

## COVID-19 Impact Survey: Wholesalers July 2021 (looking back at May/June)

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## Electrical Wholesalers : July 2021 (looking back at May & June)

### Introduction

This survey was carried out in first half of July 2021, reflecting on business in May & June 2021. The questionnaire was circulated to the EDA's Principal Contact in each of the 245 wholesaler member businesses and was completed by over a third of them.

Summary results were presented to wholesaler members and affiliated members at the EDA's Talking Shop Zoom dialogues on 26<sup>th</sup> and 27<sup>th</sup> July.

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 32.50% from 2-5 branch businesses is representative of the 31.43% within EDA Wholesaler Members.

Over 50% of the EDA Distributor membership is made up of 1 branch businesses, whose survey response rate was 31.25%.

We estimate that the results represents about 850 branches.

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### Highlights

84% of respondents shared that turnover in June 2021 is up compared with June 2019.

Product Availability and price increases continue to be the biggest concerns of wholesalers.

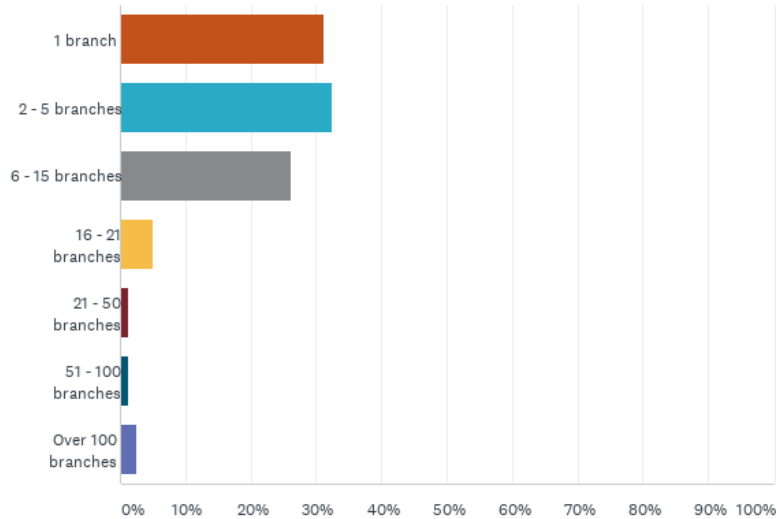
Recruiting new staff is also a big challenge.

Due to material and product shortages the supply chain has seen changes to lead times in various product groups. Nearly 35% reported a lead time of over 21 days for Consumer Units.

Wholesaler members clarified that they would prefer product launches to be face to face meetings with sales representatives.



## Q1: How many branches do you have?



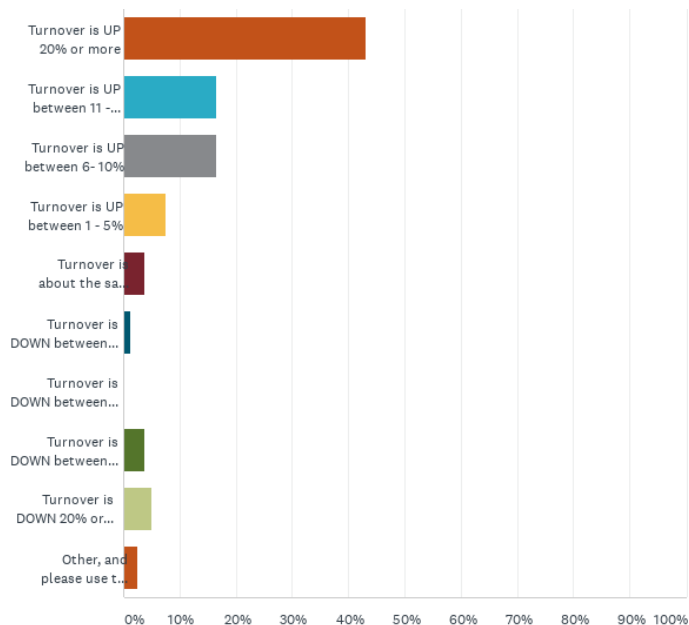
ANSWER CHOICES	RESPONSES	
1 branch	31.25%	25
2 - 5 branches	32.50%	26
6 - 15 branches	26.25%	21
16 - 21 branches	5.00%	4
21 - 50 branches	1.25%	1
51 - 100 branches	1.25%	1
Over 100 branches	2.50%	2
<b>TOTAL</b>		<b>80</b>

