

COVID-19 Impact Survey: Member March 2021 (looking back at February)





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Introduction

This survey was carried out in first half of March 2021, reflecting on business in February 2021. It was circulated to the EDA's Principal Contact in each of the 245 member businesses and was completed by over a quarter of them.

Question 1 profiles the respondents by company size. When this is compared to the overall profile of EDA membership, we can see that the response rate of 33.85% from 2-5 branch businesses is representative of the 31.43% within EDA Wholesaler Members.

However, over 50% of the EDA Distributor membership is made up of 1 branch businesses, whose survey response rate was 35.38%.

Furthermore, despite only representing 11.84% of the EDA Distributor membership, the survey had a healthy response from 6-20 branch businesses at 20.00%.

We estimate that the results represents about 900 branches.

Highlights

Distributor Sales in the first two months of the year were strong; 60% of Manufacturer respondents reporting an increase in turnover from February last year.

76% of respondents are feeling more positive, compared to 50% in January 2021.

Product availability remains the Wholesalers' most pressing business challenge, with manufacturer price increases following in second place.

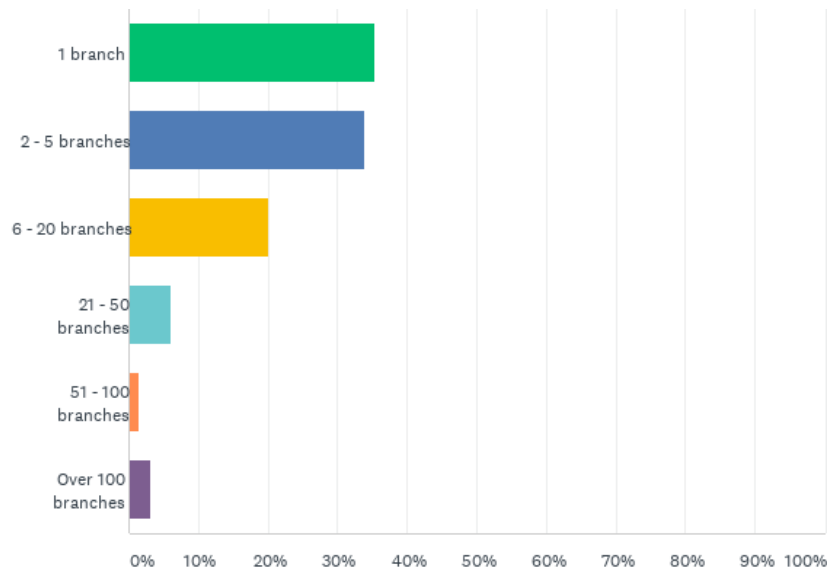
There has been a significant change in the purchasing behaviours of wholesaler respondents' customers with 45% noticing their customers purchasing smaller quantities, compared to only 23% in January. 39% of respondents are reporting shorter lead times.

44% of Wholesalers Members offer mental health support for their staff.

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Q1: How many branches do you have?



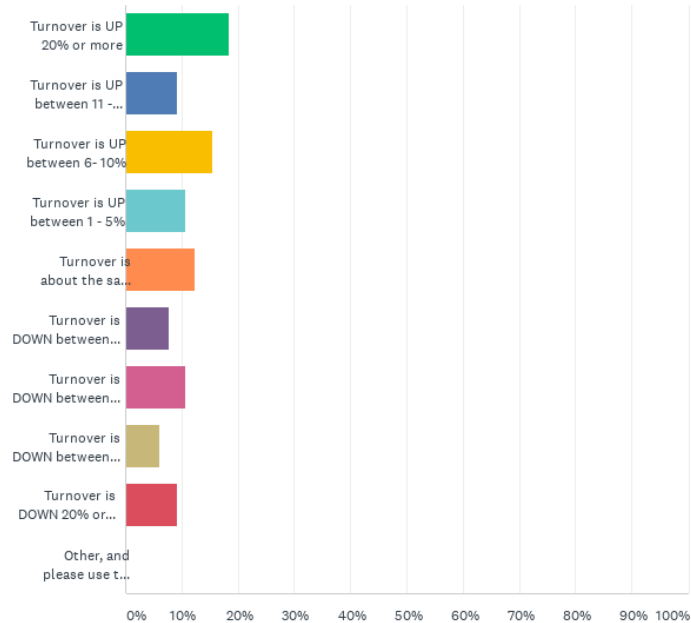
ANSWER CHOICES	RESPONSES	
1 branch	35.38%	23
2 - 5 branches	33.85%	22
6 - 20 branches	20.00%	13
21 - 50 branches	6.15%	4
51 - 100 branches	1.54%	1
Over 100 branches	3.08%	2
TOTAL		65

Comments

We estimate that this represents 900 branches



Q2: Comparing February 2021 with February 2020, to what extent has your turnover been affected?



