Notion Recognized for

2021

Customer Value Leadership

North American DIY
Home Monitoring Industry
Excellence in Best Practices

FROST *&* SULLIVAN

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Notion excels in many of the criteria in the DIY home monitoring space.

AWARD CRITERIA	
Business Impact	**Customer Impact**
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

Smart Monitoring for the Smart Home

The universe of connected devices in the home is expanding rapidly, as consumers find value in the new functions and use cases and service providers seek to leverage newly generated data. As the Internet of Things (IoT) extends to reach broad types of applications in the home, new generations of services are adding intelligence and not simply connecting previously analog devices to the internet. This truly "Smart Home" leverages connected devices, cloud computing, as well as big data and analytics to add new levels of automation, granular control, and algorithmic intelligence. Smart Home use cases equip users with highly detailed insights that drive personalization and efficiency.

> *"To provide an improved experience for homeowners, Notion delivers one of the easiest and most flexible DIY installation property monitoring solutions. Users may think of theft as the impetus for installing such a system, but once installed in the home Notion acts as a proactive monitor for the types of issues that begin small and become significant costs for homeowners and insurance companies."*
>
> *- Nick Baugh, Industry Analyst*

Homeowners and renters who may not seek out a professionally installed and security and safety system are embracing the convenience of do-it-yourself (DIY) options. A spectrum of monitoring systems is coming on the market, aiding consumers to protect their assets and leverage insights as part of the emerging Smart Home ecosystem. Integrating a range of Smart Home products and services can enable users to optimize their utility bills for efficiency, enrich everyday comfort with greater personalization, and feel more in control with real-time monitoring.

Simultaneously, interested stakeholders (such as insurance carriers and service providers) are recognizing the potential for Smart Home applications to aid their own missions. Insurance carriers and home service providers are intensely interested in finding new avenues to mitigate risk and differentiate from competitors. Fire and water damages are two of the most significant risk vectors that safety and insurance companies seek to minimize. The more Big Data and real-time insights that they can leverage, the more they can customize and streamline offerings for consumers and support homeowners investing in their homes and assets.

The COVID-19 pandemic has been reorienting consumers and service providers to focus more on the home, and has led to a rising tide of interest and investment in connected solutions that protect those assets. In the midst of significant change in recent years about how homeowners think about safeguarding their homes, Notion has been growing and evolving quickly to reduce the complexities and risks of property ownership. For both owners and home/property service providers, Notion offers a solution for a range of people to protect their proprieties more robustly and flexibly, and without the need for serious technology know-how.

Notion Application and *M*ultifunction Sensor

Source: Notion

Ease of Use Facilitates Visibility Across the Property

To provide an improved experience for homeowners, Notion delivers one of the easiest and most flexible DIY installation property monitoring solutions. Users may think of theft as the impetus for installing such a system, but once installed in the home Notion acts as a proactive monitor for the types of issues that begin small and become significant costs for homeowners and insurance companies. When caught early, these concerns (such as water leaks, sounding alarms, temperature changes, open doors and windows) minimize risk and property damage for homeowners and reduce claims for insurance partners.

In about 15 minutes, a user can install the sensors, bridge, and Notion application (app) on their smartphone. Notion designed the entire system for ease of use, so any user (even those without technology savvy) can gain the benefits of the system without any complicated installation or system configurations. The multifunction sensor is a key enabler of the ease of use with the Notion system. The company focused on developing a versatile sensor that detects multiple functions: water leaks, sounding alarms, temperature changes, and opening/closing doors and windows. Notion supports a range of use cases to monitor homes, apartments, small businesses, and any property in the way that users desire. The peel and stick backing on the sensor adheres to any surface, and the sensor connects wirelessly to the bridge and automatically to the app. In the intuitive-to-use app, users designate what the system monitors and rules for alerts. The typical Notion Starter Kit includes options for 3, 5, or 8 sensors that monitor multiple types of activities, a bridge device that connects the sensors via Wi-Fi to the system, and the smartphone app where users can customize each sensor and see the real-time status of the system. Notion Expansion Kits offer more sensors and bridge options to cover larger areas and more windows or doors. The extensibility and customizability of the Notion system enable users to outfit the property for their needs, and the optional professional monitoring add-on (launching soon) can apply to as many or as few sensors as desired.

