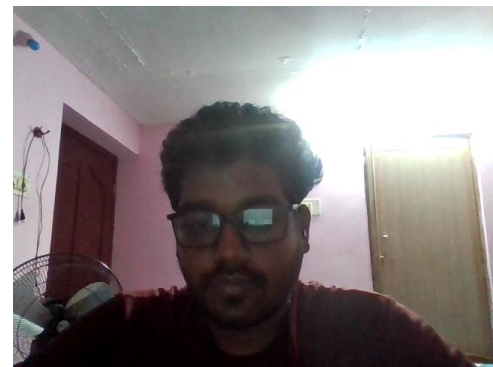


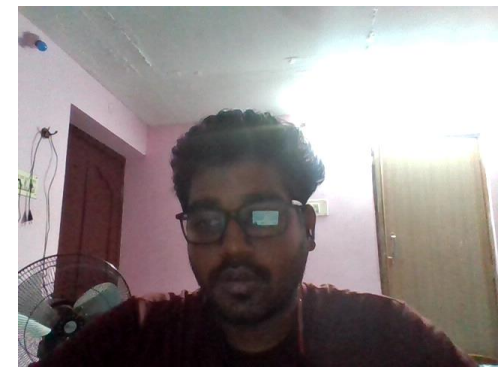
HOME SECURITY SYSTEM BUSINESS STRATEGY

Sethuraman B



WHY IS HOME SECURITY SYSTEM IMPORTANT AND ITS MARKET?

1. Installing a home security system can safeguard valuables and help prevent crimes, making homes a safer place to live.
 2. Accessibility to home from anywhere added convenience and peace of mind.
 3. In addition to providing security, a home security system can also improve energy efficiency.
- As people increasingly recognize the importance of securing their homes and technological advancements make it more affordable, the market size of home security systems is expanding.
 - The growth of this market is fuelled by the rising awareness of home security systems, the emergence of wireless and IoT technologies, and the growing adoption of IP cameras for video surveillance.



EXECUTIVE SUMMARY

We used data from surveys to determine the customer segments to target for our new home security system. We also studied demographics of the key states those customer segments lived in.

Data Analysis Process –Preliminary Finding-Target Customer segment-Country/Cities and strategies