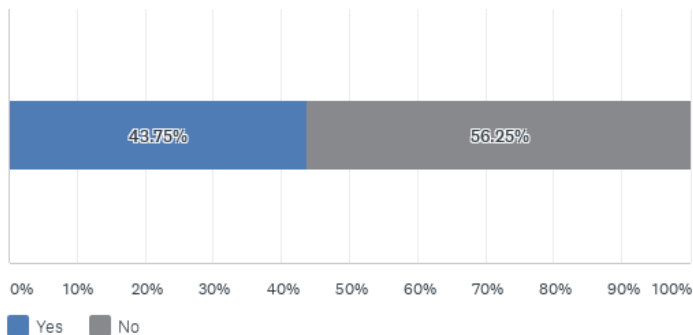
ANSWER CHOICES	RESPONSES	
Turnover is UP 20% or more	18.46%	12
Turnover is UP between 11 - 19%	9.23%	6
Turnover is UP between 6 - 10%	15.38%	10
Turnover is UP between 1 - 5%	10.77%	7
Turnover is about the same as in 2020	12.31%	8
Turnover is DOWN between 1 - 5%	7.69%	5
Turnover is DOWN between 6 - 10%	10.77%	7
Turnover is DOWN between 11 - 19%	6.15%	4
Turnover is DOWN 20% or more	9.23%	6
Other, and please use the space below for your feedback:	0.00%	0
TOTAL		65

Comments:

54% of respondents reported that turnover was up, 12% said it was the same and 34% said it is down.



Q3: Does your company have a policy or procedures for supporting members of your team who could be experiencing mental health issues?



ANSWER CHOICES	RESPONSES	
Yes	43.75%	28
No	56.25%	36
TOTAL		64



Q3: Does your company have a policy or procedures for supporting members of your team who could be experiencing mental health issues? **Comments**

EIC Support

- We use the services of the EIC and have also had members of staff go on the course they provide

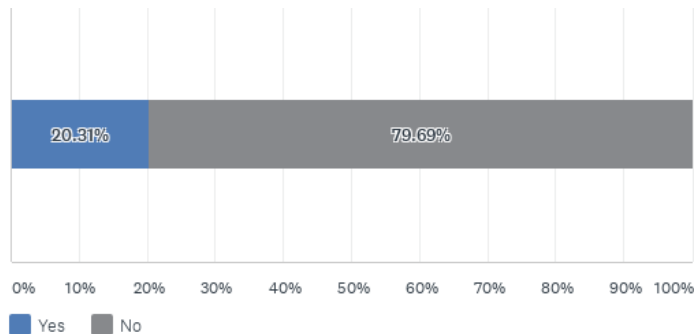
Internal & Third Party Support

- We outsource our HR
- Croner Service
- Whilst we are supportive we have no company policy
- Compassion and doing the right thing if needed, backed up by BUPA membership for all my staff should they need medical help.
- Major focus at the moment is staff who have been working from home for some time
- We do have a policy
- Very small team of 2!





Q4: Has your business been affected by Test and Trace in February 2021?



ANSWER CHOICES	RESPONSES
Yes	20.31% 13
No	79.69% 51
TOTAL	64

Comments:

Just over 20% of businesses were affected by track and trace in February, this compares to 24% in January.



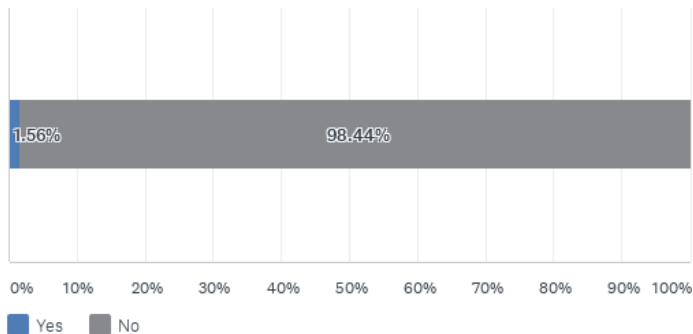
Q4: Has your business been affected by Test and Trace in February 2021? **Comments**

- People having to isolate following contact from Test and Trace.
- We have, at times, had people isolating .
- Isolation of employees.
- Warnings of isolation notices have been issued to our members of staff. These have been very useful early in the pandemic but I think as the vaccinations increase will become less so.
- Had to close Birmingham branch due to exposure.
- Yes - 1 of our employees had to self isolate as a result.
- From one branch two staff members tested positive, 3 tested negative and all 5 ordered to isolate.
- Employees having to isolate as a result.
- 2 key staff members absent due to this.
- Members of staff have had to isolate due to close contact with positive tests outside the work environment.