### Comments

We estimate that this represents 850 branches.



## Q2: Please tell us how your turnover in June 2021 compares with turnover in June 2019



ANSWER CHOICES	RESPONSES	
Turnover is UP 20% or more	43.04%	34
Turnover is UP between 11 - 19%	16.46%	13
Turnover is UP between 6-10%	16.46%	13
Turnover is UP between 1 - 5%	7.59%	6
Turnover is about the same as in June 2019	3.80%	3
Turnover is DOWN between 1 - 5%	1.27%	1
Turnover is DOWN between 6 - 10%	0.00%	0
Turnover is DOWN between 11 - 19%	3.80%	3
Turnover is DOWN 20% or more	5.06%	4
Other, and please use the space below for your feedback:	2.53%	2
<b>TOTAL</b>		<b>79</b>

### Comments

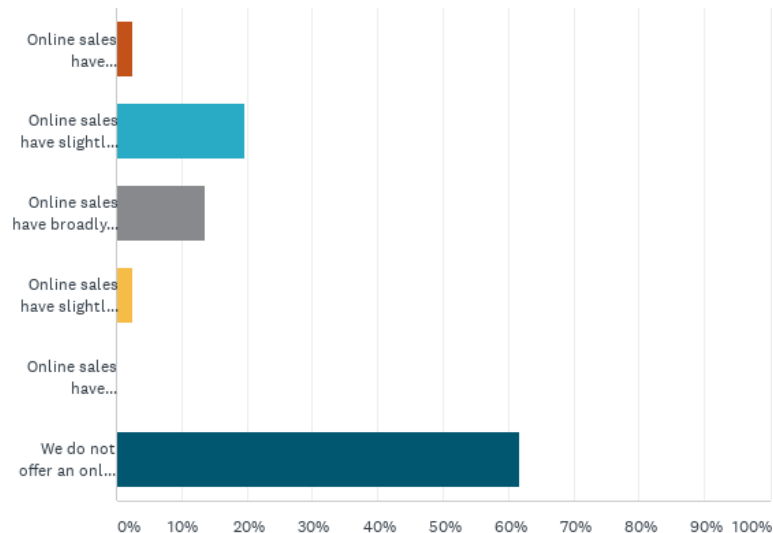
One wholesaler reported that turnover was up 40% in June 2021 compared to June 2019.

84% of respondents shared that turnover in June 2021 is up compared with June 2019

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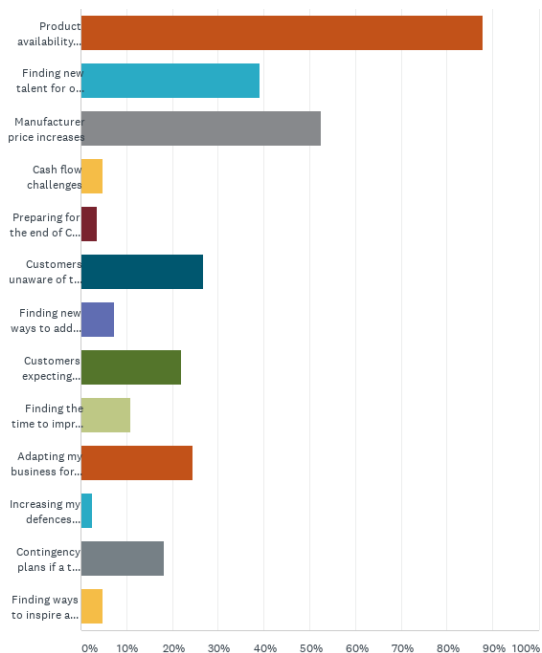
## Q3: To what extent have your online sales changed in the first half of 2021 compared to the same period in 2020?