Notion Provides Insights Across the Home
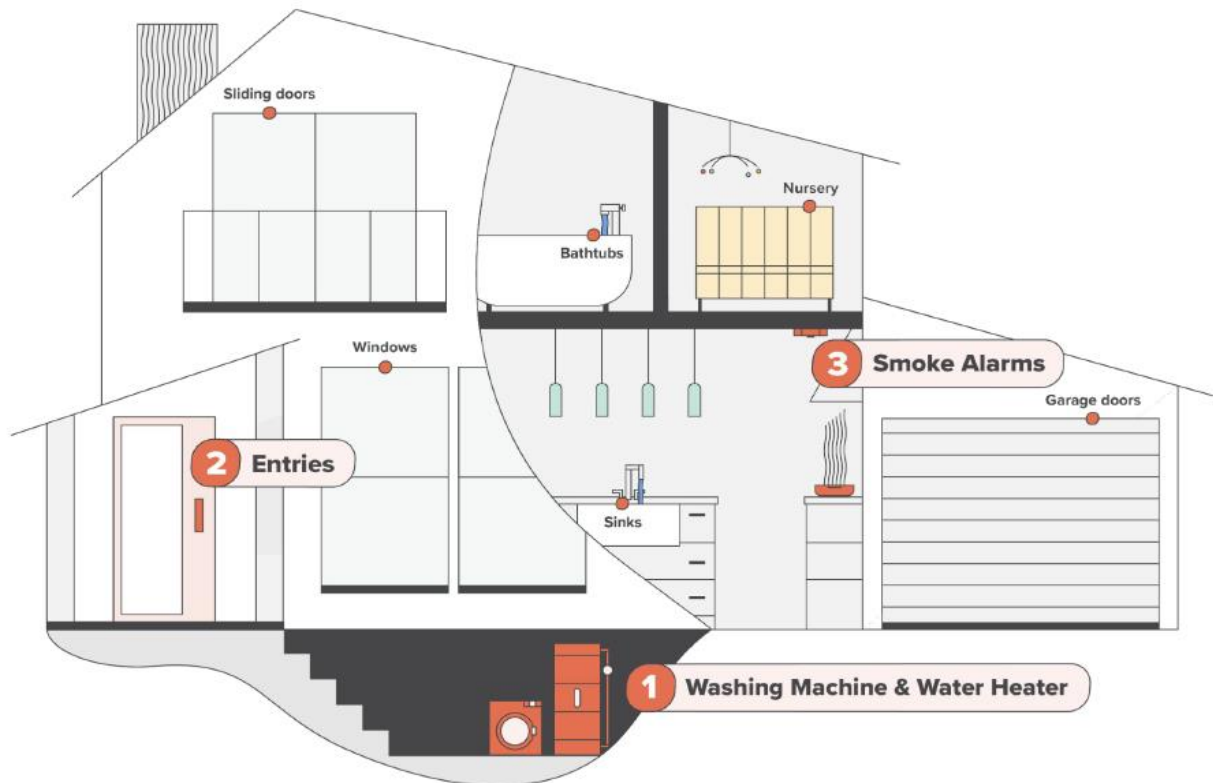
Source: Notion

Advancing and Innovating

Impressively, Notion is advancing home monitoring alongside advanced automation and innovation. Notion partners with home services providers (HomeAdvisor, Cinch, and HouseCheck) so that customers experience a close integration; for example, if the system detects a water leak, then the app will offer to connect the users with a highly rated and available plumber in the area from HomeAdvisor who can make contact immediately to resolve the issue.