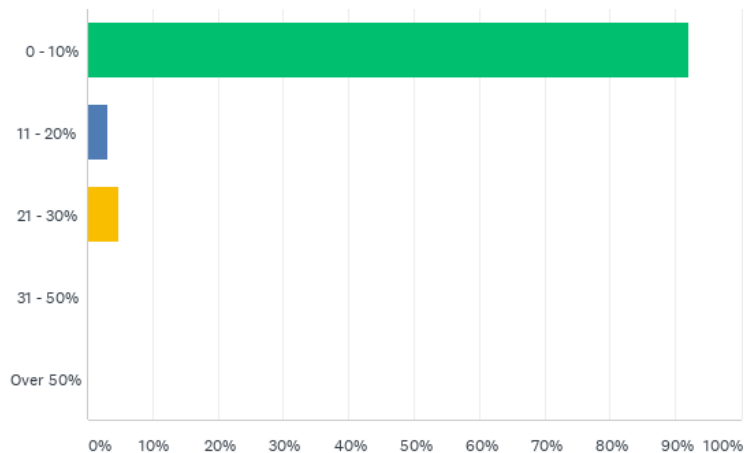
Q5: Have you closed a branch or branches due to a COVID outbreak during February 2021?



ANSWER CHOICES	RESPONSES
Yes	1.56% 1
No	98.44% 63
TOTAL	64



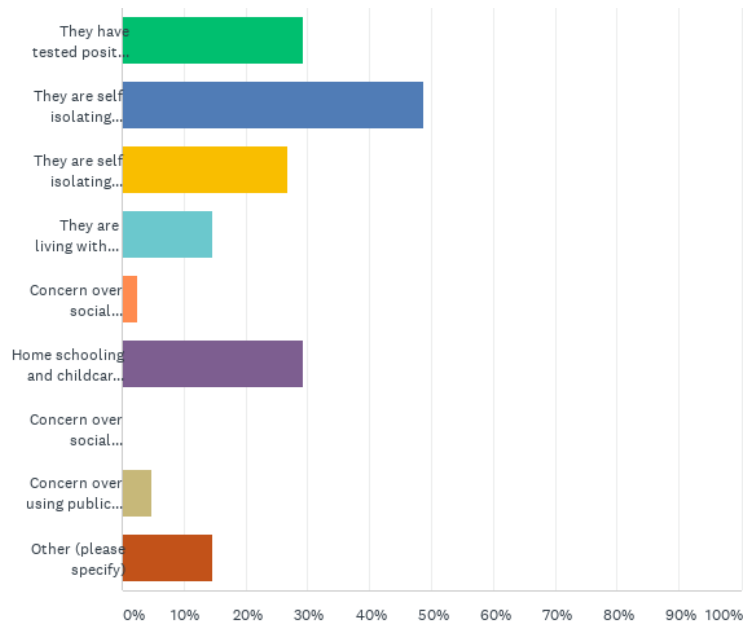
Q6: What percentage of your workforce has been absent during February 2021, excluding furloughed team members?



ANSWER CHOICES	RESPONSES	
0 - 10%	92.06%	58
11 - 20%	3.17%	2
21 - 30%	4.76%	3
31 - 50%	0.00%	0
Over 50%	0.00%	0
TOTAL		63



Q7: What are the reasons for this absence from work during February?

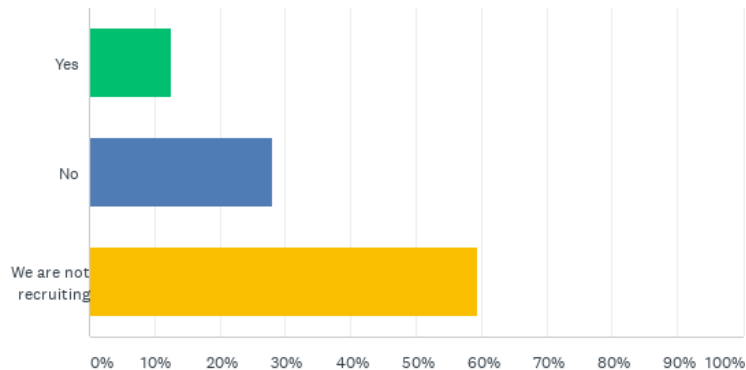


ANSWER CHOICES	RESPONSES
They have tested positive for Covid-19	29.27% 12
They are self isolating because they have been in contact with someone who has tested positive	48.78% 20
They are self isolating because they are clinically vulnerable or extremely clinically vulnerable	26.83% 11
They are living with someone who is clinically vulnerable or extremely clinically vulnerable	14.63% 6
Concern over social distancing between members of staff	2.44% 1
Home schooling and childcare responsibilities	29.27% 12
Concern over social distancing when serving customers	0.00% 0
Concern over using public transport for travel to and from place of work	4.88% 2
Other (please specify)	14.63% 6
Total Respondents: 41	

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Q8: Did your firm have difficulty recruiting workers in February 2021?



