

COVID-19 Impact Survey: Affiliate May 2021 (looking back at April)





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Introduction

This survey was carried out in May 2021, reflecting on business in April 2021. It was circulated to the principal contacts of 82 affiliated manufacturer members of EDA. There were 48 responses representing a 58% response rate.

Over 50% of the respondents represented medium businesses (50-249 employees), 27% represented small and micro organisations (less than 50 employees) and just over 20% responded on behalf of large organisations (250+ employees).

Highlights

The three most pressing business challenges for manufacturers in April 2021 were: the increased cost of raw materials, the increased cost of shipping and the growing shortage of raw materials.

Over 50% respondents are looking to hire 2-3 new employees and nearly 30% are recruiting 4-19 staff members as a result of growth. Nearly 80% of these responses are recruiting sales people.

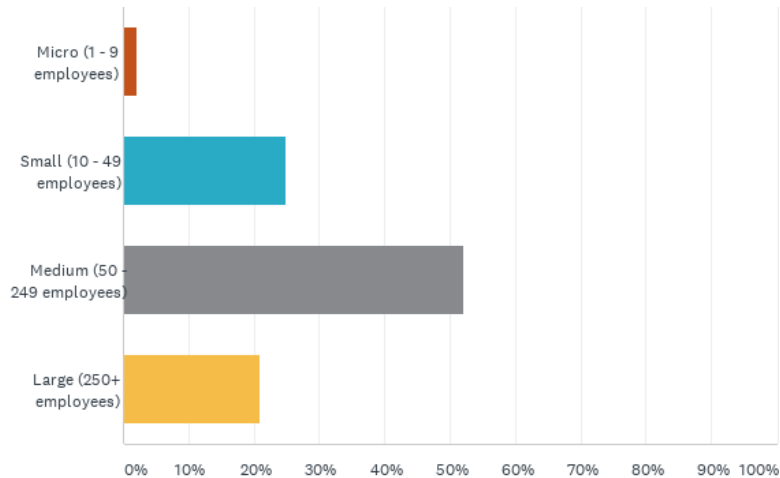
Nearly 80% of respondent have introduced new measures to monitor staff wellbeing and improve morale.

When asked if they are considering introducing remote working or a balance of home/office working, 73% said they were. 77% of those responses reported that they are considering remote working or a balance of home/office working for their marketing and sales people.

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Q1: Business Size



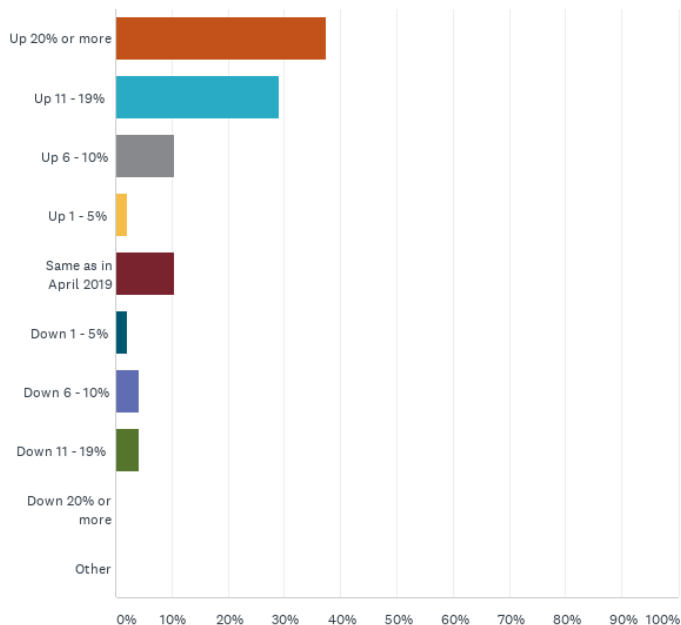
ANSWER CHOICES	RESPONSES	
Micro (1 - 9 employees)	2.08%	1
Small (10 - 49 employees)	25.00%	12
Medium (50 - 249 employees)	52.08%	25
Large (250+ employees)	20.83%	10
TOTAL		48

Comments

Over half of the respondents represent Medium Size Businesses.



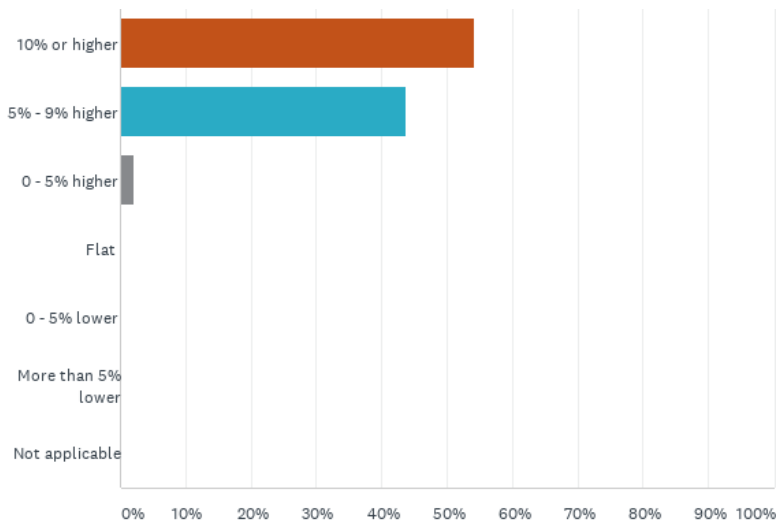
Q2: Comparing April 2021 to April 2019, to what extent do you estimate your turnover has been affected?



