leans toward leasing or buying. No matter, IT professionals are assessing with a discerning eye and looking to that next upgrade only when it supports overall technological positioning.

VIDEO PLATFORM EVOLUTION

Video intelligence platforms for the banking space have made tremendous advances to the benefit of branch surveillance as they have transitioned from one generation to the next. As such, financial institutions pay close attention to their platform performance with an eye to the evolution of this technology in order to assess the right time to refresh. There is no one size fits all solution.

KEY DRIVERS FOR PLATFORM REFRESH

Ultimately, IT must work closely with the FI's Security and Risk Management teams in weighing capital expenditures against risk, service and support costs and FI needs when considering a platform refresh. That said, certain factors open the door for this conversation and accelerate decision making.

1. Legacy Platform Vulnerabilities

Legacy platforms ultimately cease to be supported with the code modifications necessary to manage cyber threats. This puts financial institutions at tremendous risk as appropriate response becomes difficult at best. When faced with vulnerabilities as potent as Shellshock, Poodle and Ghost, operating systems can crumble without proper defenses.

2. Diminished Reliability

Digital video surveillance is critical to risk management for any financial institution. Both corporate integrity and human life itself may depend on its full functionality. Banks and credit unions are usually reluctant to expose either employees or customers to high-risk environments like vaults and safe deposit boxes without the understanding that video surveillance is operational. Some may even close all or part of the branch to mitigate potential losses and avoid the chance that an audit might reveal their lack of compliance with institutional or third-party standards.

DVRs (digital video recorders) operate 24/7 and 365 days per year. As a result, they have an increased risk of hard disk failure as they age. Resolution equates to time and material costs associated with repair or replacement costs. Furthermore, there are adjunct costs including hard drive cold storage. The cost of ownership increases if technology remains deployed beyond its projected life cycle.

3. Parts Availability

As video platforms evolve, their components do as well. Consider the first generation of DVRs that used PATA hard disks. As these transitioned to SATA, those financial institutions with old deployments found themselves unsupported due to the lack of available components or parts. This kind of obsolescence is something that continues to plague legacy systems, and it is unlikely to change.

4. Demand for More Storage

As drive sizes have increased, so have demands for improved resolution and frame rates. This taxes video storage and compels many to move to the next level for storage reasons alone.

5. Demand for Faster Processing

Processors are evolving to achieve greater speed, and at equal or lower cost. This in turn drives manufacturers to release newer generations of equipment with the faster and cheaper proposition. And it leaves legacy systems in the dust.

6. The Proliferation of IP Cameras

The banking industry's migration to IP cameras has improved image quality and improved efficiencies in storage and network transmission. This has also led to an increase in the number of cameras demanding support from an institution's video platform. All has led to increased demands for processing power, memory and speed for an optimal customer experience. Legacy systems cannot keep up in such a way as to facilitate the full power of IP benefits.

7. The Analytics Opportunity

New video platforms present opportunities for analytic advances that include use surveillance, license plate recognition, facial recognition and consumer behavior analysis. This is exciting and actionable intelligence that facilitates forensic investigation and added value for the investment given its ability to align with the discovery of new business solutions for the bank or credit union. Legacy platforms often groan under the weight of requirements for these new capabilities.

In working with financial institutions both large and small, BranchServ Convergent has witnessed a myriad of strategies for managing video platforms. Some banks and credit unions rely on break-fix until absolutely compelled to upgrade. Others rely on capital depreciation guidance, though this is often not an exact science. The leaders of the pack have mitigated risk, leveraged emerging technologies and lowered their total cost of technological ownership via prudent platform renewal strategies. In pursuing a typical timeline of 4–5 years, they have witnessed:

- Less downtime due to lack of surveillance.
- Fewer system failures and corrective lead times.
- Reduced stored video loss.
- Reduced network vulnerabilities and IT support requirements associated with sunset technology.
- Improved user experience via the benefits of emerging technology.

Contact BranchServ Convergent today to learn more about new video platform technology that can support your success.

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