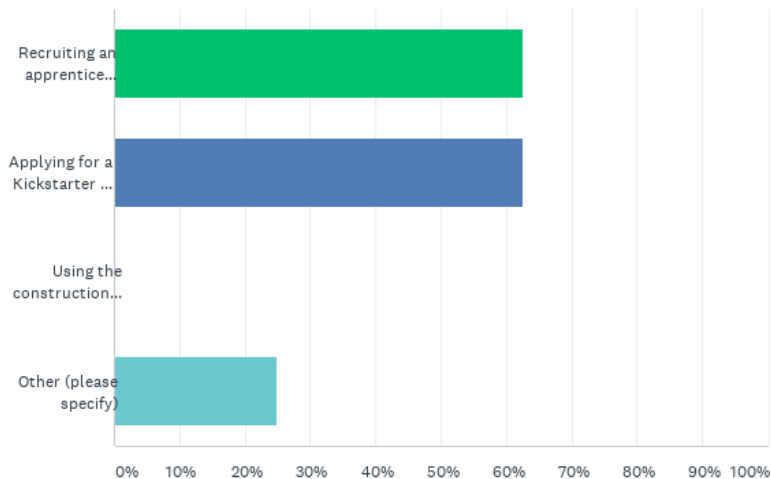
ANSWER CHOICES	RESPONSES	
Yes	12.50%	8
No	28.13%	18
We are not recruiting	59.38%	38
TOTAL		64

Any further comments

- Very few quality people about
- For certain technical roles there seems to be a shortage of good candidates



Q9: Which of the following recruitment options have you considered or used?



ANSWER CHOICES	RESPONSES	
Recruiting an apprentice either yourself or through the EDA's Apprenticeship Service	62.50%	5
Applying for a Kickstarter via the EDA's Kickstarter Scheme*	62.50%	5
Using the construction sector's Talent Retention Scheme**	0.00%	0
Other (please specify)	25.00%	2
Total Respondents: 8		

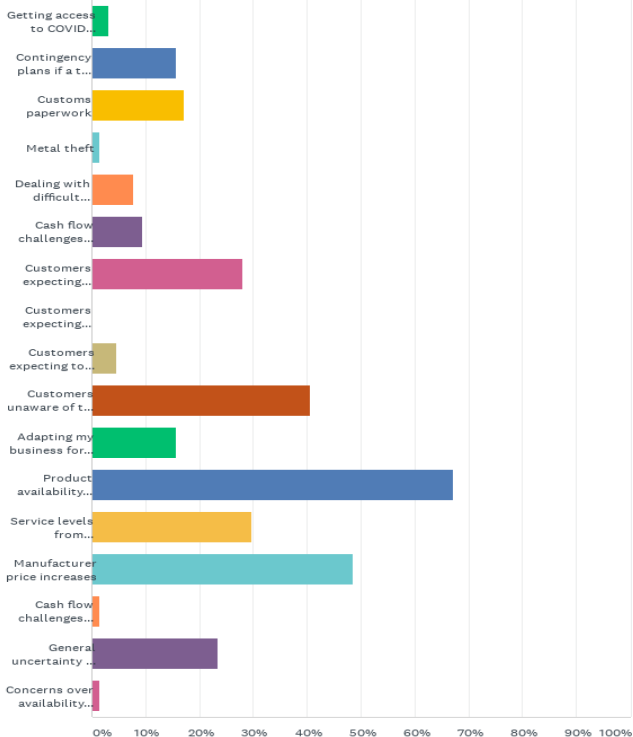
You can find more information about the [talent retention scheme](#) and the [Kickstarter scheme](#) on the [EDA Website](#) or by calling the EDA on 020 3141 7350.

Any further Comments:

- We advertise locally
- We use INDEED



Q10: Using the tick boxes, please indicate which three business challenges are your most pressing at this time.



ANSWER CHOICES	RESPONSES
Getting access to COVID testing for my team	3.13% 2
Contingency plans if a team member tests positive for COVID, and other team members have to self isolate	15.63% 10
Customs paperwork	17.19% 11
Metal theft	1.56% 1
Dealing with difficult customers who do not respect social distancing rules	7.81% 5
Cash flow challenges caused by a slow down in payments from customers	9.38% 6
Customers expecting products to be available from stock and at short lead times	28.13% 18
Customers expecting longer opening hours	0.00% 0
Customers expecting to be able to purchase online	4.69% 3
Customers unaware of the supply chain problems, such as product availability and price increases	40.63% 26
Adapting my business for a more digitalised world	15.63% 10
Product availability issues	67.19% 43
Service levels from manufacturers	29.69% 19
Manufacturer price increases	48.44% 31
Cash flow challenges caused by stricter terms from suppliers	1.56% 1
General uncertainty and challenges over forecasting	23.44% 15
Concerns over availability or stricter terms of Trade Credit Insurance	1.56% 1
Total Respondents: 64	