Customer Segments

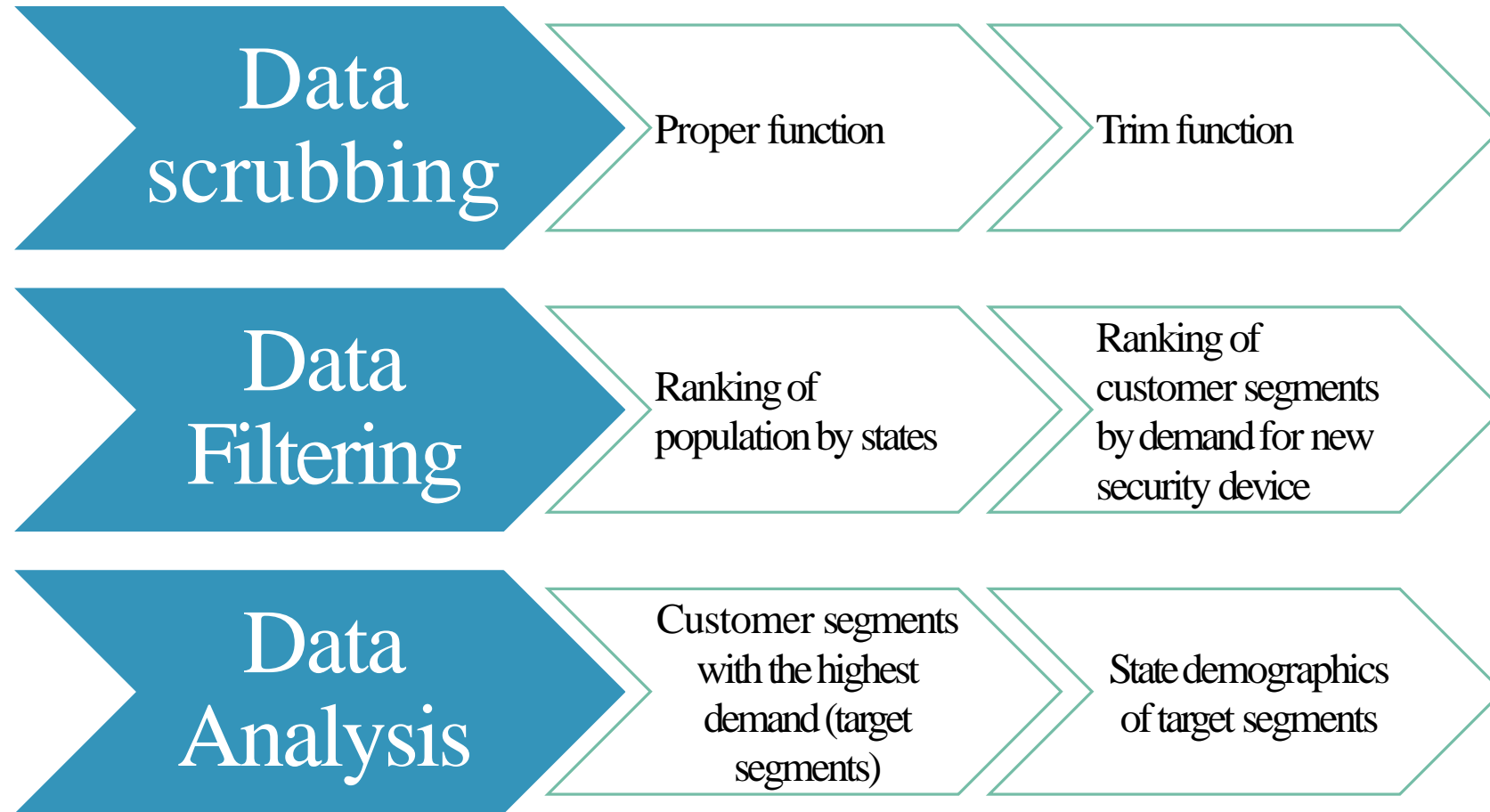
- Top 5 target customer segment to focus.
- The wealthier the customer segment, the higher the number of potential buyers
- **Upscale Matures, Elite Households, Mass Markets, Prosperous Achievers, Well-heeled affluent.**

States

- The potential buyers reside in high property crime rates such as **California, Texas, and Florida.**
- **Burglary and crime rates have a positive correlation** with property crime rates and can predict their changes.

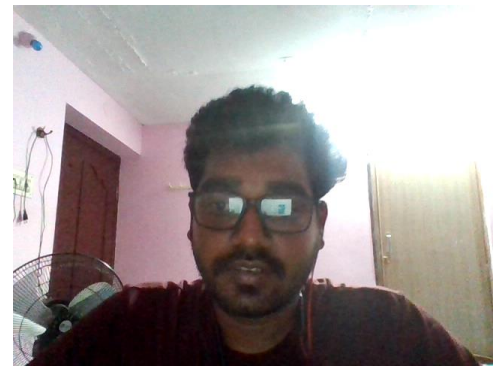


DATA ANALYSIS PROCESS



METHODOLOGY

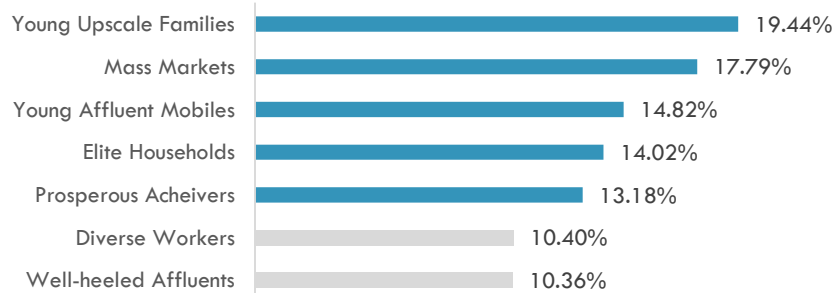
- Increased purchase of advanced high tech security system is directly proportional to the higher crime rate in their vicinity.
- Increased purchase of advanced high tech security system is directly proportional to the customers who have already used the security system earlier and know their benefits.
- Increased purchase of security system is inversely proportional to the complaint management of the products.
- Increased purchase of security system is inversely proportional to the cost of the security system.