ANSWER CHOICES	RESPONSES
Up 20% or more	37.50% 18
Up 11 - 19%	29.17% 14
Up 6 - 10%	10.42% 5
Up 1 - 5%	2.08% 1
Same as in April 2019	10.42% 5
Down 1 - 5%	2.08% 1
Down 6 - 10%	4.17% 2
Down 11 - 19%	4.17% 2
Down 20% or more	0.00% 0
Other	0.00% 0
TOTAL	48



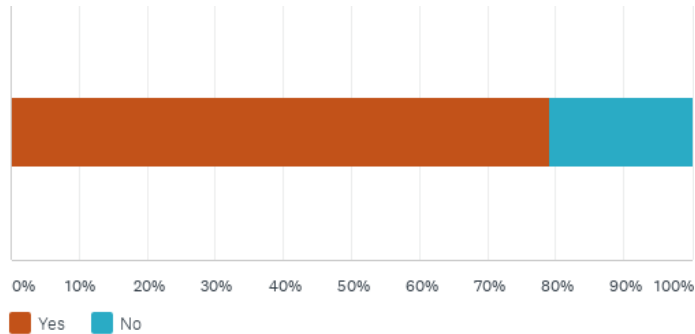
Q3: Comparing the cost of raw materials in Q1 2021 with Q3 2020, were they:



ANSWER CHOICES	RESPONSES	
10% or higher	54.17%	26
5% - 9% higher	43.75%	21
0 - 5% higher	2.08%	1
Flat	0.00%	0
0 - 5% lower	0.00%	0
More than 5% lower	0.00%	0
Not applicable	0.00%	0
TOTAL		48



Q8: As a business leader, are you conscious of spending more time than you would typically on your team's wellbeing or maintaining their morale?



ANSWER CHOICES	RESPONSES
Yes	79.17% 38
No	20.83% 10
TOTAL	48



Q8: As a business leader, are you conscious of spending more time than you would typically on your team's wellbeing or maintaining their morale? **Additional Comments**

We have introduced new measures

- Part and parcel of the job/role in keeping the team motivated
- Seeing the team less, it is important that to maintain a duty of care and to check in on team with regular teams / zoom calls to make sure they are ok and that any issues can be raised.
- Managing the H&S elements of Covid plus minimising impacts to working week wherever possible to maintain wages.
- Mental wellbeing is at the forefront of our minds when considering our colleagues wellbeing, the lockdown has had dramatic impact on people and as an employer we need to ensure we are present and supporting peoples physical and mental health.
- Almost daily checks are done on the Team, as we are across the UK there are different rules for everyone so we cant evaluate people against their peers at the moment and this is causing some frustration at all levels.
- Considering a mental health practitioner.



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Q8: As a business leader, are you conscious of spending more time than you would typically on your team's wellbeing or maintaining their morale? **Additional Comments**

We have introduced new measures. Continued

- I personally have as much, if not more concern with navigating and managing the dynamic of coming out on the other side of lockdown and economic slowdown than I did going into it. Specifically, attitudes and policies related to commuting to a central place of work have shifted, and companies will be faced with finding a balance between what is good for the individual versus what is good for the company. Also, companies that have thrived through the pandemic are in a position to recruit top talent away from other companies, and I am putting a lot of energy into ensuring each employee has a developmental plan that they have visibility of and have embraced.

New measures have not been necessary

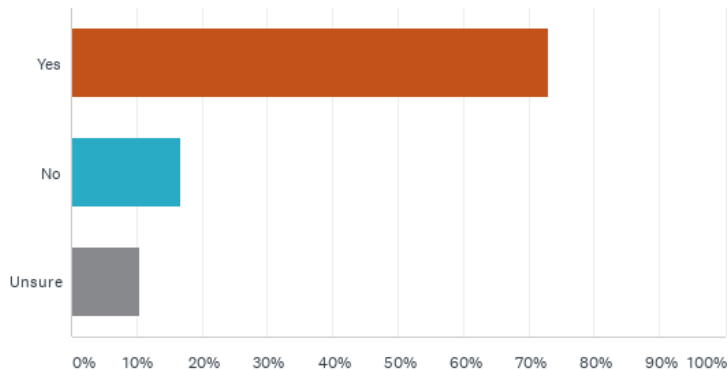
- Team remain motivated as the numbers are up considerably against plan and last year. We will keep a close watch though as the component shortages are going to have a real impact in the coming months.
- It's a team effort and the top team are a self motivated bunch, so I don't need to add too much to that.
- Difficult to employ, nobody seems to need money so overtime is a struggle to persuade people to work.



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Q9: Are you considering allowing members of your team to continue to work remotely or to adopt a blend of home/business location working?



ANSWER CHOICES	RESPONSES	
Yes	72.92%	35
No	16.67%	8
Unsure	10.42%	5
TOTAL		48

Comments

Nearly 85% of respondents are considering or unsure about introducing remote or home/office working.