ANSWER CHOICES	RESPONSES
Online sales have significantly increased	2.47% 2
Online sales have slightly increased	19.75% 16
Online sales have broadly remained consistent	13.58% 11
Online sales have slightly decreased	2.47% 2
Online sales have significantly decreased	0.00% 0
We do not offer an online option	61.73% 50
<b>TOTAL</b>	<b>81</b>



## Q4: Which three business challenges are your most pressing at this time? *Select three options*



ANSWER CHOICES	RESPONSES
Product availability issues	87.80% 72
Finding new talent for our team	39.02% 32
Manufacturer price increases	52.44% 43
Cash flow challenges	4.88% 4
Preparing for the end of CE marking and the introduction of new UKCA marking (Jan 2022)	3.66% 3
Customers unaware of the supply chain problems, such as product availability and price increases	26.83% 22
Finding new ways to add value for our customers	7.32% 6
Customers expecting products to be available from stock and at short lead times	21.95% 18
Finding the time to improve business processes and procedures	10.98% 9
Adapting my business for a more digitalised world	24.39% 20
Increasing my defences against cyber crime	2.44% 2
Contingency plans if a team member tests positive for COVID, and other team members have to self isolate	18.29% 15
Finding ways to inspire and motivate my staff	4.88% 4
Total Respondents: 82	

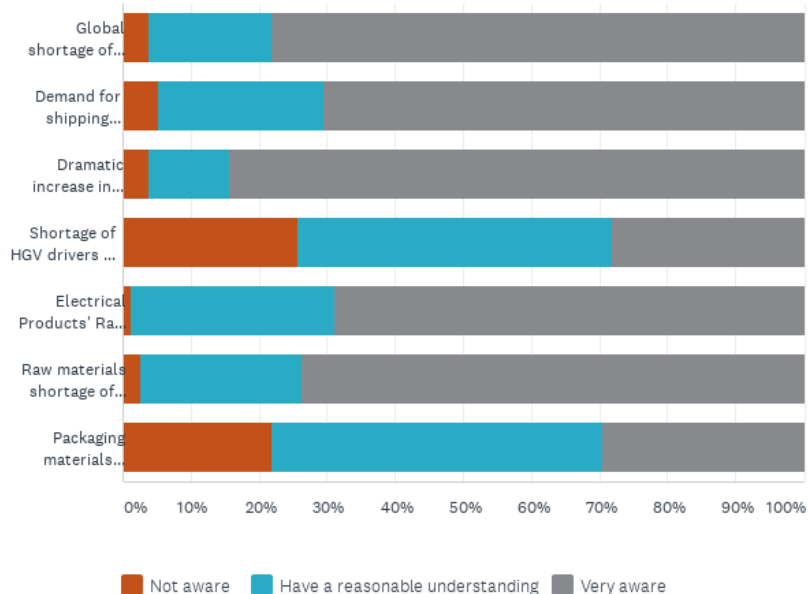
### Further Comments

- To be honest, I want to tick them all!
- As we are based in Northern Ireland, the challenges of Brexit and our transition from the EU. The present process to purchase and receive goods from the UK is a complete nightmare!!!
- "Brexit and the unnecessary challenge this has created on the flow of goods from GB to NI and ROI ,Unwillingness of some suppliers to service the NI market post Brexit."

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## Q5: The construction industry is booming but there are major concerns about product/material shortages, and rising prices. How aware you are of the following challenges?