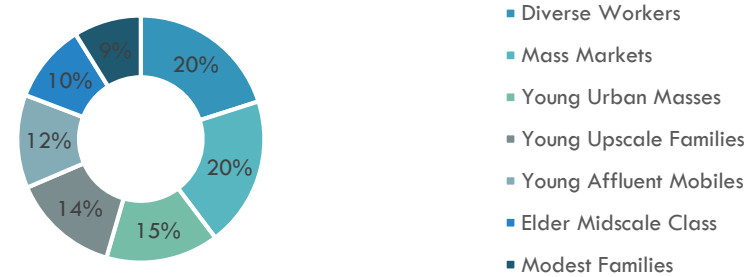
PRELIMINARY FINDINGS-CUSTOMER SEGMENTS

According to survey data, Well-heeled affluent are the largest group of potential buyers for home security devices, followed by Prosperous Achievers, Mass Markets, Elite Households, and Upscale Matures. These customer segments were found to have the highest number of potential buyers.

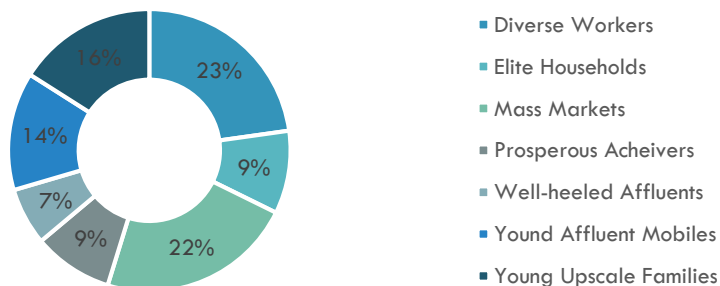
% Population Own Burglar Alarm



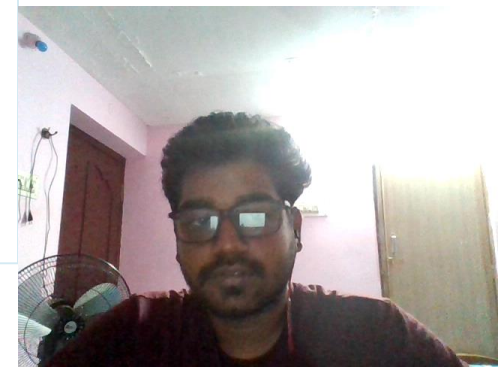
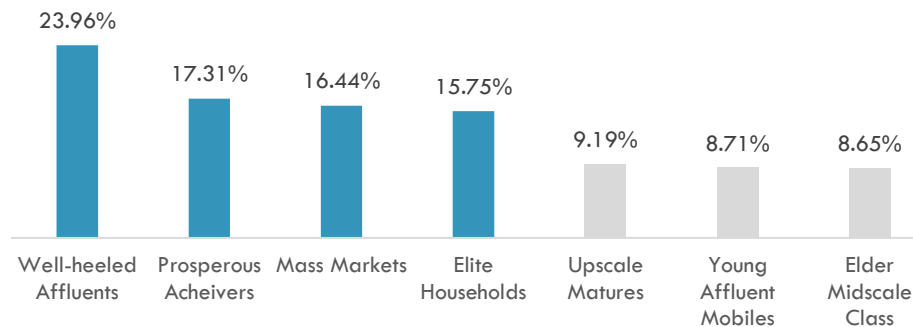
Media influencing Factor