Q9: Are you considering allowing members of your team to continue to work remotely or to adopt a blend of home/business location working? **Additional Comments**

We are considering remote working or a blend

- The majority of the team are homebased - office based people are on a phased return until August then back full time. However, more flexibility is being given to work from home moving forward
- Certainly flexibility will increase post-Covid, but the workplace will remain important.
- Although our sales team are all employed as Home workers, out business has opened up hybrid working to all staff now.
- From 21st June, 60% office, 40% home (2 days continued home working for office staff).
- Maybe from time to time
- We are leaning towards having traditionally office based positions commute 2-3 days per week and work from home the remaining days.



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Q9: Are you considering allowing members of your team to continue to work remotely or to adopt a blend of home/business location working? **Additional Comments**

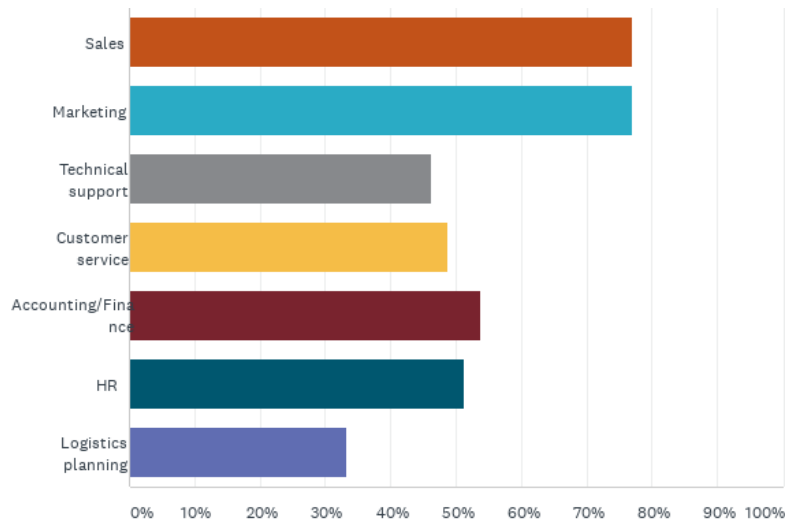
We will not be introducing remote working

- Poor broadband, new teams requiring intensive mentoring and training, staff with an unsuitable home environment and the total lack of use of public transport to get to work meant that we never really embraced the working from home ethos and we haven't missed it.
- There will be a slow transition for some office employees to return to the site, but this will be from the end of the summer if they wish to.
- We see a demonstrable increase in productivity when people are in the office. Not down to lack of effort at home, but down to ease of communications and speed of decision making. Also we spot more errors before they become a problem when people are in the office.





Q10: Which of the following job roles may be under consideration for either full remote working or a blend of home/business location working?



ANSWER CHOICES	RESPONSES	
Sales	76.92%	30
Marketing	76.92%	30
Technical support	46.15%	18
Customer service	48.72%	19
Accounting/Finance	53.85%	21
HR	51.28%	20
Logistics planning	33.33%	13
Total Respondents: 39		

Comments

Nearly 77% respondents will be considering remote or home/office working for Sales and Marketing.



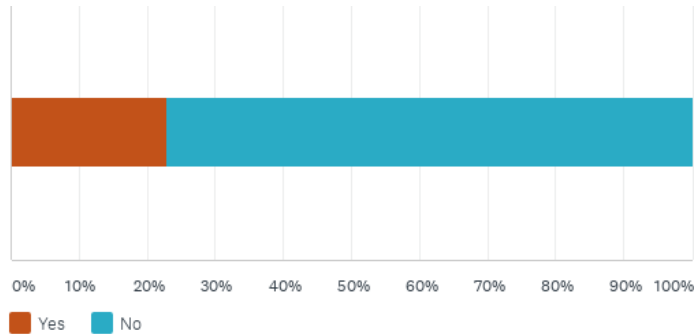
Q10: Which of the following job roles may be under consideration for either full remote working or a blend of home/business location working? **Additional Comments**

- Sales already homebased, rest of roles are dependent on need to interact w/ others and ability to work effectively from home. There will be a slow transition for some office employees to return to the site, but this will be from the end of the summer if they wish to.
- Sales work from home in normal circumstances but the ideal is they are out 4 to 4.5 days per week physically seeing customers.
- We are running a rolling shift system for all roles that are required to have a presence on site.





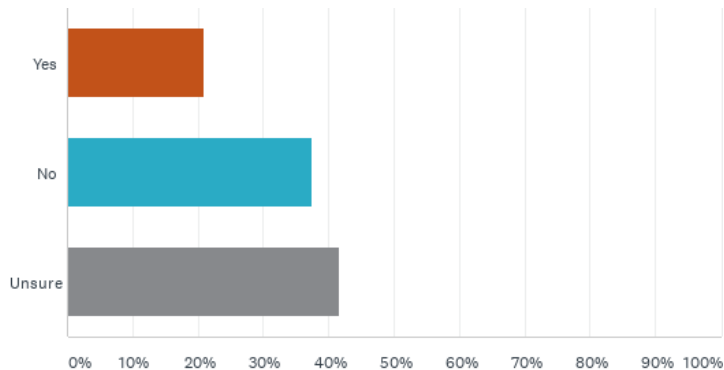
Q11: Have you applied for a Kickstarter through the EDA's Kickstart Support Service?



