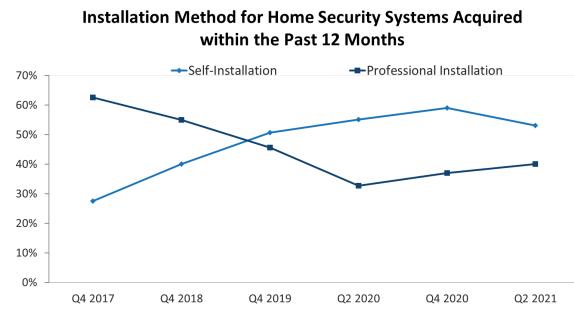


SERVICE: RESIDENTIAL SECURITY

1Q 2022



© Parks Associates

Consumer Analytics Team



Yilan Jiang, Director



Xiaofan Tan, Consumer Insights Analyst II



Sharon Jiang, Consumer Insights Analyst I

Industry Analyst



Jennifer Kent, VP, Research

SYNOPSIS

Security solution providers must understand their past and potential to develop compelling products and effective marketing strategies. This study quantifies security buyers' purchase trends and triggers, including drivers and barriers, influencers, purchase channel preferences for product and service bundles, purchase processes, and importance of incentives, such as discounts, financing, or rebates from an insurance provider.

ANALYST INSIGHT

"Overall, the residential security industry enjoyed a good year in 2021. To continue the industry's growth path either in customers, revenues, or both demands that they lean into the edge. Further, active expansion efforts to gain new channels and partners are part of that lean-in requirement."

-Jennifer Kent, VP, Research, Parks Associates

Number of Slides: 83







1Q 2022

CONTENTS

Security Buyers Purchase Trends and Triggers

Survey Methodology and Definitions

Respondent Quotas: Age, Income, Education, Gender

Executive Summary

- Home Security System Ownership
- Q2 2021 Attitudes
- · Interest in Security System Add-on Service
- House Accident or Damages
- Monitoring Service Type Among HHs with Self-Installed Security Systems
- Installation Method for Home Security Systems Acquired within the Past 12 Months
- Security System Intenders' System Type
- Intenders' Desires for Add-On Smart Home Device
- Distribution of Life Stage Segments Among Security System Owners
- Security System Ownership by Life Stage Segments

Security Market Core Metrics

- Home Security System Ownership
- Home Security System Ownership: Professional vs. Self-Monitored Services
- Home Security System Ownership: Professional vs. Self-Installation
- Interactive Systems Among Home Security Households
- Second Property Security System
 Ownership

- Second Property Professional Monitoring Subscription
- Average Upfront Fees for Home Security Systems, YoY
- Payment Method Used to Acquire a Home Security System
- · Age of Home Security System

System Use: Frequency and Use Cases

- Frequency of Using Security System
- Beyond Intrusion Prevention: What other protection do consumers want from their home security system?
- Beyond Intrusion Prevention: What is Important to Protect Through Home Security Systems
- Most Important Desired Detection by Security System (After Intrusion in Home)
- Top 3 Important Conditions for Security System to Detect and Prevent
- Personal Security Events Experienced
- Voice Assistant Control of Security System
- Smart Speaker/Display Adoption, by Security Adoption
- Reasons for Not Using Voice Assistant to Control Security System
- Smart Security Features and Services, Among Professional Monitoring Subscribers

Monitoring Deep Dive

- Professional Monitoring Service Subscription, YoY
- Professional Monitoring Service Subscription, QoQ
- Home Security System Monitoring
- Monitoring Service Type Among Pro-Installed Security Systems





SERVICE: RESIDENTIAL SECURITY

1Q 2022

- Monitoring Service Type Among Self-Installed Security Systems
- Average Monthly Fee for Professionally Monitored Security Service, YoY
- Professional Monitoring Service ARPU by Top 10 Brands
- Length of Continuous Subscription to Professional Monitoring Service
- Reasons for Cancelling Professional Monitoring Security Service
- Self-Monitoring of Security Systems
- Paying for Self-Monitored Security Service
- Switched from Self- to Professional Monitoring in Past 12 Months
- Reason for Switching from Self- to Pro Monitoring
- Intention to Subscribe to Pro Monitoring, Among Self-Monitored Security Owners

Competitive Trends and Provider Switching

- Top Professional Monitoring Service Providers, YoY
- Home Services Net Promotor Scores by Sector, 2019-2021
- NPS of Top Professional Security System Monitoring Providers, QoQ
- High Satisfaction with Handling of the COVID-19 Crisis by Provider
- Changes Made to Home Security System in the Past 12 Months
- Reason for Switching Professional Monitoring Providers
- High Likelihood of Switching to New
 Professional Monitoring Service Provider
- High Likelihood of Subscribing to Professional Monitoring Service

 Likelihood of Switching Professional Monitoring Provider by Top 10 Provider

Purchases, Triggers, and Channels

- Security System Purchases and Intention to Buy
- Security System Purchase Channels
- Acquisition Triggers of Home Security
 System
- Top Desired Features For Security System
- Interest in Security System Add-on Service
- Security System Purchase Preference: Installation Method
- Security System Purchase Preference: System Type
- Security System Purchase Preference: Add-On Smart Home Device
- Security System Purchase Preference: Purchase Location

Home Security Installation / DIY

- Installation Method for Home Security Systems
- Installation Method for Pro-Monitored Security Systems
- Installation Method for Home Security Systems Acquired within the Past 12 Months
- Self-installed Security System Providers
- Acquisition Triggers of Home Security
 System

Smart Home & Security

- Smart Home Device Ownership by Segments
- Additional Devices Added After Initial Installation
- Add-On Smart Home Device of Security System





SERVICE: RESIDENTIAL SECURITY

1Q 2022

 Installation Method for Add-On Smart Home Device

User Segmentation: Life Stages

- Key Terms and Definitions
- Distribution of Life Stage Segments Among Security System Owners
- Security System Ownership by Life Stage Segments
- Security System Purchase Intention by Life Stage Segments
- Top Conditions Seek to Detect or Prevent by Life Stage Segments
- Professional vs Self-Installation Security System by Life Stage Segments
- Tracking beacons/ tags for personal property
- Video Analytics to Identify People, Cars, Packages, etc.
- Al to identify, predict, prevent threatening conditions
- Video Camera/Doorbell with Video Storage
- Panic button/PERS with Fall Detection

Appendix

- Demographics of Security System Owners
- Housing Demographics of Security System
 Owners





SERVICE: RESIDENTIAL SECURITY

1Q 2022

ATTRIBUTES

Parks Associates 5080 Spectrum Drive Suite 1000W Addison TX 75001 parksassociates.com sales@parksassociates.com PHONE 972.490.1113

Published by Parks Associates

© 2022 Parks Associates | Addison, Texas 75001

All rights reserved. No part of this book may be reproduced, in any form or by any means, without permission in writing from the publisher. **Printed in the United States of America.**

DISCLAIMER

Parks Associates has made every reasonable effort to ensure that all information in this report is correct. We assume no responsibility for any inadvertent errors.

