Strategic Talent, R&D, and Marketing Investments to Open International Markets for Taiwanese Cybersecurity Companies

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In recent years, advancements in hacker attacks have led to frequent major global cybersecurity incidents, increasing the impact and risks. Coupled with the new normal post-pandemic, and trends in 5G and AIoT applications, it is anticipated that cybersecurity vulnerabilities will continue to expand worldwide, presenting a growing challenge. This also represents a potential opportunity for Taiwanese cybersecurity companies.

To address this, the Industrial Development Bureau of the Ministry of Economic Affairs commissioned the Institute for Information Industry to organize the "Taiwan Cybersecurity International Expansion Forum," which was themed "Learning from Exemplars, Looking Ahead to Breakthroughs." The event aimed to assist Taiwanese cybersecurity firms in understanding global cybersecurity trends and planning proactively, consolidating Taiwan's position and seizing international opportunities.

iThome Editor-in-Chief Wu Chi-Hsün stated that the Taiwanese cybersecurity market is small, and companies must expand internationally to avoid developmental bottlenecks. The experience and exchange facilitated by the Taiwan Cybersecurity Conference and the Taiwan Cybersecurity Pavilion over the past two years have been well-received, allowing many vendors to connect and spark collaboration. It is hoped that these positive effects will continue to develop.

Seeking Global Expansion: Quality Products and Talent

The organizers invited five industry representatives with extensive international expansion experience to share their insights and challenges. Liu Rong-Tai, General Manager of TXOne Networks, began by discussing his experiences with Websense Technology, which entered the market early with its Intrusion Prevention System (IPS). Despite having large partners like German agents and Italian Tier 1 System Integrators, they struggled to gain traction.

This experience taught Liu that startups must invest heavily in Sales & Marketing and find the right talent to connect with key potential clients, secure major reference cases, and demonstrate that their products are market-ready, thus creating a positive cycle with distributors.

Lin Hsin-Yi, General Manager of LaiYi Digital Technology, shared four key elements for

successful international expansion: having sufficient talent covering R&D, marketing, multilingual capabilities, channel management, and regulations; possessing strong technical abilities and protecting innovations with patents; combining good products with effective marketing strategies and user-oriented design; and if seeking external funding, partnering with strategic investors to generate added value.

Xiang Ke-Xi, CEO of iDGate, which specializes in mobile identity verification technology, shared a three-step approach for international expansion: first, establishing an R&D headquarters in Taiwan, leveraging international competition successes to gain domestic bank clients; second, targeting the key Hong Kong market and using Tencent Financial Technology cases as models for Southeast Asia; and third, actively setting up mechanisms with Japanese and Korean agents.

Xiang emphasized the importance of having a good product strategy, including transforming products into cloud services, enhancing deployment speed, reducing maintenance burden, adhering to international API standards, providing clear training, and offering understandable technical documentation.

Focusing R&D Efforts on Solving User Pain Points

Cai Song-Ting, CEO of TeamT5 Digital Security, analyzed that Taiwan's cybersecurity industry advantages include clear demand (with strong adversaries and frequent incidents), digital development, and government support. The disadvantages include a challenging startup environment, talent scarcity, and a small market size. He believes that for Taiwanese cybersecurity companies to succeed on the international stage, certain prerequisites are essential, including scalable business models, targeting the right goals, focusing on user needs and problems, delivering high-quality products, and having a well-organized team.

YuehChin Lin, Marketing Director of WiSECURE Technologies, stated that the company, founded in 2019, focuses on next-generation Hardware Security Modules (HSM). Recognizing the maturity of encryption technology in Europe and the U.S., WiSECURE chose not to compete on specifications alone but to innovate from a cultural perspective, aiming to redefine global industry standards and address gaps in the HSM market for small and medium-sized enterprises.

The "Taiwan Cybersecurity International Expansion Forum," held on November 13, featured a panel discussion with speakers including iThome Editor-in-Chief Wu Chi-Hsün, TXOne Networks General Manager Liu Rong-Tai, LaiYi Digital Technology General Manager Lin Hsin-Yi, iDGate CEO Xiang Ke-Xi, TeamT5 Digital Security CEO Cai Song-Ting, and WiSECURE Marketing Director YuehChin Lin.

The forum's highlight was a comprehensive panel discussion moderated by Wu Chi-Hsün, featuring all the aforementioned speakers. They provided valuable advice to Taiwanese cybersecurity companies looking to expand internationally. Liu Rong-Tai emphasized that managing cybersecurity is akin to selling high-end products, with brand recognition being crucial. Xiang Ke-Xi stressed the need to focus on a specific industry and become an expert to gain international recognition. YuehChin Lin suggested that companies should carefully analyze market conditions, identify demand gaps, use third-party authority to test products, and achieve international certification to build competitive strength for overseas expansion.

Cai Song-Ting noted that Taiwanese companies often fall into the trap of focusing solely on technology, neglecting the importance of marketing, sales, and product packaging in international expansion. Advertising and packaging are key to attracting and gaining users' trust. Lin Hsin-Yi added that for identity verification products, winning requires building trust with partners and clients, which is based on strong marketing and innovative R&D.

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