ANSWER CHOICES	RESPONSES
Yes	22.92% 11
No	77.08% 37
TOTAL	48



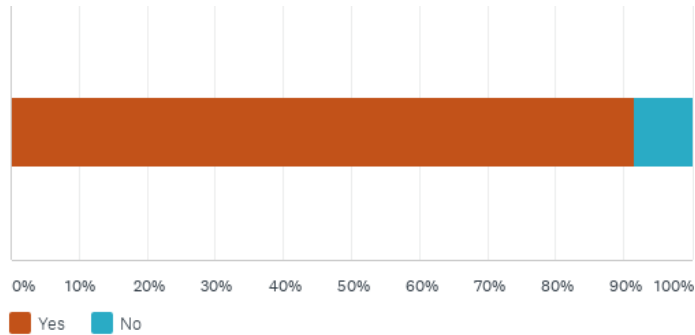
Q12: The EDA's Kickstart Support Service will be available throughout 2021. Do you have any plans to use the Service in the future?



ANSWER CHOICES	RESPONSES	
Yes	20.83%	10
No	37.50%	18
Unsure	41.67%	20
TOTAL		48



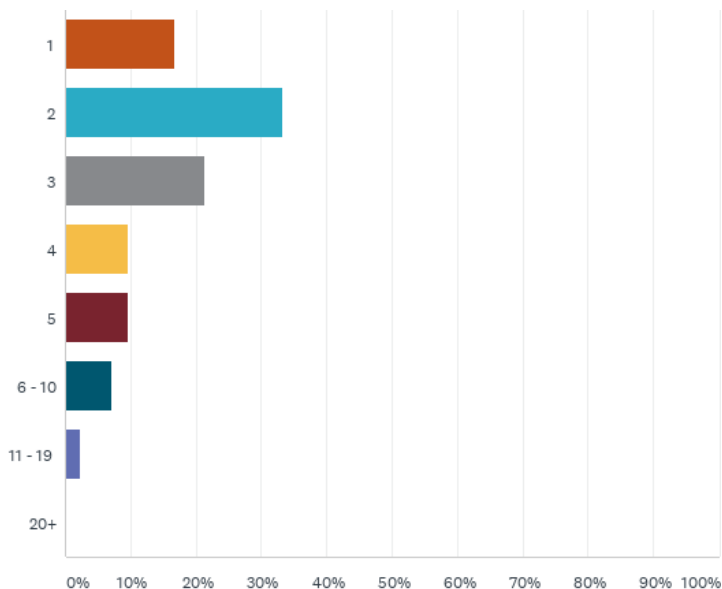
Q13: Aside from Kickstart, have you been actively recruiting during April 2021?



ANSWER CHOICES	RESPONSES
Yes	91.67% 44
No	8.33% 4
TOTAL	48



Q14: How many job roles do you have available currently which are a result of incremental growth rather than replacing people who have left?



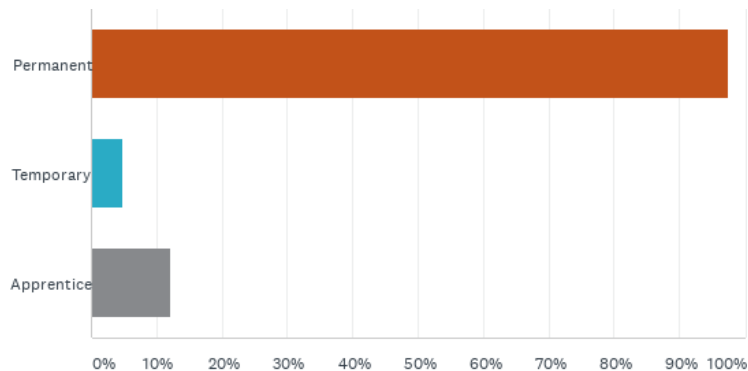
ANSWER CHOICES	RESPONSES	
1	16.67%	7
2	33.33%	14
3	21.43%	9
4	9.52%	4
5	9.52%	4
6 - 10	7.14%	3
11 - 19	2.38%	1
20+	0.00%	0
TOTAL		42

Comments

Over 50% respondents are looking to hire 2-3 new employees as a result of growth.



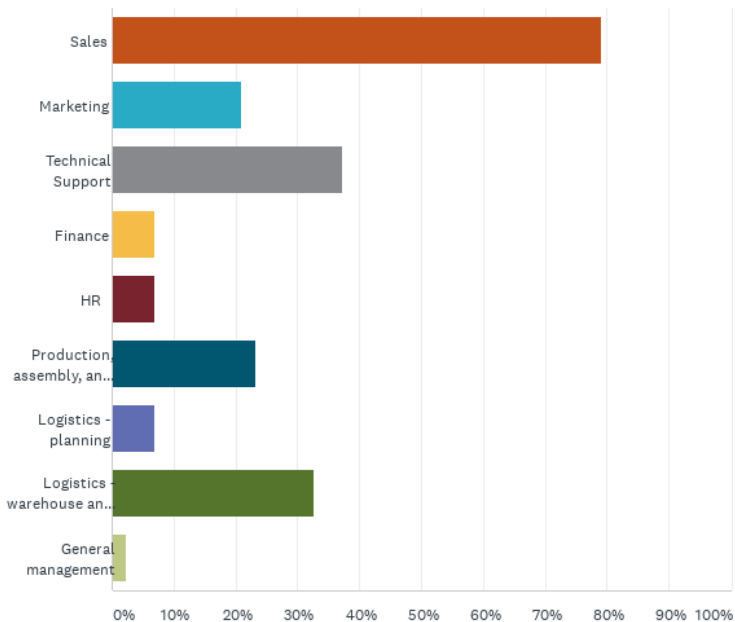
Q15: Of those incremental job roles available, please tell us which category they fit into?