% House Hold Count Segment



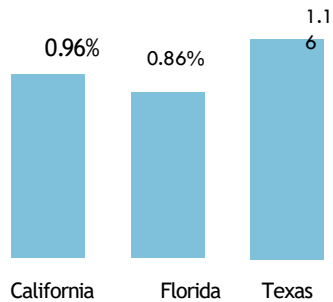
% People willing to buy Security Devices



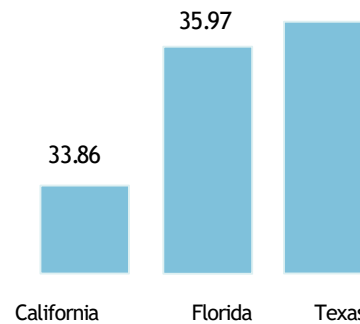
PRELIMINARY DATA FINDING-CITY DEMOGRAPHICS

California has highest average house value, which may partly explain why it has the highest aggregate burglaries reported and highest property crime rates. Texas has the highest population growth rate and housing construction, hence it is the city with the highest potential for new customers.

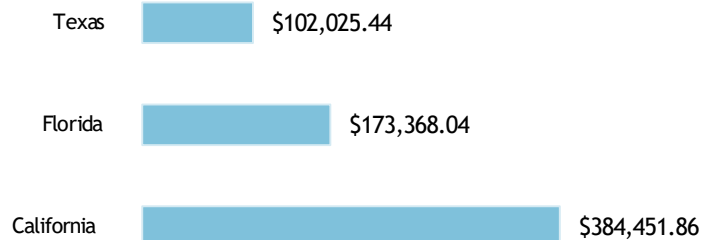
% Population Growth Rate



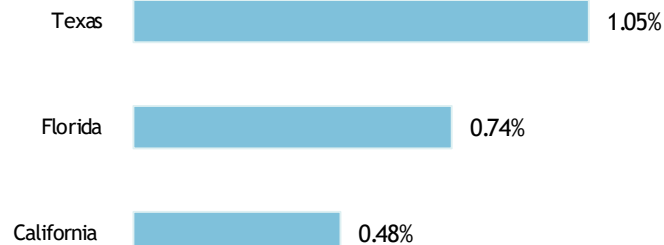
Average Age Population



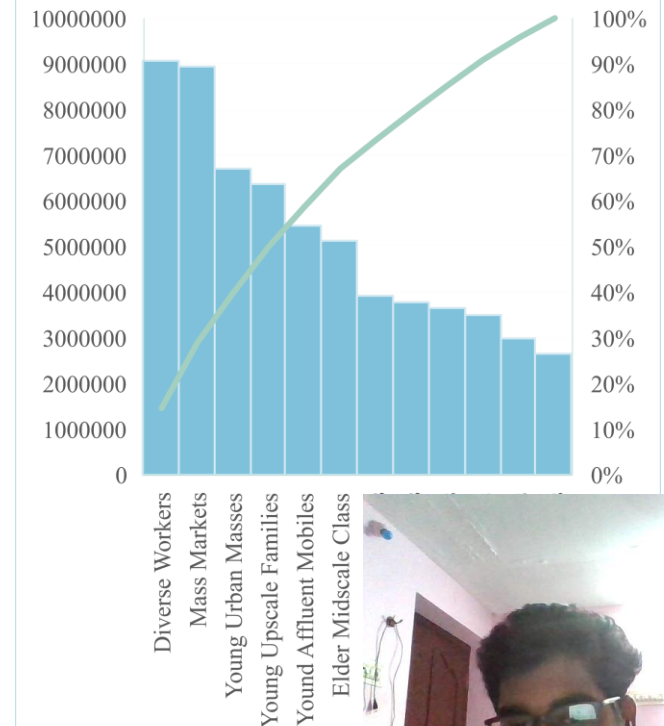