The Notion application program interface (API) works with the If This Then That (IFTTT) protocol to enable the user's system to integrate with a wider ecosystem of Smart Home products and services. For example, with Notion, users can direct the system to call when it detects water leaks or smoke/carbon dioxide alarms, to send a text when a safe door opens/closes, or blink smart light bulbs when a room temperature crosses a preset threshold. Not only do Notion customers gain peace of mind from reduced risk, but most also reap discounts on their homeowner's insurance and access to value-added services from home service providers (such as repair, inspection, and protection).

> *"Similar to how telematics is changing auto insurance, Notion presents a significant advancement to the traditional approach to homeowners insurance with a home monitoring solution that leverages data and intelligence to improve the experience for homeowners and carriers."*
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> *- Nick Baugh, Industry Analyst*

Leveraging Data to Facilitate more Effective Insurance and Services

In a key differentiator, Notion's go-to-market partners and data-driven approach yield customized discounts for consumers and help partners operate more efficiently and make future forecasting more accurate. Similar to how telematics is changing auto insurance, Notion presents a significant advancement to the traditional approach to homeowners insurance with a home monitoring solution that leverages data and intelligence to improve the experience for homeowners and carriers.

Notion helps homeowners care for their homes and assets more effectively and experience the benefits and discounts of insurance that is more tuned to specific needs. In fact, Notion's partnership with major home insurance providers (Hippo, Lemonade, Travelers, Brotherhood Mutual, American Modern, Nationwide, Honey, etc.) translates to the carrier giving the system to the homeowners free of charge or at a discounted rate. Additionally, insurers partnering with Notion frequently grant homeowners a 5 to 10 percent discount on premiums. Further, in the future homeowners will be able to add-on professional monitoring and often receive another 5 to 10 percent discount from their insurance provider. Benefits for homeowners leveraging Notion can accumulate to between 10 to 20 discount of the normal insurance bill, and a free monitoring kit.

Notion-derived Data Enables Layering
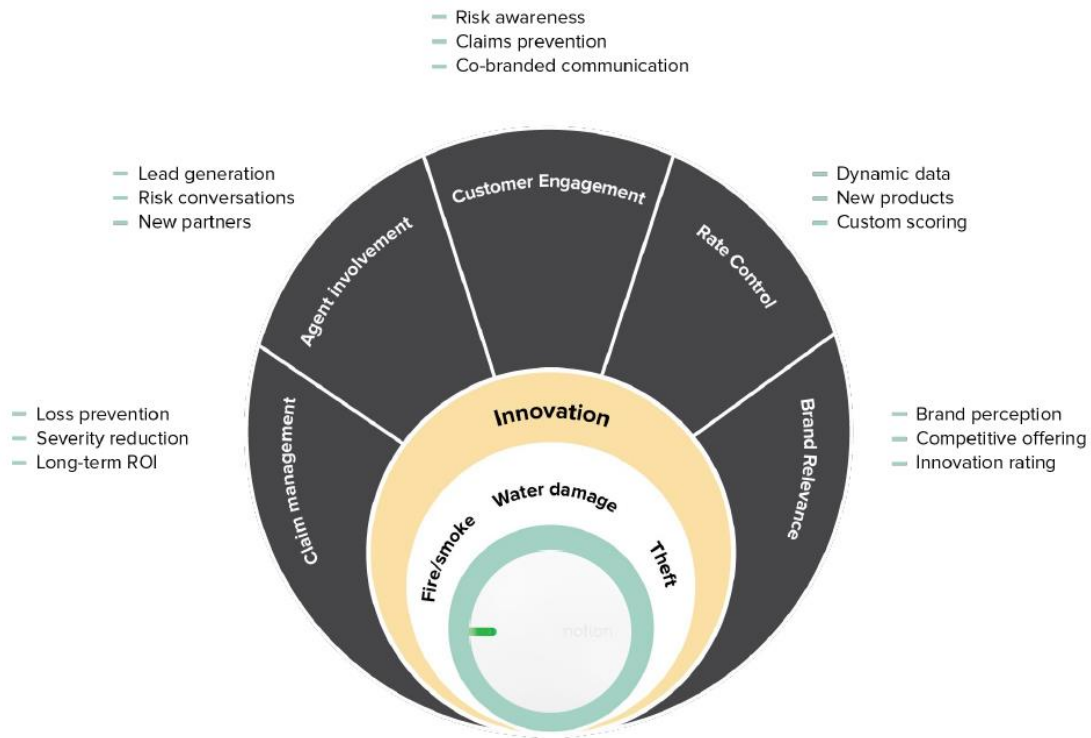
Source: Notion