ANSWER CHOICES	RESPONSES
Permanent	97.56% 40
Temporary	4.88% 2
Apprentice	12.20% 5
Total Respondents: 41	



Q16: In which areas of your business do you have vacancies?



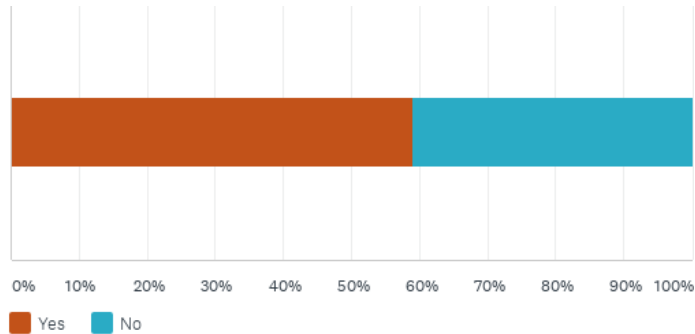
ANSWER CHOICES	RESPONSES
Sales	79.07% 34
Marketing	20.93% 9
Technical Support	37.21% 16
Finance	6.98% 3
HR	6.98% 3
Production, assembly, and engineering	23.26% 10
Logistics - planning	6.98% 3
Logistics - warehouse and transport	32.56% 14
General management	2.33% 1
Total Respondents: 43	

Additional Comments:

- Customer service
- Inbound sales
- Data management



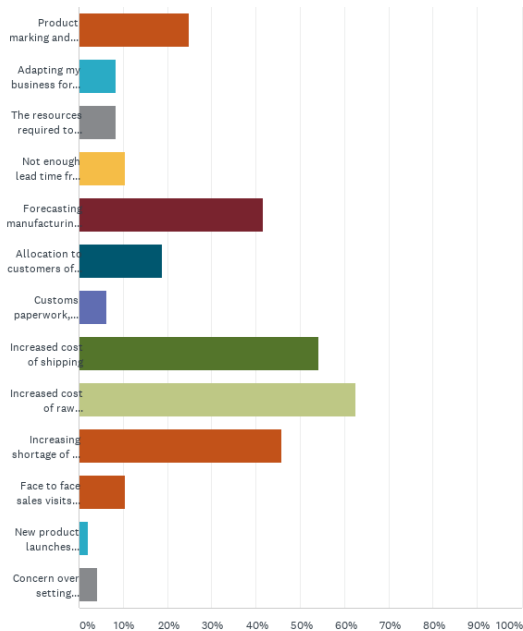
Q17: Are you aware of the construction sector's Talent Retention Scheme?



ANSWER CHOICES	RESPONSES
Yes	59.09% 26
No	40.91% 18
TOTAL	44



Q18: Which three business challenges are your most pressing at this time? *Select three options*



ANSWER CHOICES	RESPONSES
Product marking and certification including UKCA/CE and/or energy labelling	25.00% 12
Adapting my business for a more digitalised world	8.33% 4
The resources required to digitalise our product data	8.33% 4
Not enough lead time from wholesalers	10.42% 5
Forecasting manufacturing output or stock levels	41.67% 20
Allocation to customers of limited stock	18.75% 9
Customs paperwork, customs delays and red tape relating to Brexit	6.25% 3
Increased cost of shipping	54.17% 26
Increased cost of raw materials	62.50% 30
Increasing shortage of raw materials	45.83% 22
Face to face sales visits with wholesalers	10.42% 5
New product launches because of limited access to wholesaler customers	2.08% 1
Concern over setting acceptable levels of, and implementation dates for, price increases in Q2 2021	4.17% 2
Total Respondents: 48	

Comments

The three most pressing business challenges in April 2021 were: increased cost of raw materials, increased shipping costs and shortage of raw materials.

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Q19: On reflection, and from a business view point, what is the one thing you have learnt from the pandemic?

Appreciation & Resilience

- Don't take things for granted.
- Our people are worth much more than we thought.
- We're more resilient and adaptable than we think we are sometimes...
- Perspective and resilience. Thankful of a well managed cost base.
- That the market will find a way to access and procure products and solutions that add value.
- Ensuring the protection of all employees has proven invaluable. Our core values are now being practiced by all.

Contingency

- Contingency planning needs to be better.
- Forward planning, resourcing appropriately and staying focussed on service and the needs of the market and our customer base.
- That if you continue to make plans on how things have always been done is a sure way to get caught under prepared. Businesses need to have one contingency but have a multiple range of plans covering multiple different pitfalls that could happen.
- Prepare for the unexpected



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Q19: On reflection, and from a business view point, what is the one thing you have learnt from the pandemic? **Continued**

Adaptability

- Be able to anticipate and then be nimble - decisions have to be made faster and sometimes without full information / data
- Business to adapt forever changing environment and challenges. A good business intelligent system will help business to analyse promptly and make right decision.
- Expect the unexpected.
- It has highlighted to us how to adapt our working conditions to suit the situation. Implement new processes and procedures which will continue.
- Being more flexible in how our staff work and how we interact with customers.
- Patience.
- Remain flexible/divert resource and activity to where it is required most and make the most of a disruption
- Flexibility.
- That resilience relies on a committed, flexible team, right down to the shop floor. So ensuring that is an ongoing requirement.
- To relax.