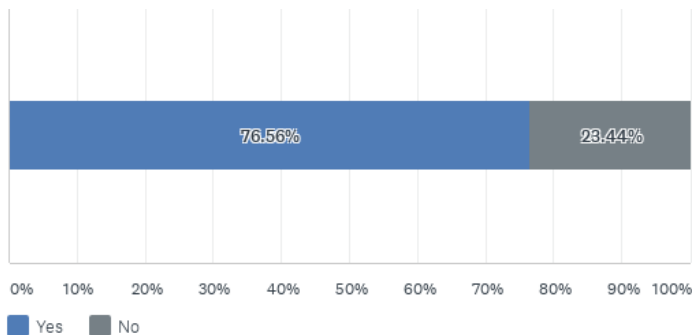
Any further comments:

- Managing the workflow with reduced members of staff

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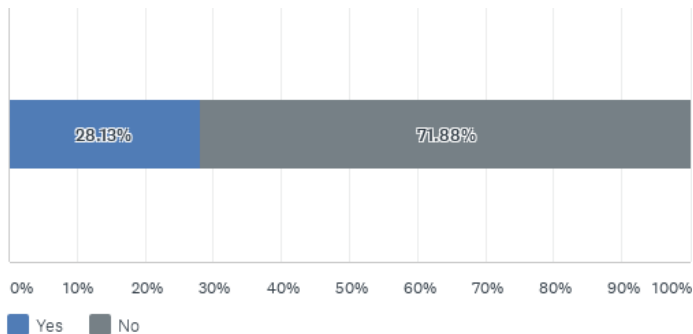
Q11: Price increases are affecting the whole supply chain. Would a document, which you could use to communicate with your customers, that explains the background to the price increases, be helpful?



ANSWER CHOICES	RESPONSES	
Yes	76.56%	49
No	23.44%	15
TOTAL		64



Q12: Do you supply products to customers in Northern Ireland?



ANSWER CHOICES	RESPONSES
Yes	28.13% 18
No	71.88% 46
TOTAL	64

Any further comments:

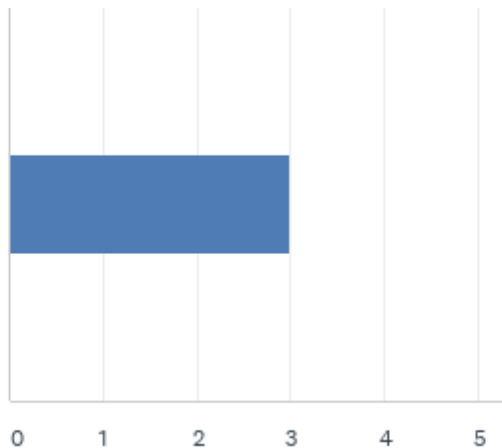
- We are based in NI and are having a difficulties with suppliers willing to send goods DDP.
- The additional processes/documentation information needed to move goods to our branch in NI. A lack of understanding from suppliers on what and how they can move goods to our branch in NI.



Q13-15: On a scale of 1 to 5, 5 being very negative, how would you gauge the negative impact of

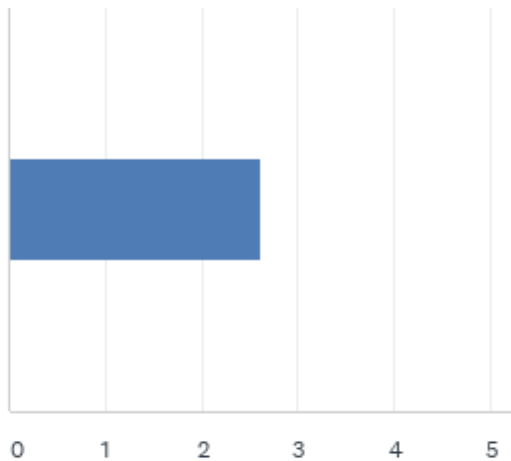
changes to customs paperwork on your business?

Responses: 17



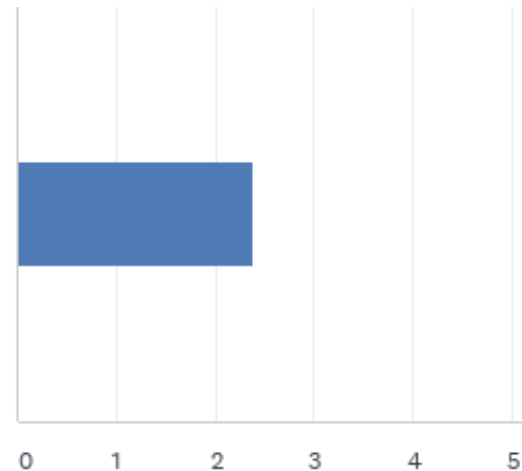
Rules of Origin on your business?