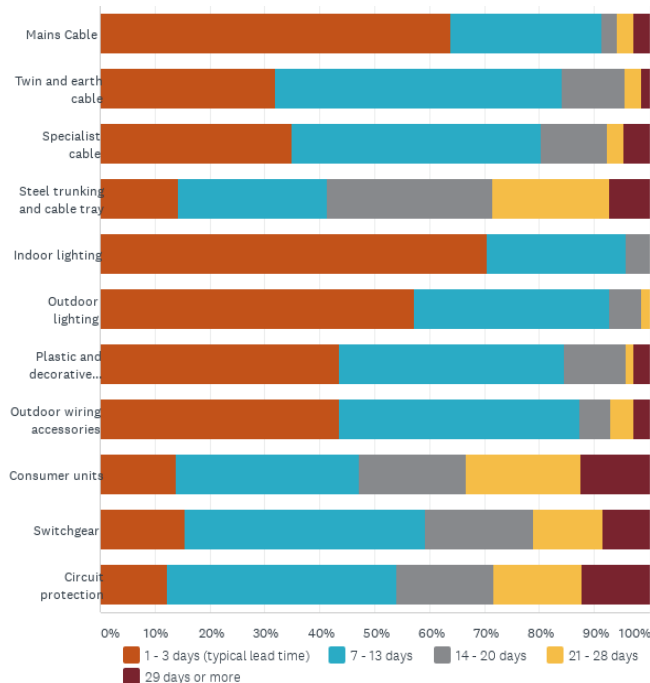


	NOT AWARE	HAVE A REASONABLE UNDERSTANDING	VERY AWARE	TOTAL	WEIGHTED AVERAGE
Global shortage of shipping containers	3.85% 3	17.95% 14	78.21% 61	78	2.74
Demand for shipping services outstripping supply	5.13% 4	24.36% 19	70.51% 55	78	2.65
Dramatic increase in cost of container shipping	3.90% 3	11.69% 9	84.42% 65	77	2.81
Shortage of HGV drivers in the UK	25.64% 20	46.15% 36	28.21% 22	78	2.03
Electrical Products' Raw materials shortage - those used in the manufacture of electrical products (eg. semi-conductors, steel)	1.30% 1	29.87% 23	68.83% 53	77	2.68
Raw materials shortage of those used in the wider construction industry (eg. timber, roof tiles, cement)	2.63% 2	23.68% 18	73.68% 56	76	2.71
Packaging materials shortage	21.79% 17	48.72% 38	29.49% 23	78	2.08

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## Q6: Over the last 8 weeks what has been the average lead time from your suppliers for the following products?



	1 - 3 DAYS (TYPICAL LEAD TIME)	7 - 13 DAYS	14 - 20 DAYS	21 - 28 DAYS	29 DAYS OR MORE	TOTAL	WEIGHTED AVERAGE	Highest to lowest weighted average
Mains Cable	63.77% 44	27.54% 19	2.90% 2	2.90% 2	2.90% 2	69	1.54	8
Twin and earth cable	31.88% 22	52.17% 36	11.59% 8	2.90% 2	1.45% 1	69	1.90	6
Specialist cable	34.85% 23	45.45% 30	12.12% 8	3.03% 2	4.55% 3	66	1.97	5
Steel trunking and cable tray	14.29% 10	27.14% 19	30.00% 21	21.43% 15	7.14% 5	70	2.80	2
Indoor lighting	70.42% 50	25.35% 18	4.23% 3	0.00% 0	0.00% 0	71	1.34	10
Outdoor lighting	57.14% 40	35.71% 25	5.71% 4	1.43% 1	0.00% 0	70	1.51	9
Plastic and decorative wiring accessories	43.66% 31	40.85% 29	11.27% 8	1.41% 1	2.82% 2	71	1.79	7
Outdoor wiring accessories	43.66% 31	43.66% 31	5.63% 4	4.23% 3	2.82% 2	71	1.79	7
Consumer units	13.89% 10	33.33% 24	19.44% 14	20.83% 15	12.50% 9	72	2.85	1
Switchgear	15.49% 11	43.66% 31	19.72% 14	12.68% 9	8.45% 6	71	2.55	4
Circuit protection	12.16% 9	41.89% 31	17.57% 13	16.22% 12	12.16% 9	74	2.74	3

### Comments

The order of the average lead time longest to shortest have remained nearly the same since April 2021, with the exception of Twin and earth cable now at 6 and Specialist cable now at 5. Plastic and decorative wiring accessories and Outdoor wiring accessories have now drawn level also.