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Q19: On reflection, and from a business view point, what is the one thing you have learnt from the pandemic? **Continued**

Communication

- Driving endlessly for meetings are unnecessary.
- On the plus side, virtual meetings are now acceptable and will play a significant part in customer engagement moving forward saving time and costs for all.
- Remote working is not a problem.
- Keep talking and sharing.
- How critical it is to have uniform stakeholder communication.

Relationships

- The value of customer relationships is extremely important.
- Stay close to your customers.
- Be honest with your customers, I think before this happened price increases and stock issues were a taboo subject.
- We are part of a much wider industry.

Communication

- Necessity is still the mother of invention.

Digitalisation

- Importance of Digitalisation.



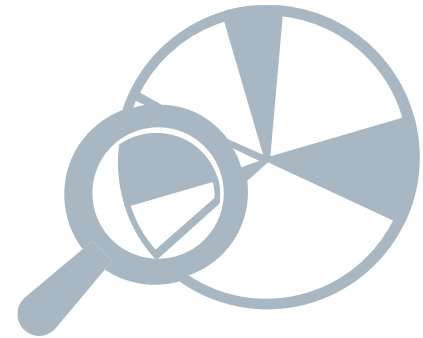
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Q19: On reflection, and from a business view point, what is the one thing you have learnt from the pandemic? **Continued**

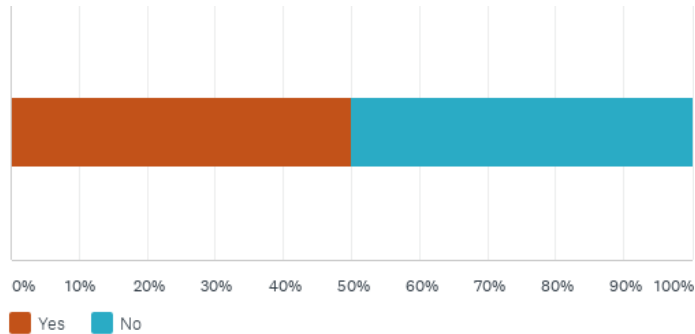
Stock

- Stock is king, ensure high levels of fast runners.
- The impact up the supply chain that culminates with significant stock delays to the end user.
- Without stock you have no business, irrespective of the pressures on working capital this creates.





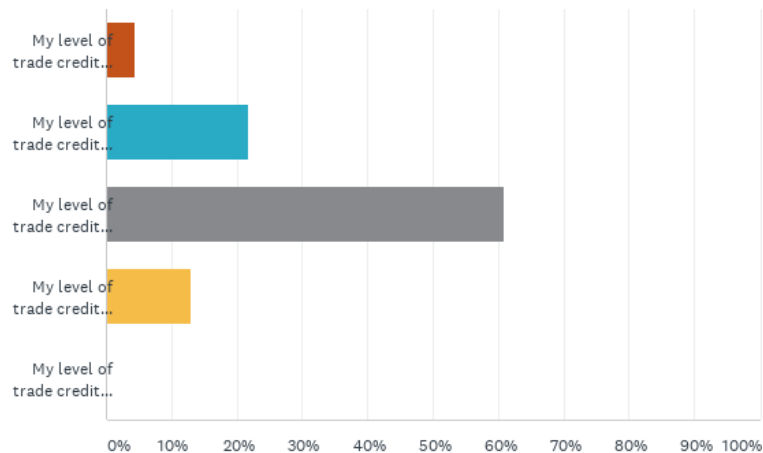
Q20: Does your business regularly use Trade Credit Insurance?



ANSWER CHOICES	RESPONSES
Yes	50.00% 24
No	50.00% 24
TOTAL	48



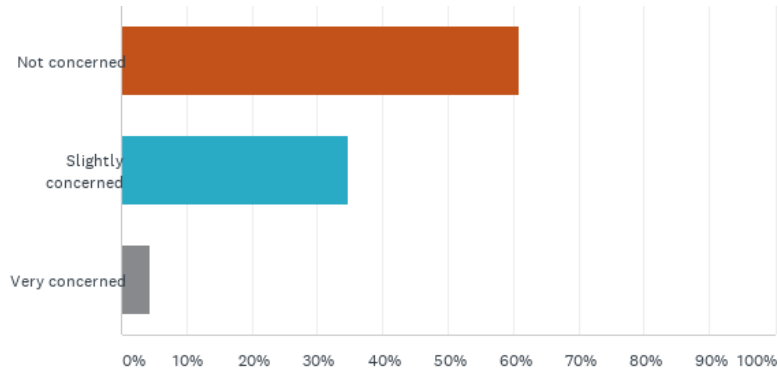
Q21: The Government's Trade Credit Reinsurance scheme was launched in summer 2020, which of the following statements would best describe your experience?




ANSWER CHOICES	RESPONSES	
My level of trade credit coverage has significantly increased	4.35%	1
My level of trade credit cover has slightly increased	21.74%	5
My level of trade credit coverage has broadly remained consistent	60.87%	14
My level of trade credit coverage has slightly decreased	13.04%	3
My level of trade credit cover has significantly decreased	0.00%	0
TOTAL		23



Q22: How concerned are you about the availability of trade credit insurance in the coming months?