Responses: 16



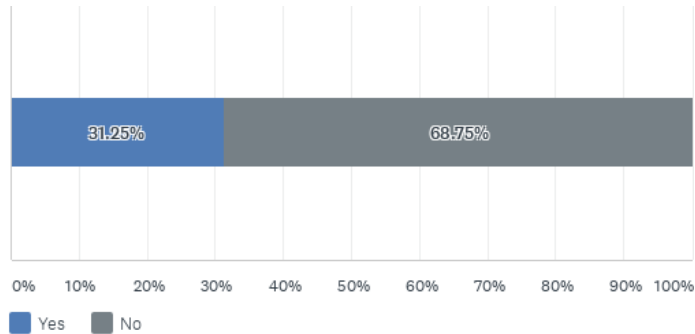
the availability of customs intermediaries to work through on your business?

Responses: 16





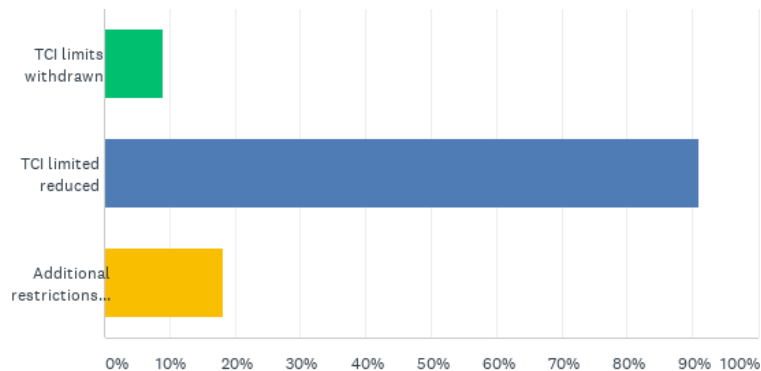
Q16: Does your business regularly use Trade Credit Insurance?



ANSWER CHOICES	RESPONSES	
Yes	31.25%	20
No	68.75%	44
TOTAL		64



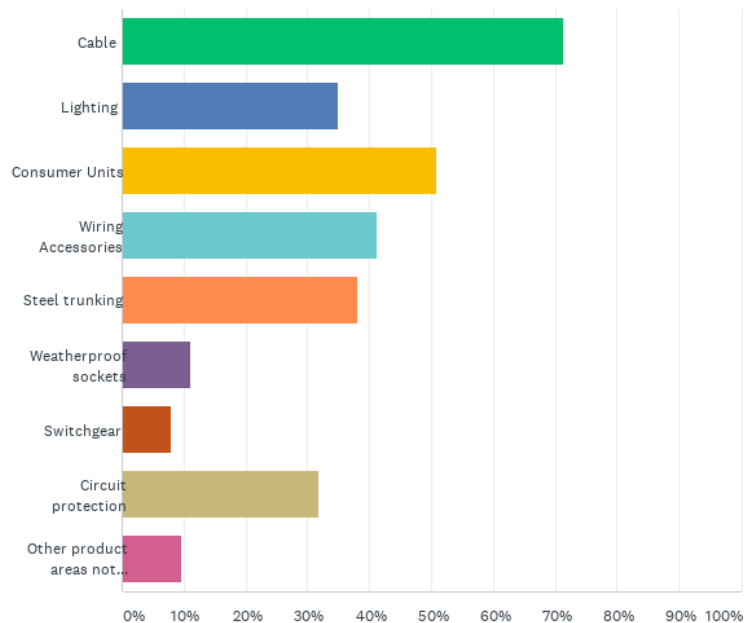
Q17: Are you experiencing any or all of the following?



ANSWER CHOICES	RESPONSES
TCI limits withdrawn	9.09% 1
TCI limited reduced	90.91% 10
Additional restrictions have been introduced	18.18% 2
Total Respondents: 11	



Q18: Concern about product availability continues to be an issue. Please tell us the three product areas where you are experiencing the most difficulty?



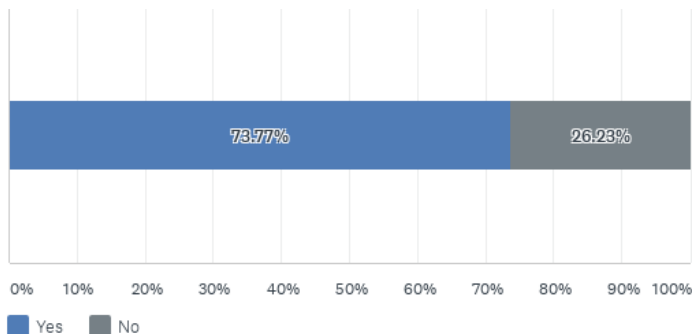
ANSWER CHOICES	RESPONSES	
Cable	71.43%	45
Lighting	34.92%	22
Consumer Units	50.79%	32
Wiring Accessories	41.27%	26
Steel trunking	38.10%	24
Weatherproof sockets	11.11%	7
Switchgear	7.94%	5
Circuit protection	31.75%	20
Other product areas not listed above:	9.52%	6
Total Respondents: 63		

Any other products not listed:

- Generally all products
- Decorative lighting
- Yes
- PVC Conduit



Q19: Are you on allocation or experiencing extended lead times from any suppliers?