Notion's insurance providers and home/property service provider partners meanwhile achieve significant return on investment benefits and leverage the advantages to differentiate from competitors with more competitive pricing. Insurance partners see the direct hard data benefits of catching and mitigating water leaks and fires faster for loss and claims reduction, as well as the accumulating return on investment of more effective customer acquisition and ongoing customer engagement and retention. Insurance partners providing Notion at no cost to the customer report a 75-82% installation rate; and Notion reports that partners can achieve customer acquisition cost return on investment (ROI) of 3x per kit, and see customer engagement of 11x per day. Further, Notion reports an environmental benefit in water ROI to the tune of $5.4million per year per 50k homes.

Moreover, the dynamic data generated by the breadth of Notion deployments helps insurers customize scoring and create new product offerings, in addition to improving claims processing and underwriting. Notion helps partners pinpoint the aspects of certain homes that contribute to different risk profiles, and makes sure that sensor placements in the right areas will help de-risk the home in the best way possible. Further, Notion can work closely with partners in a range of offerings to boost their back-end operations, using data reporting and analytics to support marketing and engagement efforts, logistics, or agent training (from a full-service suite to a la carte style). Notion collaborates with partners to deliver a unique end-user experience, such as providing a unique branding experience or custom customer communications.

Comcast Acquisition Enables Scale-Up

Notion was acquired by Comcast in 2020, and while still operating largely autonomously the move will enable a significant scaling up. In addition to an infusion of capital, the acquisition will accelerate Notion's go-to-market efforts, connectivity capabilities, and IoT facilities. With Comcast behind Notion, the company is already seeing short-term advantages in partnering with the risk-averse and slow to innovate insurance industry. Further, links with the Comcast range of platforms (e.g., Comcast Business, Xfinity Communities, and Xfinity xFi) will reinforce Notion's connectivity competencies. Finally, connection to Comcast's IoT device, IoT platform, and IoT analytics subsidiaries set the stage for strategic progress in specific focus areas and accelerating technical developments.

Conclusion

Property owners and insurance carriers are looking for avenues to more effectively measure and monitor their homes and businesses and tap into the emerging Smart Home ecosystem. Similar to how telematics has advanced auto insurance, Notion is positioning itself to help transform the business of home insurance and property services by leveraging data and connecting complementary partners. Users enjoy the easy-to-install kit, placing multifunctional sensors and designing their ideal home monitoring system. Dynamic data derived from Notion installations can help create new products and custom scoring, engendering a competitive advantage for carriers. Notion is partnering with insurance providers to make use of the data generated to design products and services for real risk reduction, improved engagement and retention, as well as better claims processing and underwriting. Notion brings innovation to the slow-moving insurance industry, driving lead generation and customer acquisition, as well as pushing loss prevention and severity reduction measures and overall propelling long-term ROI and positive brand perception for the carrier.

For its multifunctional sensor, easy to use system, and layering of data-driven offerings that benefit consumers and service provider partners, Notion is recognized with Frost & Sullivan's 2021 North American Customer Value Leadership Award in the home monitoring solutions market.

What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

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The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**