Average House Value



Average Housing Construction



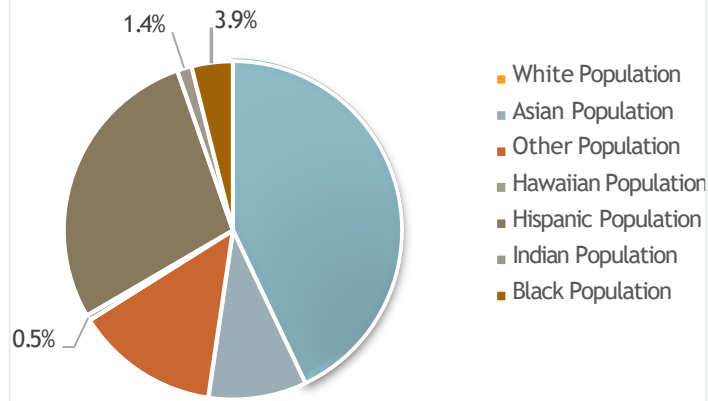
HOUSEHOLD %



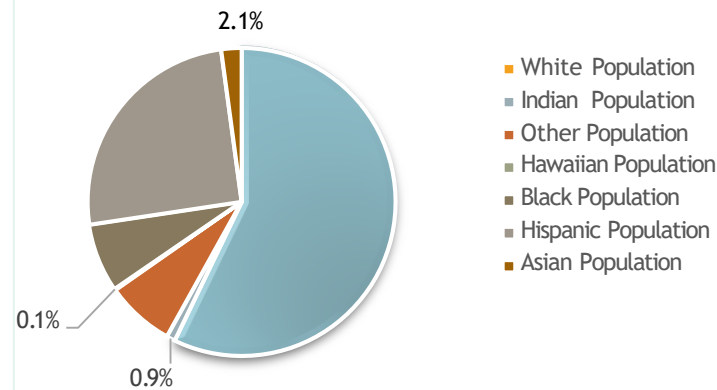
PRELIMINARY DATA FINDINGS – CITY DEMOGRAPHICS

The majority of the target customer segment cities have a white population, and in all of these cities, the female population is larger than the male population.

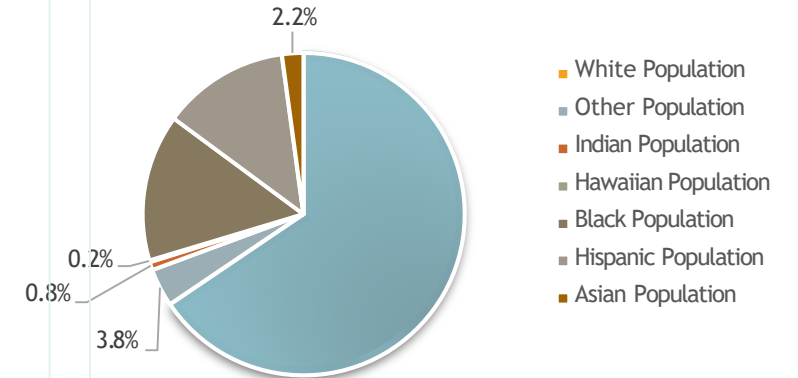
Population Demographics in California



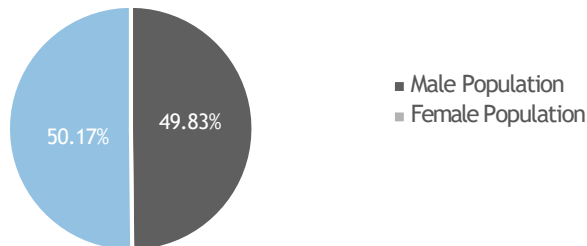
Population Demographics in Texas



Population Demographics in Florida

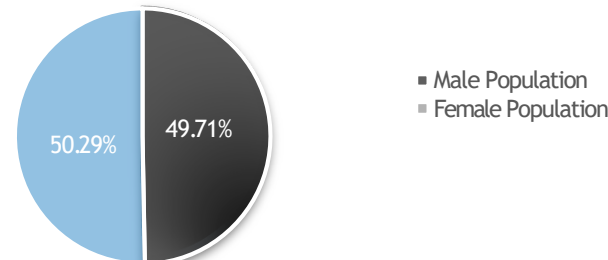


Population Demographics by Gender
(CA)