Q7: Please use the space below to tell us of any other product areas, not listed above, where you are experiencing delays in supply?

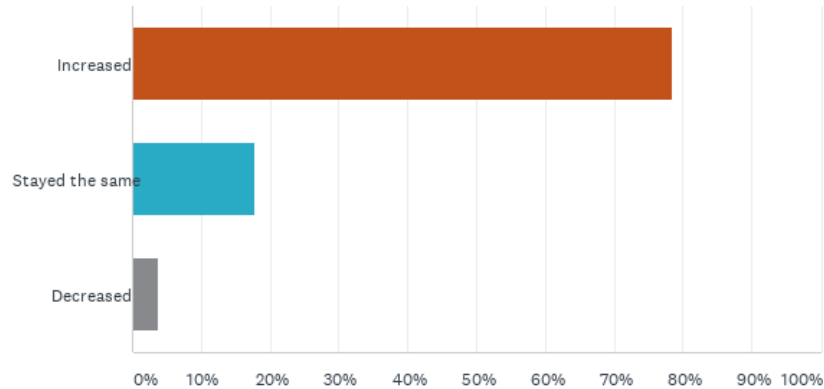
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- Screws and fixings - 7-13
- N/A
- Basic fixings - wall plugs & cable tie fixing
- Certain manufacturer products
- Storage heaters and extractor fans
- Adaptable boxes, enclosures, EV chargers, LED drivers and cable glands.
- Switchgear is biggest area of concern





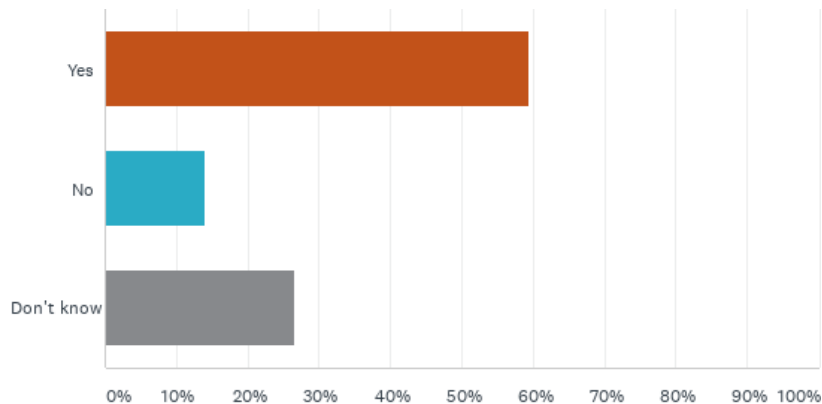
## Q8: In the first 6 months of 2021, in comparison with the norm, have your stock levels:



ANSWER CHOICES	RESPONSES	
Increased	78.48%	62
Stayed the same	17.72%	14
Decreased	3.80%	3
<b>TOTAL</b>		<b>79</b>



**Q9:** There are product and material shortages in the wider construction industry (eg. timber, roof tiles, cement). Reports show that shortages are causing delays to project completion. Are your customers' projects/jobs being delayed?