ANSWER CHOICES	RESPONSES
Not concerned	60.87% 14
Slightly concerned	34.78% 8
Very concerned	4.35% 1
TOTAL	23



Q23: With fewer face-to-face visits to wholesalers, what methods will you use to launch new products this year?

Combination

- Digitally with videos, newsletters, samples to clients, remote exhibitions
- Social media and webinars
- Social Media, Direct messaging, Teams and Traded PR.
- Video Conferencing & Social Media
- Internet social media and email telesales
- Social media / video
- Newsletter / E-shots / T/phone / Advertising & editorials
- In-house marketing, digital comms, i.e. virtual meetings, social media and our website and targeted emails and marketing deliverables
- Digital media (LinkedIn) and direct Customer marketing
- Social media/online web ordering portal and telesales
- Email, Video Call, Social Media, outbound telephone calls and inbound telephone calls.
- Video content, PR and advertising, social media, email
- Direct marketing, SM and ELEX exhibitions





Q23: With fewer face-to-face visits to wholesalers, what methods will you use to launch new products this year? **Continued**

Combination – Face-to-face and virtual

- Digital, digital, and digital... plus some F2F when everyone feels safe.
- Mix of f2f and online
- Combination of social media, traditional media and face to face where possible
- Sales rep to speak to customers individually, flyers and social media with short videos and advert pages

Digital & Social Media

- Digital media
- Digital/TEAMS
- Social Media/Advertising
- Social media.
- Web.
- POS & Buy-ins.
- Digital engagement in platforms like Zoom and Teams. Grander launch events that capture more customers in fewer time
- Webinars are becoming more popular and obviously social media is becoming more and more of a business tool now.
- Social media
- Digital Formats



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Q23: With fewer face-to-face visits to wholesalers, what methods will you use to launch new products this year? **Continued**

Training

- Remote training/information

Face-to-Face

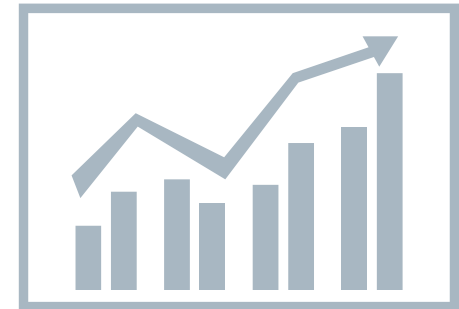
- In our experience the vast majority of wholesalers want a face to face visit from us if we have something meaningful to demonstrate, so no change really.
- The wholesalers seem to be opening up so i do not see this as a long term problem. Marketing was something we worked hard on early in the pandemic so they run hand in hand.

Video Calls

- Video Calls
- Virtual Meetings
- Virtual selling and more proactive selling from our inside admin and sales team
- Video
- Video

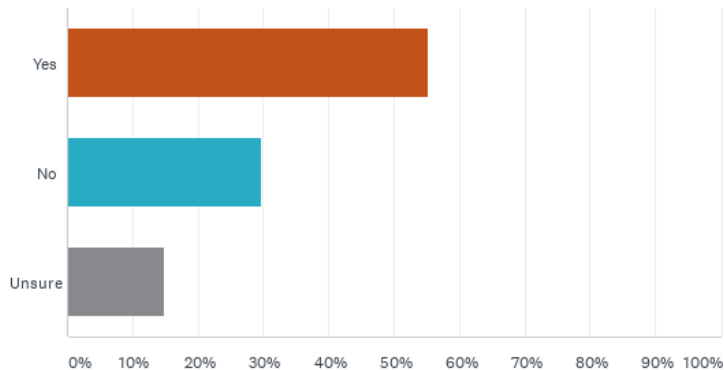
Nothing New

- No new products yet





Q24: UKCA: Do you have a programme of communication in place to educate your wholesaler customers on the labelling changes?



ANSWER CHOICES	RESPONSES	
Yes	55.32%	26
No	29.79%	14
Unsure	14.89%	7
TOTAL		47

Comments

Over half of the respondents have communications in place to educate wholesaler customers on labelling changes.



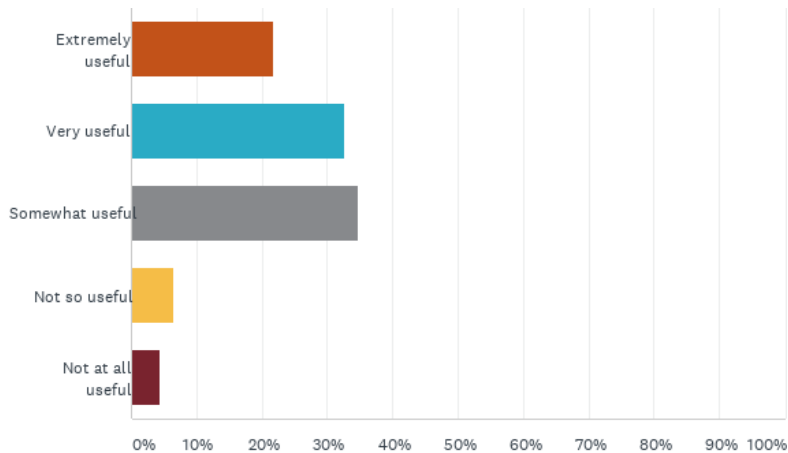
Q25: UKCA: what other support or resources do you think the wholesalers need to get up to speed on the UKCA changes?