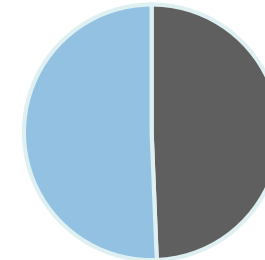


May 30, 2023

Population Demographics by Gender
(TX)



Population Demographics by Gender
(FL)



PRELIMINARY DATA FINDINGS-CITY DEMOGRAPHICS

The majority of households in the Well-heeled Affluent, Prosperous Achievers, and Elite Households segments are located in California, which has the highest reported aggregate burglaries and property crime rates. Meanwhile, Texas has the highest number of Mass Market households and the second-highest aggregate burglaries and property crime rates, as well as the highest increase in housing construction. Florida has the highest number of Upscale Mature households and ranks fourth in aggregate burglaries and property crime rates, with the sixth-highest increase in housing construction.

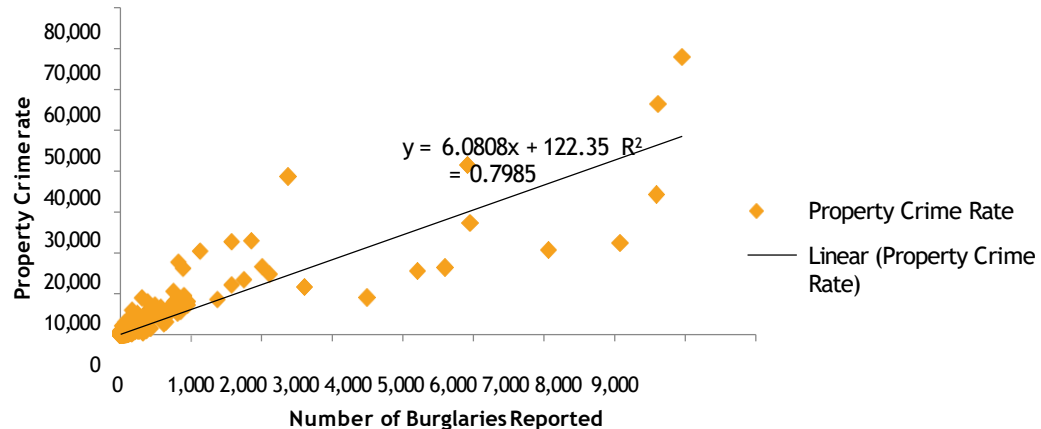
| Customer Segments | State with most population | Rank of A B | Rank of A P C R | Rank of A C R | Rank in C H C (%) |
|-----------------------|----------------------------|-------------|-----------------|---------------|-------------------|
| Well-heeled Affluents | California | 1 | 1 | 1 | 4 |
| Prosperous Achievers | California | 1 | 1 | 1 | 4 |
| Mass Markets | Texas | 2 | 2 | 2 | 1 |
| Elite Households | California | 1 | 1 | 1 | 4 |
| Upscale Matures | Florida | 4 | 4 | 4 | 6 |



