



Sponsored by:



Home Electronics –
**BRAND AWARENESS, USE, and
PREFERENCE STUDY**

Study Released:
March 2006

TABLE OF CONTENTS

Introduction, Objectives, and Methodology	1
Summary of Survey Highlights.....	4
Profile of Respondents.....	8
Highlight Tables -- “Top 5” by Product Category.....	14
Highlight Charts – All Brands by Product Category.....	21
Summary Tables – All Brands Surveyed.....	42
Regional and Company-Size Detail – <i>Audio</i> Focus.....	63
Regional and Company-Size Detail – <i>Video</i> Focus.....	84
Regional and Company-Size Detail – <i>Control</i> Focus.....	108

Introduction

Prompted by recognition of the near total absence of objective market information regarding the frequency with which various brands are specified and installed by custom electronics professionals, EH Research undertook the first-ever survey of this topic during the spring of 2005. This report presents the results of an updated and expanded survey on that topic, conducted during February of 2006.

Research Study Objectives

- To develop an understanding of custom electronics professionals' familiarity with a pre-selected list of brand names within 21 separate product categories;
- To determine which of these pre-selected brands have been specified/used/installed by custom electronics professionals at any time during the past two years;
- To develop estimates of which of these pre-specified brands have been used most frequently by custom electronics professionals over the course of the past two years;
- To solicit information from survey respondents regarding what other brands – not pre-listed on the survey questionnaire – they have used during the past two years.

Procedures and Methodologies

The *Brand Awareness, Use, and Preference* survey was conducted over a three-week period during February of 2006. EH Research developed an online survey questionnaire and solicited responses from

the universe of custom electronics installing companies captured in the subscriber files of *CE Pro* magazine.

The survey was approximately 30 questions in length. For the 21 individual product categories incorporated in this report, the following three identical questions were asked of all survey respondents:

- ⇒ Which of the following brands are you FAMILIAR WITH?
- ⇒ Which of the following brands have you PURCHASED/USED within the past 2 years?
- ⇒ Which one of the following brands have you purchased/used MOST FREQUENTLY within the past 2 years?

Since many of the brand names associated with the custom electronics market cross multiple product categories, it was important that survey recipients think clearly about the brand within the context of the product for which they were asked to report. Consequently, respondents were asked to strictly limit their answers to familiarity and usage of specific brands within the specific product category for which they were reporting. In this way, we are confident that we have been able to successfully minimize or eliminate any non-sampling error in the survey results that could be attributed to respondent confusion.

The study commenced on February 1, 2006 when an invitation to participate in the survey was e-mailed to three separate panels of home systems' installer/integrator firms that were qualified to receive *CE Pro* magazine. The 12,410 qualified firms in the universe were randomly selected and equally divided among the three groups. The e-mail invitation was successfully delivered to 11,894 of these firms, or 95.8% of all companies previously identified as being within the scope of the survey.

One survey panel received a questionnaire that focused on the following 7 product categories. A total of 250 usable responses were received from this group:

- In-Wall/Ceiling Speakers
- Floor/Shelf (Freestanding) Speakers
- Receivers
- Amplifiers and Pre-Amps
- Multi-Room Audio Distribution
- Media Servers
- Audio/Video Wire & Cables

A second survey panel received a questionnaire that focused on the following 8 product categories. A total of 298 usable responses were received from this group:

- Plasma Flat-Panel TVs
- LCD Flat-Panel TVs
- Rear Projection TVs
- Front Projection Video
- Screens
- Racks/Mounts/Lifts/Stand

- Power Conditioning/Power Quality/Surge Suppression
- Home Theater Furniture/Seating/Acoustical Treatments

A third survey panel received a questionnaire that focused on the following 6 product categories. A total of 313 usable responses were received from this group:

- Whole-House Automation Systems
- Lighting Controls
- Window Covering/Motorized Control
- Universal Wireless Remote Controls
- Central Vacuum Systems
- Structured Wiring Systems

The e-mail invitation included notice that – as incentive for participation – survey respondents would have the opportunity at the conclusion of the survey to provide their e-mail address in order to be entered into a random drawing to win one of three American Express Gift Cards valued at \$500 each. Follow-up e-mail invitations were sent to all non-respondents on February 9th and February 16th, 2006. Responses to the survey were officially closed out on February 21st, 2006.

A total of 861 usable reports were recorded, a response rate of approximately 7.2% of the universe of the 12,410 installer/integrator/retailer firms that were successfully contacted via e-mail. The margin of error for percentages based on the total answering for each product category asked about in this study is estimated at +/- 5%. While the margin of error for the various smaller sample sizes (e.g., for regions and company size cohorts) cannot be calculated with any degree of precision, they would be of a magnitude significantly larger than for the aggregate product groups.

Future Studies

EH Research will continue to conduct annual updates to the *Brand Awareness, Use, and Preference* survey. Product categories surveyed will continue to be adjusted, as necessary, to best reflect the changes taking place in the custom electronics product marketplace and to respond to the research information needs of manufacturers, distributors, and other firms interested in the channel. We welcome your inquiries, comments, and suggestions regarding this and future surveys.

Summary of Survey Highlights

For the 21 product categories covered here, this study represents the only available public source of comprehensive brand awareness, preference, and usage data for the custom electronics installation market channel.

It provides “at-this-point-in-time” (February 2006) answers to a variety of questions of general interest, including important information about the share of home systems installers/integrator firms that have at least a passing familiarity with brands that have product offerings in these 21 specific product niches. More importantly – for its implications regarding effective market share for the various brands represented – the survey results document the frequency with which the various brands are actually being specified, purchased, and installed within the custom electronics channel.

This year’s survey results build upon the foundation of market intelligence established during our initial survey of brand awareness and use conducted during April of 2005. Report users can now begin to follow overall market trends and brand preferences, and can perform some preliminary analysis of the important specific changes that are taking place within the custom-electronics distribution channel.

Some highlights of the results from our second annual *Brand Awareness, Use, and Preference* survey include the following:

- Although over 50% of respondents are *familiar with* five or more brand names in about half (11) of the 21 product categories that were surveyed, a considerably smaller percentage of companies have actually *used* most of these brands during the past two years.
- In several categories, although there are similar levels of familiarity for several brands, there is nevertheless a very clear preference between these brands when it comes to actually *specifying*, *purchasing*, and *installing* a particular brand.
- In the *receivers* product category, for example, between 70%-84% of respondents indicated a familiarity with five different brands. But only 48% as many respondents indicated that they use most frequently the second-place brand as they do the top-rated brand.
- Based on an evaluation of the progression of responses from familiarity through most frequent use, the product categories that appear to have a clearly ***dominant brand*** include: 1.) receivers, 2.) multi-room audio distribution, 3.) A/V wire & cables, 4.) LCD TVs, 5.) front projection video, 6.) whole-house automation systems, 7.) lighting controls, and 8.) window covering/motorization.

END OF SAMPLE

Copyright © 2006 by EH Publishing, Inc. All rights reserved. Printed in the United States of America. No part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of the publisher.