ANSWER CHOICES	RESPONSES
Yes	73.77% 45
No	26.23% 16
TOTAL	61

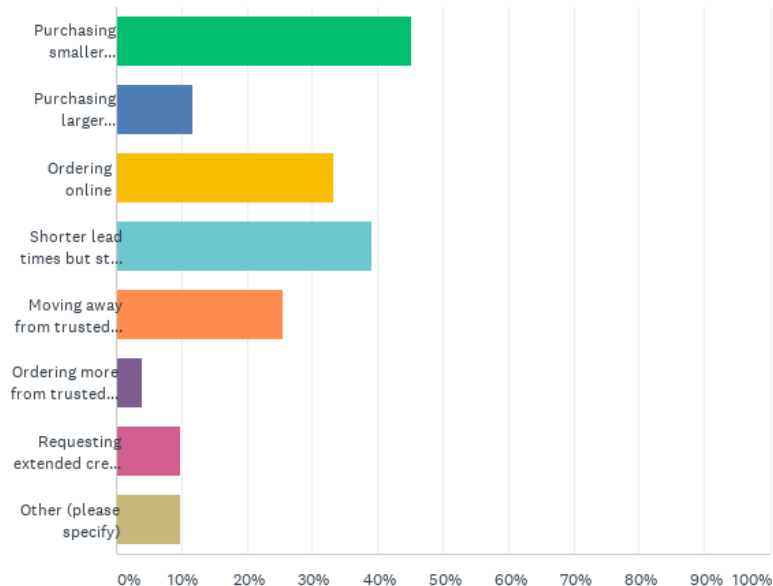
If yes, for which products:

- Fuse boards
- Consumer units, heating and lighting products
- Accessories (only some)
- Cable
- Cable
- RCBOs, PVC cable management, fuse boards
- Consumer units & RCBOs
- General wiring accessories
- Tubular heaters
- Cable and heating products
- Steel
- Metal trunking, heating
- Cable
- At least 50% of goods we have ordered
- Too many to list
- Circuit protection
- Metal conduit boxes etc
- Cable, consumer units, wiring accessories, heating
- Domestic appliances

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Q20: Have you noticed any changes in purchasing behaviour from your customers?



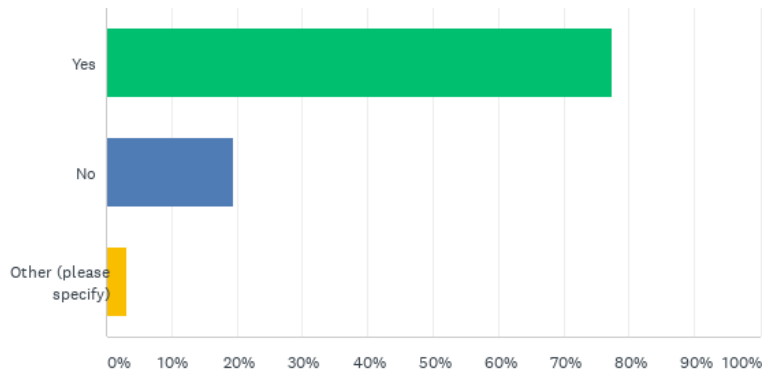
ANSWER CHOICES	RESPONSES
Purchasing smaller quantities	45.10% 23
Purchasing larger quantities	11.76% 6
Ordering online	33.33% 17
Shorter lead times but still expecting products to be available from stock	39.22% 20
Moving away from trusted brands	25.49% 13
Ordering more from trusted brands	3.92% 2
Requesting extended credit terms	9.80% 5
Other (please specify)	9.80% 5
Total Respondents: 51	

Other changes in customer behaviour:

- Margins are tight as they are price checking even more especially with increases being implemented
- No changes
- No change
- Huge drop off in PVC twin and earth cables purchased from the branch. Sales of popular lines like 2.5mm have seen a 50% drop in sales.



Q21: Are you aware of the Lighting Industry Association (LIA) and the work it is doing to raise quality standards in the market place?