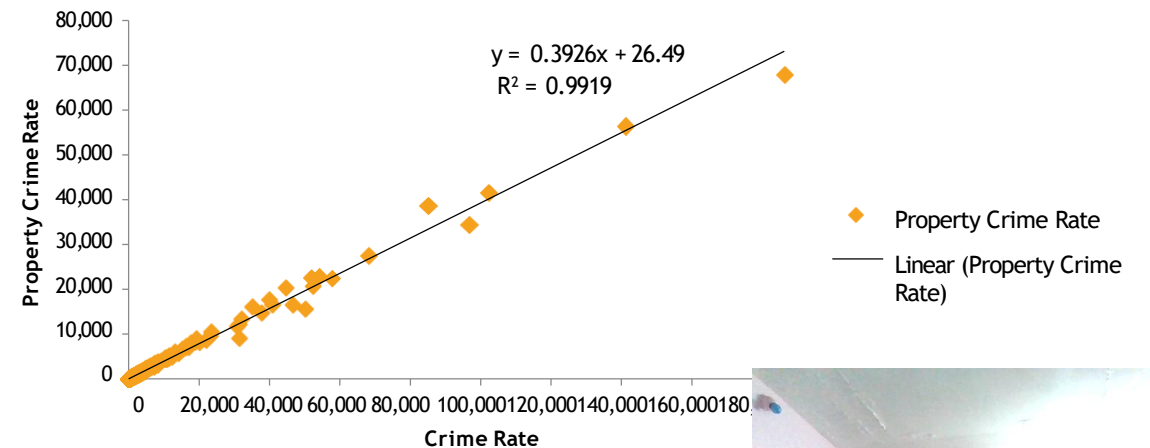
PRELIMINARY DATA FINDINGS-CITY DEMOGRAPHICS

There is a high correlation of 0.89 between number of burglaries and property crime rate. A near perfect correlation of 0.99 between crime rate and property crime rate exists. Changes in number of burglaries and crime rates can be used to predict changes in property crime rates.

Correlation between No. of Burglaries and Property Crime Rate

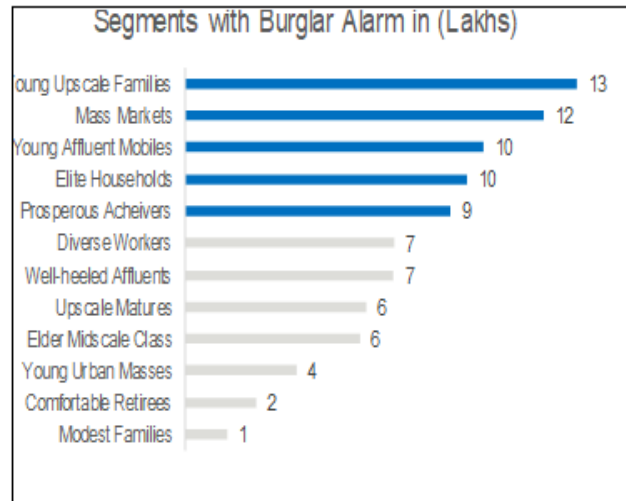


Correlation between Crime Rate and Property Crime Rate



Analysis for Electric Growers

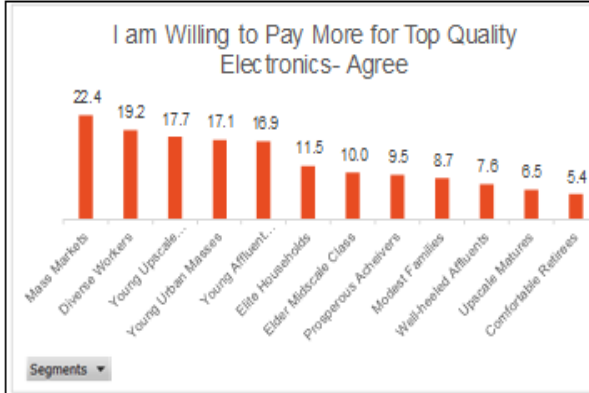
Determining the Target Segments



Choose Question

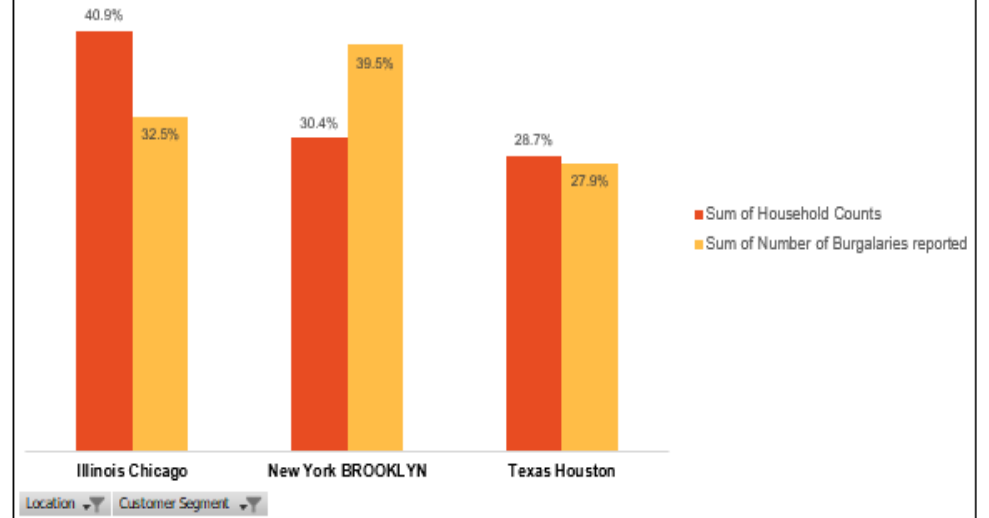
I am Among First of my Frie...