- Firstly to understand what it is, how it affects them and stock rotation!
- They can rotate their stock as quickly as possible.
- That they need to ensure they are checking their stock and more importantly - stock rotating to ensure they don't sit on old stock with incorrect labels.
- CE marking vs UKCA marking, and general CPR compliance.
- More awareness than technical knowledge.
- Clear description of changes and their impact.
- To understand the definition of placed on the market relating to the labelling requirement.
- An awareness of which categories of product are covered by the CE/UKCA marking regime.
- The source of the product, CA mark will not be allowed to come in from Europe so more direct routes will be required.
- We will advise once we have transitioned products to all include the new UKCA mark.
- I am not confident we as an affiliate really understand yet.
- Application of the standard is still unclear. There are mixed messages.
- Onus is on manufacturer.



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Q26: Managing wholesaler expectations: How useful did you find the statement circulated by the EDA from BEAMA about the shortages in Steel and Non-Metallic Cable Management Products (April 2021)



ANSWER CHOICES	RESPONSES	
Extremely useful	21.74%	10
Very useful	32.61%	15
Somewhat useful	34.78%	16
Not so useful	6.52%	3
Not at all useful	4.35%	2
TOTAL		46

Comments

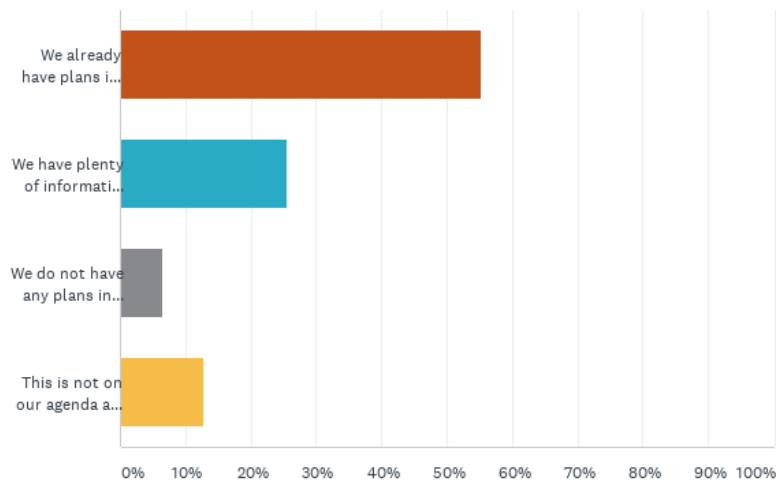
Nearly 90% of respondents found BEAMA's statement about shortages in Steel and Non-Metallic Cable Management Products Useful.

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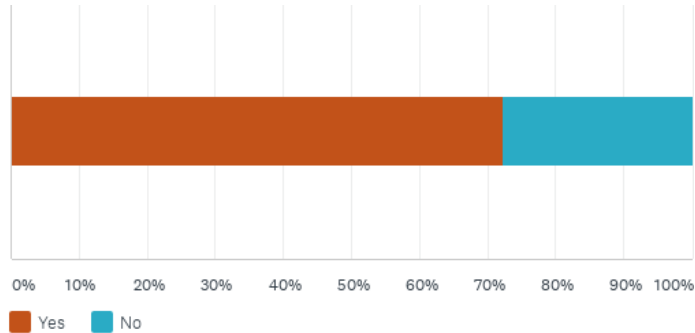
Q27: Which statement best describes your current position on reducing your carbon footprint as a business?



ANSWER CHOICES	RESPONSES
We already have plans in place	55.32% 26
We have plenty of information on the subject, it is just about finding the time to take action	25.53% 12
We do not have any plans in place as we are unsure how to start and require guidance	6.38% 3
This is not on our agenda at this time	12.77% 6
TOTAL	47



Q28: Have you heard about Construct Zero, the Construction Leadership Council's (CLC) initiative to reduce carbon emissions?



ANSWER CHOICES	RESPONSES
Yes	72.34% 34
No	27.66% 13
TOTAL	47



Q29: If you have a question that you would like the EDA to put to the wholesaler as part of our next survey please add it here:

- Are they prepared to support manufacturers with accepting price increases this year along with educating their customers regarding the major cost increases that are occurring in up stream supply chains?
- Why when margins are even tighter is there an expectation from certain wholesalers that rebate %'s can be increased?
- This year manufactures are going to have a great challenge on stock and logistics, what wholesaler can help manufacturer? What is the expectation of inflation this year?
- How important is the traditional manufacture wholesaler partnership
- We are still concerned that Wholesalers are not allowing face to face visits and are over cautious on sales visits. It is essential that they allow and cater for visits as soon as possible as they will find that this could result in increased pricing as manufacturers try to claw back revenue with increased pricing. This adds to the already prevalent issue with shipping delays and costs, raw material price increases in metals, plastics, PCBs and components. With all shop and pubs now open and 37 Million people vaccinated it is time to put the pedal to the metal and get back to normal. Face masks and hand sterilisers will continue and will help to keep us safe and prosperous.



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Any additional comments:

- With the new regulations coming SLR, ELR (CE/UKCA) label, energy label, product reclassification etc., as a UK manufacturer, we are working to comply with the new regulations on time. How the internet company (like Amazon) will adopt this change as many of sellers from overseas? Is there market surveillance to check? Will EDA challenge the authority for such issues?
- I would like to add that the surveys are invaluable, our board meetings use this as a base for looking at the industry.

