Armed response industry - visible, necessary, expensive, generally effective but needing regulation

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Whilst 85% of people feel that more visible policing “in my area” is needed by the SAPS, 77% of people feel that they often see private security firms' vehicles in their areas. However, 58% of people want even higher levels of visibility from those firms.

Of those subscribing to an armed service provider, 77% rated them as “good” or “very good” but 15% want to change service provider. These are some of the findings from a recent survey conducted online by leading marketing and social insights company, TNS Research Surveys.

The survey, conducted in the first two weeks of September 2008 via the company's online access panel - that is, people who have access to both e-mail and the internet and who have agreed to make themselves available for occasional surveys - was designed to establish general attitudes to the armed response industry and, amongst those who subscribe to such services, to determine satisfaction levels. By the cut-off date, 880 responses had been received, giving a margin of error of under 4%.

Who did we speak to?

By virtue of using our access panel, the sample profile has a higher proportion of wealthy people living in the suburbs than average - but this is exactly the profile of those with the most interest in the armed response industry. In a 2006 study of 3 500 people interviewed face-to-face in their homes across all of South Africa, 4% subscribed to a “home alarm service”, these being composed of 63% whites and 37% other races. Two thirds were in metro areas with almost all the rest in smaller towns. The most commonly-quoted measure of wealth on marketing and media circles is the Living Standards Measure (LSM, which runs from LSM 1 (the poorest) to LSM 10 (the most affluent)). Subscribers tended to be LSM 10 (35%), LSM 9 (27%) or LSM 8 (25%).

The online access panel sample profile is 61% white and 39% other race groups, with 42% in LSM 10, 25% in LSM 9, 13% in LSM 8 and the rest in lower LSMs. This is a not dissimilar profile from that of the larger in-home sample, especially given that changes will have occurred over time.

The armed response industry is visible but needs to be more so

Only 40% of the online sample say that they often see police vehicles patrolling in their areas (this rises to 55% in Cape Town but drops to 27% in Durban and 37% in Gauteng) but 77% of people say that they often see private security firms' vehicles in their areas. However, 58% of people want even higher levels of visibility from private security firms. Visibility was particularly good in Gauteng and the Western Cape (83% response in each case) with other areas being generally in the mid-70s. The need for even higher visibility was evinced more by the coloured and Indian/Asian communities but differences by area are small.

By contrast, 85% of the sample feels that more visible policing “in my area” is needed by the SAPS.

Crime and crime fighting organisations

This need for higher levels of visibility is not surprising given how people are feeling about crime. Over half (53%) of the online sample feel that crime in their area is increasing (less so in Gauteng at 47% but much more so in Cape Town (60%) and Durban (also 60%)).

To assist in this serious problem, 45% of people say that there is a neighbourhood watch or similar organisation in their area (again Cape Town is higher at 55% but the Eastern Cape is much lower at 22% compared with Durban at 41% and Gauteng at 47%).

However, only 7% of people say that they belong to the local Community Policing Forum, this skewing towards older people (12% of those aged 50 and over compared with only 5% of younger people) and those in Pretoria (13%) but lower for Cape Town (5%).

Who subscribes to armed response service providers?

Four out of ten households in the online sample subscribe to an armed response service whilst an additional 21% have an alarm in their home but do not subscribe to an armed response service.

Older people are much more likely to have an armed response service (59%) than those aged 34 years and younger (31%). No differences by area are statistically significant but the figures for whites and Indians/ Asians at 48% are higher than those for blacks and coloureds at 22% and 18% respectively. Just over half of those in LSM 9 and 10 have such a service, with an additional 24% having a home alarm. Hence, three-quarters of these households have some sort of alarm system.

The general perception is that more than a half of households “in my area” subscribe to an armed response service - 71% of people agreed with this statement.

Transparency and regulation - a problem area

Only 20% of the sample feel that the private security industry is well-regulated (15% in Gauteng) and 46% say that it is not at all transparent. This is clearly a major problem area that needs addressing.

Amongst subscribers to an armed response service...

Overall, people are satisfied

Amongst the 40% of people in the online sample who subscribe to an armed response service, 77% rated it as “good” or “very good”. The rating rose for whites (82%), but was low for Indians/Asians (64%). No significant variation by area is evident.