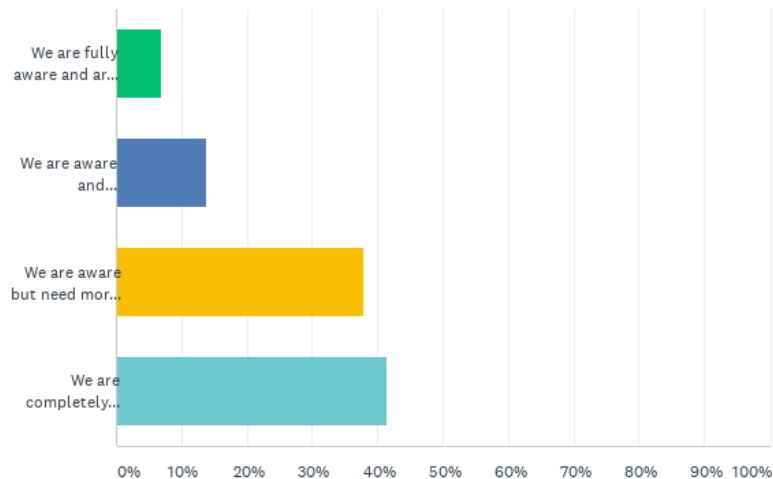
ANSWER CHOICES	RESPONSES	
Yes	77.42%	48
No	19.35%	12
Other (please specify)	3.23%	2
TOTAL		62

Any further comments:

- No comment
- Our Buying Group only accepts preferred suppliers who are members of the LIA.



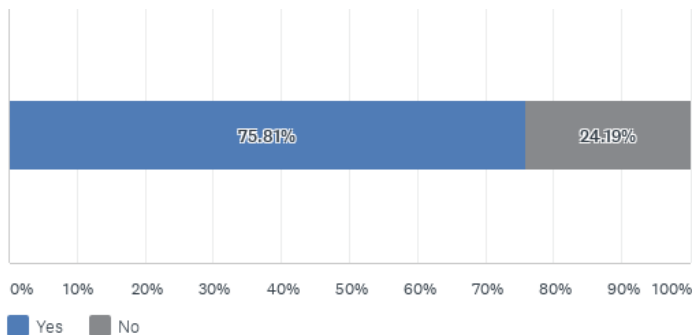
Q22: To what extent are you aware of and prepared for the new UKCA product marking requirements and related product declarations that are being phased in to replace CE marking?



ANSWER CHOICES	RESPONSES
We are fully aware and are well prepared	6.90% 4
We are aware and preparations are in progress	13.79% 8
We are aware but need more information before we can begin preparations	37.93% 22
We are completely unaware and need more information	41.38% 24
TOTAL	58



Q23: Do you feel more optimistic now than you did in Q4 2020?



ANSWER CHOICES	RESPONSES	
Yes	75.81%	47
No	24.19%	15
TOTAL		62

Comments:

Nearly 76% of Distributor respondents feel more optimistic now, compared to only 50% of respondents in the January survey.



Q23: Do you feel more optimistic now than you did in Q4 2020? **Comments**

Negative

- The bubble has got to burst I don't understand why it hasn't yet!
- Expecting a severe drop off in spend from the public when they can get out and about again. The products we are seeing growth in are all home improvement.
- Brexit affected us last year due to uncertainty in the global marketplace, strangely Covid hasn't had a much effect as Brexit did..
- Still uncertainty and lockdowns still in place
- The length of lock down concerns me, and who knows how it will unravel.
- Still much uncertainty regarding market recovery and also post-brexite in northern Ireland.
- The extent of the damage this shutdown has done to the economy is becoming more prevalent every day.
- Business was good in Q4 2020. Since then the enhanced lockdown has put the handbrake on. We await the announcement for when restrictions in relation to business will be lifted.

Mixed

- Put Yes but in reality 'About the same'. Business booming. Worry that its a bit too good to be true!
- The lockdown has disrupted customer buying habits, and suppressed customer loyalty.

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Q23: Do you feel more optimistic now than you did in Q4 2020? **Comments continued**

Positive

- Business has been good January and February and I anticipate March will continue to be good.
- Hopefully after summer we will have some normality in life that will get routine and people settled in work and the pandemic will not have as much implications and the negative Brexit effect will dissipate
- Rollout of vaccines has been positive and the downward trend of infections couple with a roadmap has given a level of optimism
- The order book of some of our bigger customers are full and smaller customers are complaining about lack of time.
- Coming out of lockdown
- With restrictions being lifted and the vaccine roll out it feels like we are on track for an increase in productivity. Small works is buoyant and keeping us busy but once the larger project work starts to roll out we are confident of a strong second half of 2021.
- The vaccine rollout and the Government roadmap have helps ease my concerns. Finally there seems some light at the end of the tunnel.
- Covid rules relaxing, vaccines deployment and testing giving positive platform to plan.
- Business is excellent and growing
- In so far as the end seems to be in sight

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