



Switches, routers and maybe hubs

Networking remains a growth area.

By KAUNDA CHAMA

Recent global research carried out by CRN involving a large number of resellers revealed that switches, routers and hubs are an area of networking where they see reasonable revenue generation in 2008.

Besides the fact that some may feel that hubs are in their last days, switches and routers are considered definite money earners.

Johan Krugell, D-Link channel manager at distribution house Comztek says that particularly in the company's product range, a lot of small and medium businesses are looking at networking hardware that is more energy efficient, especially with the country's energy crisis.

"Not only will the end-user be able to reduce power consumption, but the range of SME-targeted routers and switches also provide reasonable revenue opportunities for the reseller," he says.



Lorna Hardie, HP

employees using 3G cards to access their corporate networks remotely or wirelessly," says Krugell.

Another reason that he sees that will help to move more units in networking solutions is that a lot of vendors and distributors are bundling security solutions with their networking offerings.

"The potential for reseller revenues is huge because end-users and corporates are getting more involved in the technology they purchase and are therefore demanding more from the reseller," he explains.

He sees potential coming from both companies upgrading their networks as well as Greenfield operations, adding that with the home-targeted products there are a lot of sales generated purely on word-of-mouth referrals.

Lorna Hardie head of HP's Procurve business in SA agrees that there is definitely a wide area of scope for growth and profit in networking solutions and services.

"There is a lot of growth in demand from end-users for solution and consulting skills, and resellers have a huge opportunity here to earn some good revenue," she comments.

She says that beyond just moving the hardware in the form of switches, routers and hubs, there is a lot of scope for added revenues through consulting, services and support where a reseller becomes more of a business partner.

According to Hardie, purely on the hardware side, switches provide the highest growth potential, with routers following close behind. She, however, agrees with Krugell's statement that hubs are definitely on their way out.

"Hubs are no longer a viable technology because they come with operational and security concerns that are done away with if a company opts to go with a switch and router solution," comments Hardie.

She adds that another reason users are demanding more from resellers is that networks are becoming dynamic, and that the need for implementation, maintenance and support is increasing.

At the end of the day, the network as a whole has become such an integral part of the IT infrastructure that it will remain, for a long time, one of the major money earners for resellers globally.

At the end of the day, the network as a whole has become such an integral part of the IT infrastructure that it will remain, for a long time, one of the major money earners for resellers globally.

According to Krugell, from a corporate point of view, more and more companies are investing in routers and switches which are becoming more popular, while hubs are slowly being phased out.

"This is also evident in the number of companies that have their