I am Willing to Pay More for ...

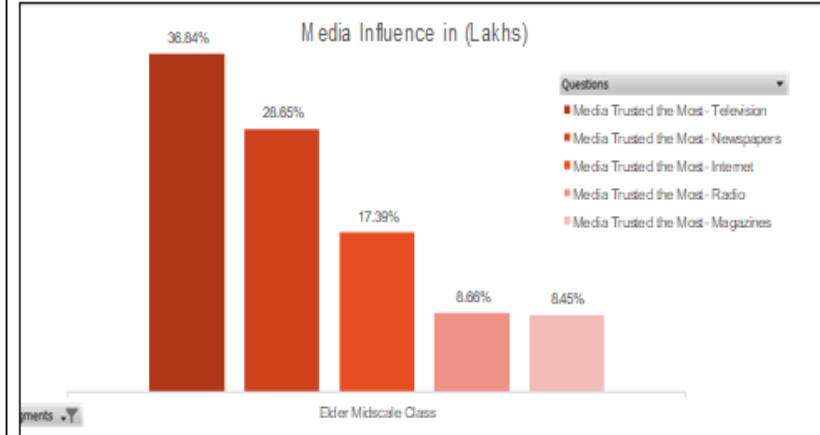


Top 4 Cities to be Targeted Based on High Burglary Report and High Number of Segments Target

Targeted Cities



Determining the Appropriate Media for Target Segments



Choose Segment

Elder Midscale Class

Elite Households

Mass Markets

Modest Families

Prosperous Achievers

Upscale Matures

Well-heeled Affluents

Young Affluent Mobiles

Young Upscale Families

Young Urban Masses

Top Six Customer Segments for Each Relevant Question

| Buy new tech products | Pay more for quality | Have burglar alarm | Targeted Segment |
|------------------------|------------------------|------------------------|------------------------|
| Mass Markets | Mass Markets | Young Upscale Families | Mass Markets |
| Diverse Workers | Diverse Workers | Mass Markets | Diverse Workers |
| Young Urban Masses | Young Upscale Families | Young Affluent Mobiles | Young Upscale Families |
| Young Affluent Mobiles | Young Urban Masses | Elite Households | Young Affluent Mobiles |
| Young Upscale Families | Young Affluent Mobiles | Prosperous Achievers | Young Urban Masses |
| Modest Families | Elite Households | Diverse Workers | Elite Households |

Excel Link:

https://docs.google.com/spreadsheets/d/1gi6kKIJHLw3NUIBOL4AKQOtr_ESEe7Dx/edit?usp=share_link&oid=108433007974397532023&rtpof=true&sd=true

CHALLENGES!

High installation, maintenance, and operational costs

The high cost associated with the installation and maintenance of home security systems is expected to be the key factor limiting the growth of the market. Customers are increasingly becoming aware of the benefits of home security systems; at the same time, they are skeptical of making investments since the prices of security systems are still not affordable for many consumers. Expensive hardware and cost of ownership have hampered the adoption of home security systems.

Moreover, the software installed in the home security systems for advanced analytics is expensive, which also adds to the overall cost of security devices..



Thanks!

