

SDM

'HOTTEST' & 'COLDEST' CITIES FOR BUSINESS ALARMS

Do America's largest cities have the highest percentage of alarm systems in the workplace? SDM's research of security usage in the top 30 U.S. cities may surprise you.

By Lindsay Whitehurst, Contributing Writer

The security and safety of Americans at work have never been of more concern. At the same time, businesses and institutions have heightened concerns about criminal loss and business interruption. In this context, Security Distributing & Marketing set out to measure the industry's progress in providing security measures to America's workplace.

In a series of articles, *SDM* reports the results of the first-ever research asking Americans about electronic security measures at work. To achieve simplicity and consistency, *SDM*'s survey asked first whether six different security measures were used at work: burglar alarms, video surveillance, door locks, card access/keypads, ID badges and fire alarms. Second, the survey asked which security measures respondents would like to see added at work. These results, cross referenced by demographic segments, provide a gauge of the present and a benchmark for the future.

BEGINNING WITH ALARMS

All security is local, and so is demand for burglar alarms. Across the U.S. the penetration of burglar alarms at work varies significantly among the top 30 metropolitan areas. Burglar alarm survey data, along with U.S. Census data and the FBI's Uniform Crime Reports, take on new meaning when presented

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along with the perspectives of dealers who install the alarms, and officials in their neighborhoods.

To conduct the *SDM 2004 Consumer Study: Workplace & Home Security*, SDM – through its Market Research Division, mailed surveys to 20,000 U.S. households in late December 2003. The household panel was selected to conform to the latest United States Census data for the nine geographical divisions; within each division by market size, age of head of household, annual household income, and household size. By a cut-off date in February 2004, there were 13,997

usable returns, resulting in a 70 percent response rate. Definition of *property crime*: the offenses of burglary, larceny-theft, motor vehicle theft and arson. A word about city comparisons: SDM's city areas are drawn by Nielsen Designated Market Areas. With this methodology, the city area is defined by the area a television signal reaches.

NO. 1 IN BUSINESS ALARMS: HARTFORD-NEW HAVEN

Hartford-New Haven, Conn., is far from the biggest city in the United States; on a list of the 30 largest metropolitan areas by population, it comes in at number 27. It's certainly not the most dangerous: according to the FBI, the property crime rate is 3,108.8 crimes per 100,000 residents, putting the area squarely in the lower third among the largest cities. And it's not the richest, though its median income of \$43,752 a year, according to the 2000 U.S. Census, puts it high on the list of the 30 largest cities.

But in one area at least, the town packs a punch. *SDM's 2004 Consumer Study: Workplace & Home Security* revealed that there are more burglar alarms in Hartford-New Haven businesses than in any other area of the country. Not only that, but the 68.3 percent of workers who reported there is a burglar alarm in their workplace was nearly 10 percentage points above any other metropolitan area of the country.

"Consumers are much more security conscious than they've ever been," says Connecticut Burglar and Fire Alarm Association president Rick Weiss, CPP, who has been doing business in Connecticut

for 20 years. More businesses than ever regard burglar alarms as an essential piece of office equipment, right after computers and phones, he says.

"It's on the list of things to get when a company is ready to set up or to move," Weiss says. "They realize there is a need, that police can't be everywhere. They know a burglar alarm will give them an edge."

There is a sizable security community in the area; a phone book search turns up 152 listed companies in New Haven and 197 in Hartford. Whatever the company, residents like Lynn Fredricksen, spokesperson for the New Haven Chamber of Commerce, are convinced that security is an important part of a business, to protect not just equipment but people.

"It's just good business to be cautious and protect your investment," Fredricksen says. "I think most people think first and foremost about the safety of their employees."

Small establishments make up the business community, with about 80 percent of the 1,700 businesses in the New Haven Chamber of Commerce having less than 10 employees, Fredrickson notes.

"I think anyone who has a small business would want an alarm," she says.

In Hartford, small businesses make up about 65 percent of the economy, Chamber of Commerce spokesperson Marie Vanilli said. Insurance and accounting companies make up a large part of the economy.

Gary LaPlant, president and chief operating officer of Sonitrol Security Systems of Hartford, said his company's success in the area is largely due to a local approach to business.

"If you treat the customer like your best friend

Hartford-New Haven, Connecticut

- Population rank: 27
- Property crime rate: 3,108.8 crimes per 100,000 residents
- Percentage of white-collar workers: 67
- Percentage of burglar alarms in the workplace: 68.3



you'll never go wrong," LaPlant says. His franchise company has a local, rather than a national, central station.

Established in Hartford in 1971, Sonitrol of Hartford has roots in the community. "We're entrenched in our market. I think it makes a difference," he says.

In Hartford-New Haven, wealth correlates with more workplace alarms. At \$43,752, the community's median income ranks high on the list of the

country's 30 largest cities. Most workers are white collar: on average, about 37 percent of workers describe their jobs as "managerial, professional or related occupations" and another roughly 30 percent describe their jobs as "sales and office," according to the 2000 Census. Service jobs make up another 10 to 15 percent.

"People can afford a security system" for their business, Fredricksen says.

CRIME RATE DRIVES ALARM USAGE IN MIAMI

Home to vacation houses and retirees, famous beaches and a large immigrant population, Miami, Fla., is portrayed on TV's *Crime Scene Investigation* as a hotbed of cop drama and has been labeled by rapper Will Smith as the ideal vacation spot. It also now has the distinction of ranking as No. 2 in

SDM's 2004 Consumer Study: Workplace & Home Security, with 58.8 percent of our survey respondents reporting alarm systems in their workplaces.

Among *SDM's* top three cities ranked by percentage of people reporting alarms in the workplace, Miami-Ft. Lauderdale has the largest population, the highest crime rate, and the lowest median income.

"I believe that because of the higher-than-average crime rate we have in Miami, most businesses recognize the fact that having an alarm system is an important part of protecting their employees and assets," says Michael Smith, sales and marketing director at Integrated Security Systems, Miami.

According to the FBI, the property crime rate in Miami is 6,054.4 crimes per 100,000 residents, one of the higher crime rate cities in the nation.

"Miami's high growth rate is certainly a contributing factor in crime. Additionally, we have a lot of transient people coming into South Florida. South Florida has also become a focal point of immigration from the Caribbean and Latin

American countries, thus adding to our soaring growth rate," Smith says.

According to the 2000 Census, 59.5 percent of city of Miami residents describe themselves as foreign-born, compared with 11.1 percent nationwide. Seventy-five percent of families speak a language other than English at home.

Miami ranks as No. 17 in population on *SDM's* list of 30 metropolitan areas in which alarm systems in the workplace were tracked by the study.

Miami also has the lowest percentage of white-collar workers among cities studied: according to the 2000 Census, 23.8 percent describe themselves as working in a management or professional occupation, and 26.2 percent describe their jobs as sales or office jobs. The number of service-sector workers is highest, as well, at 22.1 percent.

To sell workplace alarms in this quickly growing, highly diverse area, Smith says his company works to build relationships with his customers and maintains relationships within the industry by staying involved with organizations like ASIS International.

"Our goal is to help potential prospects understand the importance of security and educate them along the way, including helping them with their security design in our in-house CAD Department," he says.

Miami-Ft. Lauderdale, Florida

- Population rank: 17
- Property crime rate: 6,054 crimes per 100,000 residents
- Percentage of white collar workers: 50
- Percentage of burglar alarms in the workplace: 58.8

