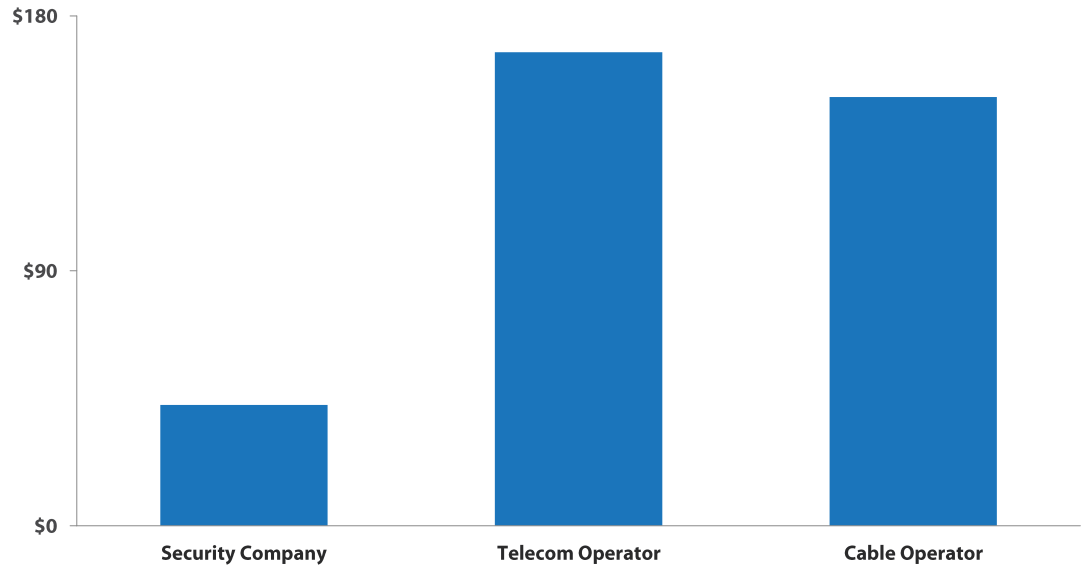


By **John Barrett**, Director, Consumer Analytics, **Yilan Jiang**, Manager, Consumer Research, **Tom Kerber**, Director of Research, Home Controls & Energy, and **David Mitchel**, Research Analyst, Parks Associates

SYNOPSIS

Competition in Residential Security analyzes competition for residential security services between traditional players and new players from the telecom and pay-TV sectors. It assesses the extent to which new players are building a market presence and how they differ in terms of ARPU and satisfaction rates. It also investigates the competitive power derived from bundling security services with video, voice, and data services.

Average Monthly Cost on Professional Monitoring Service & Bundles by Provider
U.S. Broadband Households with Professional Monitoring Service Paying at least \$1/Month



© Parks Associates

ANALYST INSIGHT

“The new players the home security space enjoy a key advantage in that the total ARPU they derive from their customers is substantially greater than the amounts generated by traditional players.”

— **John Barrett**, Director, Consumer Analytics, Parks Associates

CONTENTS

About the Research

Previous Research

- Growth in Self-Installed Energy and Smart Home Systems (Q4/14)
- Competition in the Residential Security Market (Q4/14)
- 360 View: Residential Security and Smart Home (Q3/14)
- The New Face of Home Security: Forecasts and Players (Q4/13)

Key Findings**Industry Insight****Recommendations****Overview of Smart Home Segmentation:**

- Segmentation Overview
- Segmentation Methodology
- Smart Home Segments (Q1/15)
- Segment Demographic Profile
- Security Offering, Messaging for Segments

Overview of Residential Security Market:

- Home Security System Ownership (2014 - 2015)
- Use of Professional Monitored Security Service (2014 - 2015)
- Average Monthly Cost of Professionally Monitored Security Service (2014)
- Home Security Systems with Smart Home Capabilities (2014 - 2015)
- Home Security Systems with Home Control Features by Length of Ownership (Q4/14)
- New Systems: Smart Home Security Adoption by Smart Home Segments (Q4/14)
- Provider of Professional Security Monitoring (2014)
- Length of Time Since Purchasing Current Security System (Q4/14)
- Home Security System Installation (Q4/14)
- Home Security Installation by Length of Ownership (Q4/14)
- New Systems: Home Security Installation by Smart Home Segment (Q4/14)

ARPU & Bundles:

- Amount Paid for Recent Security System Purchase (Q4/14)
- Professional Monitoring Service ARPU by Type of Provider (Q4/14)
- Professional Monitoring Service as Part of a Bundle (Q4/14)
- Amount Spent on Professional Monitoring Service & Bundles by Provider (Q3/14)
- Relationship with Provider Prior to Subscribing to a Bundle with Professional Monitoring (Q4/14)
- Relationship with Provider Prior to Subscribing to a Bundle with Professional Monitoring by Provider (Q4/14)
- Service Cancellation in order to Obtain a Bundle Including Professional Monitoring Service (Q4/14)

CONTENTS**Satisfaction, Switching, and Canceling:**

- Satisfaction with Professional Monitoring Services by Provider (Q4/14)
- Net Promoter Score Ratings for Professional Monitoring Service Providers (Q4/14)
- Likelihood of Remaining With Current Professional Monitoring Service Provider (Q4/14)
- Recent Changes in Professional Monitoring Service (2014)
- Recent Changes in Professional Monitoring Service by Provider (Q4/14)
- Cancellation of Professional Monitoring Service (Q4/14)
- Previous Professional Monitoring Service Provider (Q4/14)
- Reason for Canceling Professional Monitoring Service (Q4/14)

Additional Research from Parks Associates**ATTRIBUTES**

Parks Associates
15950 N. Dallas Pkwy
Suite 575
Dallas TX 75248

TOLL FREE 800.727.5711

PHONE 972.490.1113

FAX 972.490.1133

parksassociates.com

sales@parksassociates.com

Authored by John Barrett, Yilan Jiang, Tom Kerber, and David Mitchel
Executive Editor: Tricia Parks

Number of Slides: 60
Published by Parks Associates

© 2015 Parks Associates | Dallas, Texas 75248

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.