ANSWER CHOICES	RESPONSES
Yes	59.49% 47
No	13.92% 11
Don't know	26.58% 21
TOTAL	79

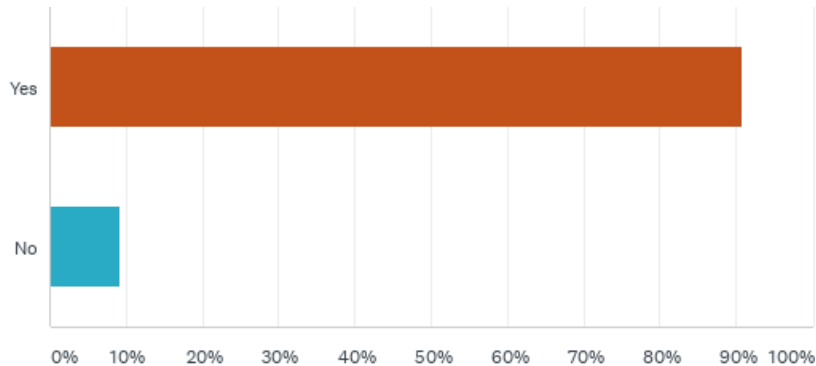
#### Further comments from respondents

- These delays are not always caused by our sector but they subsequently affect our industry as jobs aren't completed and payment is held up.
- The shortage of timber is slowing down construction of some new build houses.
- The shortage of plasterboard, timber and white goods is causing delays.
- Social distancing means limited number of electricians can be on site at one time - order books are overflowing but customer cannot be up to full speed.

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## Q12: Are you accepting face-to-face meetings with manufacturers?



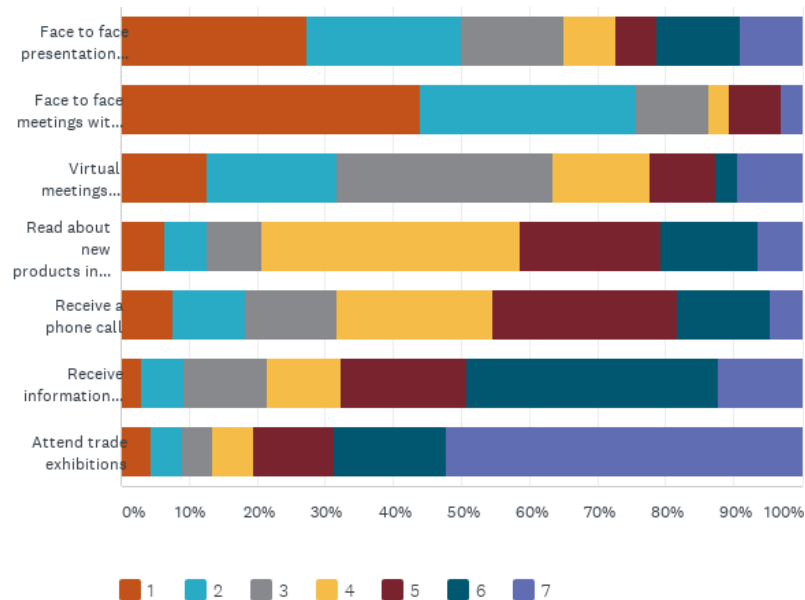
ANSWER CHOICES	RESPONSES
Yes	90.79% 69
No	9.21% 7
TOTAL	76

### Comments

This month's response shows almost a 45% increase in companies accepting face-to-face visits from manufacturers.



## Q13: New product launches: which are your preferred approaches now and for the foreseeable future ranked in order of your preference 1-7?

