New study sets record straight: costs of IP surveillance systems are lower than analogue systems.

IP surveillance TCO

Axis Communications has released a study that shows an IP-based system of 40 cameras offers a lower total cost of ownership (TCO) than an analogue-based surveillance system. The study also shows that if IP infrastructure is in place, the IP-based video surveillance system will always cost less.

The purpose of the study was to develop an understanding of the total cost of ownership for both an analogue surveillance system and an IP-based video surveillance system. Factors such as system maintenance, video recording and playback, cameras, installation, configuration, training and cable infrastructure were assessed.

"There is an overwhelming lack of knowledge about the total cost of ownership when it comes to analogue versus IP-based systems," says Fredrik Nilsson, general manager of Axis Communications. "The study, which was led by an independent researcher, clarifies common misperceptions about pricing and validates the cost effectiveness of IP surveillance systems."

A dozen interviews were conducted with non-vendor industry participants such as security integrators, value-added resellers and industry analysts from different geographic regions in North America. Participants provided feedback, validation and cost data in the form of request for proposal (RFP) responses. The RFP was based on a typical deployment scenario that included a 40-camera surveillance system for a small to mid-size school campus. No existing cameras were said to be installed, and no premise wiring or infrastructure existed.

Findings showed that the cost to acquire, install and operate an IP-based system was 3,4% lower than a traditional system consisting of analogue cameras and a DVR-based recording. Overall, an installation with 32 cameras is the break-even point for IP-based systems versus analogue systems. An IP-based system will cost less than an analogue system if the installation includes at least 32 cameras. With any installation between 16 and 32 cameras, the cost of IP versus analogue is similar although slightly lower for analogue systems. The research also showed that in facilities where IP infrastructure is already installed, IP-based surveillance systems would always be lower cost, i.e. even for systems of one to 32 cameras.

"There were many observations and cost considerations in the study that were non-quantifiable but showed major differences between the two systems," adds Nilsson. "Network cameras provide superior scalability, greater flexibility and image quality, and megapixel functionality. In addition, IP systems typically include better maintenance and service agreements for the equipment, plus they can be remotely serviced over the network for easier maintenance. IP systems clearly make the most sense both from an economic and technological standpoint."

Complete details of research findings are included in the "Total Cost of Ownership (TCO): Comparison of IP- and Analogue-based Surveillance Systems" White Paper, which can be downloaded from http://www2.axis.com/files/whitepaper/wp_axis_tco_en_0709.pdf

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