Against that, though, 15% say that they are not happy with their current service provider and are thinking of cancelling their current contract. This figure is higher for Indians/Asians (27%), those aged 35 to 39 and those living in Pretoria (27%). The figure of 15% is relatively high and suggests a strong undercurrent of discontent.

Service delivery for life-threatening situations needs improvement

Whilst 84% of subscribers said that their service provider usually responds to a routine alarm call within 15 minutes, only 52% said that they respond to a life-threatening alarm call within five minutes. Whilst differences to the “routine” response did not differ by area, blacks and Indians/Asians were less happy, with only 69% and 71% respectively agreeing with this statement compared with 89% of whites. On the “life-threatening” issue, whilst 56% of whites agreed with this statement, only 39% of blacks did so. It may be that more explicit service delivery standards need to be promulgated by the industry so that people know what to expect - and what they are prepared to pay for (see the section below on the issue of costs).

On a more general note, a high 27% of people feel that armed service providers do not deliver the service they promise, this being, not surprisingly, higher for blacks (38%) and Indians/Asians (35%). Service providers should note that 95% of subscribers feel that armed service response providers who give poor service should be named and shamed. This is clearly an emotional point and suggests that this is a high profile industry and that people have high expectations. This point is reinforced below when cost perceptions are examined.

In addition, 40% of people say that, if they are unhappy with their service provider, they know which body to which to complain. This is a relatively low level of awareness for what is a high-expectation industry and does suggest that more should be done in this regard. The figures are even lower in Cape Town 28%) but relatively high in Durban (53%).

Visibility is perceived to be good amongst subscribers but can still be improved

With 77% of people agreeing that “my armed response service provider has vehicles in my area most of the time” and 20% saying that “I don't see vehicles from my armed response service provider very often”, visibility is good but could be improved. It is clear that visibility is important to people and that 20% feel there is a lack of visibility again suggests a reasonably strong undercurrent of unhappiness.

Expensive but necessary

A very high 88% of people say that armed response service providers are expensive but necessary these days whilst 58% say that it is expensive but worth it (whites 63%). It is clearly these perceptions of costs that drive expectations. It is important to note that, whilst 88 said expensive but necessary, 58% said expensive but worth it - hence, the difference (30%) probably see this as a grudge purchase. This will raise their expectations even more.

However, having said that, 47% would still be prepared to pay more for better security. This underlines the importance people put on the services provided by this industry and suggests that, whilst cost is always an issue, cost-cutting is not a good idea and that the reverse is true: a truly high quality service can command premium costs. This, yet again, emphasises the need for quality service that meets expectations and delivers on promises.

This willingness to pay more was more strongly evinced by blacks (69%) and Indians/Asians (63%) (who already perceive the service they receive in a more negative light) and less by whites (41%). People in Durban are less likely to be willing to pay more (33%) but those in Gauteng are more likely to pay more (54%).

Our take-out

Whilst the majority of people are satisfied with their armed response service provider, it is clear that this is an industry where users have high expectations and that many regard as a grudge purchase. The need to manage these expectations more explicitly is apparent. It is equally clear that there is a substantial minority of people who are dissatisfied, feel that promises made are not kept and want to change service provider. Many more feel that that there is a lack of transparency and most perceive a lack of regulation. Visibility is an important issue for the industry.

The industry needs to make its service delivery standards more explicit and it needs to deliver on these standards. The perceived lack of regulation clearly needs to be addressed. That so many feel that the promised service is not delivered suggests that the market will welcome new entrants who can deliver a quality service even at a premium.

Technical note

The study was conducted amongst a sample of 880 adults (179 blacks, 551 whites, 67 coloureds and 115 Indians/Asians) using a web-based questionnaire on TNS Research Surveys' online access panel: it have a margin of error of under 4% for the results found for the total sample.
The study was conducted by TNS Research Surveys (Pty) Ltd as part of their ongoing research into current social and political issues and were funded by TNS Research Surveys. For more details, please contact Neil Higgs on 011-778-7500 or 082-376-6312.
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