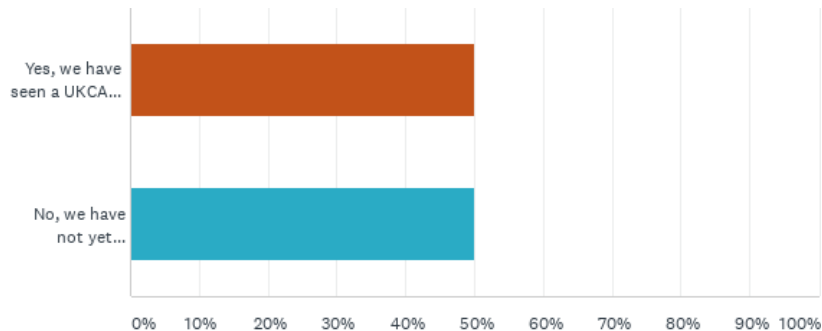


	1	2	3	4	5	6	7	TOTAL	SCORE	ORDER
Face to face presentations, including breakfast meetings and training sessions with suppliers	27.27% 18	22.73% 15	15.15% 10	7.58% 5	6.06% 4	12.12% 8	9.09% 6	66	4.85	2
Face to face meetings with sales representatives	43.94% 29	31.82% 21	10.61% 7	3.03% 2	7.58% 5	0.00% 0	3.03% 2	66	5.89	1
Virtual meetings including webinars, teams or zoom calls	12.70% 8	19.05% 12	31.75% 20	14.29% 9	9.52% 6	3.17% 2	9.52% 6	63	4.63	3
Read about new products in emails or newsletters or via social media	6.35% 4	6.35% 4	7.94% 5	38.10% 24	20.63% 13	14.29% 9	6.35% 4	63	3.71	5
Receive a phone call	7.58% 5	10.61% 7	13.64% 9	22.73% 15	27.27% 18	13.64% 9	4.55% 3	66	3.89	4
Receive information through the post	3.08% 2	6.15% 4	12.31% 8	10.77% 7	18.46% 12	36.92% 24	12.31% 8	65	3.05	6
Attend trade exhibitions	4.48% 3	4.48% 3	4.48% 3	5.97% 4	11.94% 8	16.42% 11	52.24% 35	67	2.25	7

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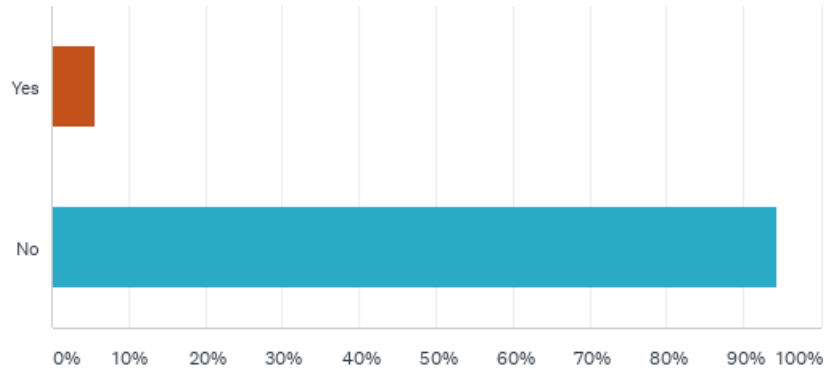
**Q14:** In our last survey, over 50% of manufactures said they had a programme in place to help support wholesalers with changes to CE marking.



ANSWER CHOICES	RESPONSES	
Yes, we have seen a UKCA communication from at least one manufacturer	50.00%	35
No, we have not yet received any communication but would welcome it	50.00%	35
<b>TOTAL</b>		<b>70</b>



## Q15: Are your contractor customers asking you about the new UKCA marking?

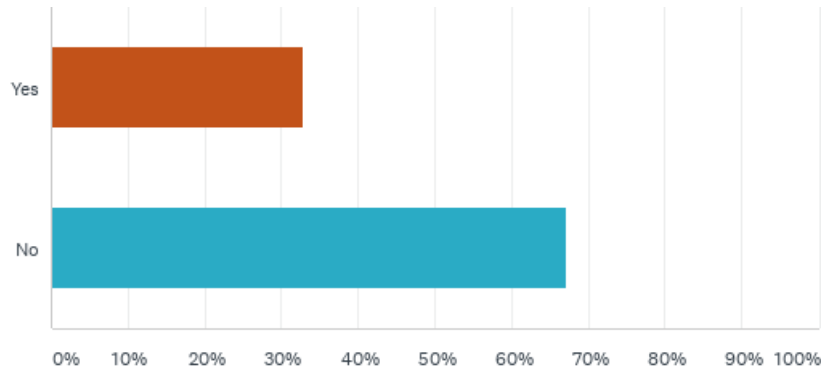


ANSWER CHOICES	RESPONSES	
Yes	5.71%	4
No	94.29%	66
TOTAL		70

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## Q16: Do you offer Click and Collect services?



