



# The Home and Small Business Security System Market

11th edition

*The Home and Small Business Security System Market is the eleventh consecutive report from Berg Insight analysing the latest developments on the small alarm market in Europe and North America. This strategic research report from Berg Insight provides you with 110 pages of unique business intelligence including 5-year industry forecasts and expert commentary on which to base your business decisions.*

# Professionally monitored alarm systems in Europe and North America reached 49 million in 2020

The private security sector is a global industry comprising services and solutions such as manned guarding, alarm system integration and monitoring, cash handling as well as various services like consulting and private investigations. The global market value of the security industry reached an estimated € 174 billion in 2020. The more mature European and North American markets still dominate the industry with a combined market share of around 60 percent. The long-term annual growth rate is estimated to be between 2 and 4 percent in Europe and North America. Historically, annual growth has exceeded GDP by a few percentage points each year. However, the mature markets in Europe and North America are no longer growing faster than GDP, but rather at the same rate as GDP.

Security systems for small businesses and private homes can be divided into three main categories – local, self-monitored and professionally monitored security systems. When activated, a local security system only emits an alarm sound to alert the surroundings and scare off intruders. Such systems are not monitored and cannot be accessed remotely. A self-monitored security system is connected and informs the owner of the premises upon activation by sending a text message, email or push notification. A professionally monitored security system is connected to an Alarm Receiving Centre (ARC). When the system is activated, the ARC can respond by dispatching a security patrol and contact emergency services. Professionally monitored security systems are dependent on reliable communications networks. The latest generation of such systems uses dual wired and wireless network connections in order to minimise the risk of communications failure.

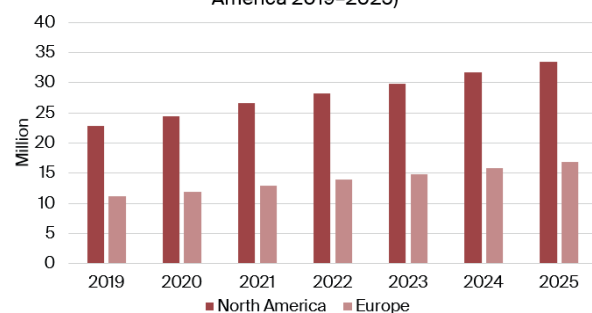
The North American market for home and small business security systems is larger than the European market. There were an estimated 32.3 million active monitored alarm systems in the US and Canada at the end of 2020. The overall penetration rate among the around 150 million households and businesses in North America was 21.5 percent. In the EU27+3, there were about 16.8 million active monitored alarm systems at the end of 2020. This corresponds to an overall penetration rate of 6.8 percent among the around 245 million households and small businesses in Europe. The market data thus indicate a significant growth potential for alarm systems on the European market, especially in the residential segment where the current penetration is only 5.6 percent. However, growth on the European market is anticipated to vary considerably from country to country in the next few years. The Nordic market is forecasted to grow the fastest, while other major markets in Europe will show less growth due to high market fragmentation and fewer specialist alarm service companies that actively market solutions. In both Europe and

North America, interactive security services and smart home products are key growth drivers in the home security market.

Companies from a wide range of industries offer home and small business security systems on the European and North American markets. The traditional home security systems market is served by specialist home security companies such as ADT, Verisure, Brinks Home Security (Monitronics) and Sector Alarm; security service companies such as Prosegur, Securitas and G4S; telecommunications and cable television companies such as Comcast, Telus, Cox Communications and Bell Canada; as well as utilities, banks and insurance companies such as EPS (Crédit Mutuel), Crédit Agricole and Groupama. The DIY home security systems market is led by start-ups such as Frontpoint, SimpliSafe, Ajax Systems, Ring (Amazon) and Wyze Labs. DIY security systems typically include self-monitoring as a standard feature and professional alarm monitoring services are offered as an option.

ADT is the leading provider of professionally monitored alarm systems in North America with 6.5 million residential and business customers at the end of 2020. ADT is followed by Vivint, Comcast, SimpliSafe and Brinks Home Security (Monitronics), all with between 900,000 and 1.7 million monitored alarm system customers at the end of 2020. In the US, only a few market players offer services nationwide. Instead there are several smaller home security providers with a strong local presence. In Europe, Verisure is the clear market leader with 3.8 million residential and small business customers. The company is active in 12 European countries and four countries in South America. Other leading players in Europe are Sector Alarm and EPS Télésurveillance, a subsidiary of Crédit Mutuel, both with more than 500,000 monitored alarm systems at the end of 2020.

Cellular IoT connections for home and small business security systems (EU27+3 and North America 2019-2025)



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## Highlights from the report

**Insights** from 30 executive interviews with market leading companies.

**New data** on alarm system adoption by country and segment.

**Comprehensive overview** of the home and small business alarm system value chain.

**Detailed profiles** of key players on the European and North American security markets.

**In-depth analysis** of market trends and key developments.

**Market forecasts** by region, lasting until 2025.

## The report answers the following questions

- Who are the leading providers of monitored home and small business alarm systems?
- Why are alarm system providers investing in smart home technology?
- Are DIY home alarm systems providers a threat to the traditional players?
- What is the potential market size for cellular IoT in the alarm systems industry?
- Which are the leading providers of secure alarm communications services?
- What is the market value of the alarm system industry in Europe and North America?
- What are the latest trends and developments on this market?



## About Berg Insight's IoT market research

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SMART BUILDINGS

# The Home and Small Business Security System Market

Cellular connectivity is rapidly becoming a standard feature in security alarm systems for the consumer and small business markets. Berg Insight estimates the number of cellular IoT connections for home and small business security systems in Europe and North America will grow at a compound annual growth rate of 6.7 percent from 36.4 million in 2020 to 50.4 million in 2025. Learn about the business opportunities associated with wireless IoT solutions for the alarm system industry in this 110 page report covering both Europe and North America.

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The Home and Small Business Security System Market is the foremost source of information about the professionally monitored security system market in Europe and North America. Whether you are a vendor, telecom operator, investor, consultant, application developer or government agency, you will gain valuable insights from our in-depth research.

AUTHOR

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Martin is a senior analyst who specialises in IoT applications for the smart homes and buildings, transportation and security markets. He joined Berg Insight in 2018 and is the lead author of numerous research reports. In addition to published research, he has provided bespoke research to clients ranging from IoT solution providers, management consulting firms, private equity firms and others. Prior to joining Berg Insight, Martin worked as a supply chain analyst at Volvo Group. Martin holds a Master's degree in Industrial Engineering and Management from Chalmers University of Technology.

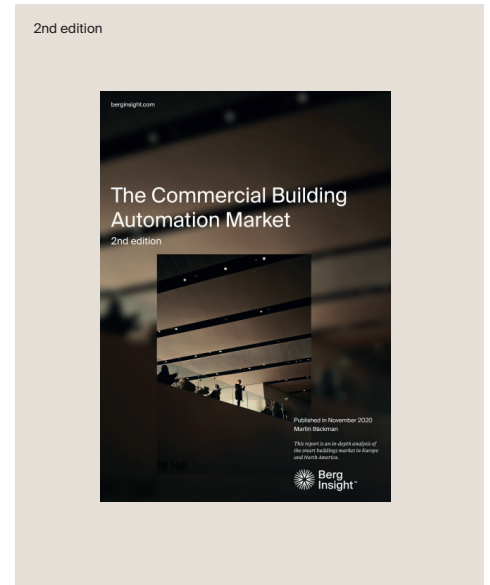
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