

Security Dealer Perspectives: Views from the Front Line

DEALER RESEARCH

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1Q 2026

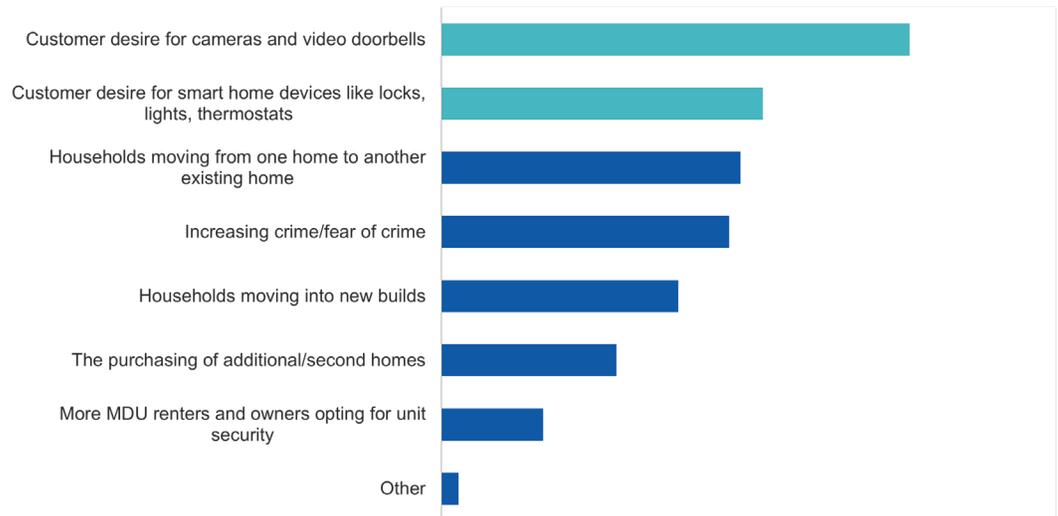
By **Yilan Jiang**, Senior Director of Consumer Analytics; **Sharon Jiang**, Consumer Insights Manager; **Yuting Mu**, Consumer Insights Analyst II; **Jennifer Kent**, SVP, Principal Analyst; **Daniel Holcomb**, Senior Analyst, Parks Associates

SYNOPSIS

As consumer preferences shift and technology advances, security dealers must adapt to changing market dynamics, including increasing competition from DIY security solutions and tech giants. This survey of security dealers, now in its 12th year, provides security dealers' perspectives on market growth, operational priorities, and competitive challenges.

This study provides critical intelligence for security manufacturers, service providers, and investors looking to understand the shifting competitive landscape and identify opportunities for growth in the security market.

Drivers of Residential Security Business



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Key questions:

- How are security dealers fairing in a challenging business environment with tariffs impacting supply and housing market constraints limiting demand? What is their outlook for 2025 business results?
- How are dealers balancing residential vs. commercial business for growth?
- How are security dealers adapting to the growing market for self-installed and self-monitored security options?
- What smart devices and components are dealers selling attached to their systems?
- What devices have aftermarket or upsell potential?
- What is dealer interest in offering new value-added services like video verification, vehicle monitoring, whole-home technical support, EV charging installation, and senior-care services?
- What are dealer perspectives on technologies that will shape the future of the industry, including AI and Matter?
- What are dealers' plans for succession and how many dealers are actively looking to sell accounts?

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Security Dealers

- Regions of Operation
- Business Operating Length

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- Business Owner
- Average Residential vs. Non-Residential Unit Sales

Key Findings & Implications

- Changes in Residential Revenues
- % of Dealers Reporting Growth in Commercial, as % of all Sales
- Dealers Split on Impact of DIY
- % Selling Systems Online
- Dealers Selling DIY Systems
- Drivers of Residential Security Business
- Company's Strategic Positioning
- Average Monthly Fees for Residential Professional Monitoring Service Tiers
- Select Commercial Monitoring Service Innovations
- Select Residential Monitoring Service Innovations
- Competitor Leaderboard: Monitoring
- Competitor Leaderboard: Controls
- Standout Features Desired from Vendors: Monitoring
- Standout Features Desired from Vendors: Controls
- AI as Selling Point for Security Solutions
- Dealer Use of AI Tools
- Expected Outsourced vs AI- Powered Features for Business
- Strategy Implications for Smart Security and Connectivity Ecosystem Players

Sales Growth & Business Segment Shifts

- Annual Revenues, YoY
- Average Residential vs. Non-Residential Unit Sales
- Residential Security System Revenues as a Percent of Total Revenues
- Changes in Residential Revenues
- Dealer-Reported Average Installations Per Month
- Consumer-reported Installation Method of Recently Purchased Security System
- Growth in Commercial Sales as % of Firm's Sales, YoY
- Reasons for Increase in Commercial Sales

Business Drivers, Inhibitors & Succession Plans

- Drivers of Residential Security Business

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- Inhibitors of Residential Security Business
- Actions Taken In Response to Tariffs
- Approaches Used to Overcome Staffing Challenges
- Succession Plan of Company
- Company Succession Statement

Monitoring, System Pricing, and Churn

- Residential System Segment Participation: Installation and Monitoring
- System Type: Traditional, Interactive, Automation
- Company's Strategic Positioning
- Residential Security System Sales Methods
- Contract Term of Residential Professional Monitoring Services, YoY
- Attribute Rate for Residential Professional Monitoring
- Dealer-Reported Monthly ARPU for Professional Monitoring Services
- Consumer-Reported Monthly Service Fee
- Average Monthly Fees for Residential Professional Monitoring Service Tiers

Adapting to DIY Solutions

- Method of Installation: Residential Security Sales by DIY System Dealers
- Average % Professional Monitoring Service Adding After Self-Install System Sale
- Impact of DIY Systems on Residential Security Dealers
- Dealers Reporting Losing Sales to DIY Security Systems & Devices

Next-Generation Services

- Value-Added Services Offered to Residential Customers
- Likelihood of Offering Add-On Services to Residential Customers in the Next 12 Months
- High Likelihood of Offering Add-On Services to Residential Customers, Trending
- Value-added Services Offered to Commercial Customers
- Likelihood of Offering Add-On Services to Commercial Customers in the Next 12 Months

Connected Devices & Functionality

- Security System Installations Including Smart Home Devices
- Average Upfront Price by Type of Security Systems
- Security System Integration with Customer-Owned Smart Home Devices, YoY
- Difficulty of Integrating Customer-Owned Smart Home Devices with Security System

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- Familiarity with Matter
- Expectations on Matter Standard to Impact Business

Impact of AI on Operations & Offerings

- Dealer Use of AI for Business, Products & Service
- AI as Selling Point for Security Solutions
- Openness to AI for Operational Tools
- Expected Outsourced vs AI- Powered Features for Business
- Interest in Outsourcing Back-Office Tasks
- Potential Roles for AI to Make Dealer Work More Attractive

Infrastructure & Ecosystem Partners

- Method of Providing Professional Monitoring Services
- Companies Providing Professional Monitoring
- Top Ranked Considerations in Selecting a Central Monitoring Station
- Primary Communication Path for Security Systems
- Installation % for Various Control Panel Brands, YoY
- High Importance of Control Panel Features

Appendix

ATTRIBUTION

Parks Associates
2301 West Plano Parkway
Suite 210
Plano, TX 750751
972.490.1113

parksassociates.com
sales@parksassociates.com

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