ANSWER CHOICES	RESPONSES	
Yes	32.84%	22
No	67.16%	45
TOTAL		67

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## Q17: How are you managing customer expectations regarding product availability?

### More stock

- Keeping more stock, using our buying group network.
- We are in constant communication with our customers and our stock holding has doubled.
- Bulk purchasing with a view of 2-3 month stock ordering.
- Increase in stock holdings.
- Constant communication, but increasing stock levels to try and have more options.
- We are maintaining higher stock levels and pro-actively progressing all outstanding purchase orders placed with our suppliers. We ensure all customers are informed of any changes to their expected delivery dates.
- Increasing stock levels
- Good at the moment because we are keeping ahead with stock levels.
- Forward ordering. Increase our recommended stock levels.
- By having lots of stock.
- Forward ordering. Increase our recommended stock levels.
- By having lots of stock.
- Holding more stock, keeping them informed, offering alternative items.
- Significant stock increase and forward orders to suppliers. Holding stock for specific customer projects.





## Q17: How are you managing customer expectations regarding product availability?

### Different products

- Other different product
- Purchasing through 3rd parties as a last resort
- It can be as much of a surprise to us.... simply telling them as and when we have to change brand to complete an order. They won't wait.....
- We have upped our stock levels and sought alternative products.
- Seeking other suppliers.
- Sourcing alternative stocks.
- With difficulty— offering different products

### Honesty

- Be honest and upfront with them.
- By being honest and open with our customers when issues arise.
- Being honest and open with them whenever an issue arises.
- Telling them the truth.
- Providing information and examples regularly
- Telling them.
- Being honest with them.
- Day to day by the seat of our pants!!





## Q17: How are you managing customer expectations regarding product availability?

### Ongoing Communication

- Email notifications.
  - Verbal communication.
  - Making customers aware through regular communication and call off orders.
  - Advising of shortfalls.
  - Best way we can.
  - Communicating with them.
  - Communication via a sales team.
  - Ongoing discussions and updating them.
  - SM posts, along with conversations via the trade counter, telephone and emails.
  - Trying to keep them informed as best we can, but availability is so patchy and advised lead times aren't always achieved.
- Trying to keep them fully informed via manufacturers information which ranges from good to very wide of the mark.
  - Face to face explanation.
  - Regular dialogue.
  - Direct communication.
  - Communication.
  - Face to face conversations and email updates on current product availability issues.
  - Ongoing communication.
  - Keeping them informed!
  - We are sending a daily/weekly bulletin when we have useful information about price rises, container costs and product shortages etc.





## Q17: How are you managing customer expectations regarding product availability?

### Forecasting

- Forecasting and ordering forward additional 60 days.
- Talking to them about placing bulk orders earlier.
- Giving advance notice of potential delivery issues at the quotation stage

### More communication from Manufacturers required

- With difficulty, some are still not really understanding the issues, more communication from Manufacturing bodies would be good.

### Order by order

- Keep them informed on an order by order basis if there are any issues.





## Q18: What would you say are your customers' biggest business challenges at the moment?

### Costs & finances

- Pricing jobs.
- Increase costs.
- Fixed price contracts, cashflow, and stock.
- Price increases – availability.
- Rising prices.
- Work flow coming in and continuing price increases.
- Collecting money owed, keeping up to date with current prices for quotation purposes.
- Supply, I think cash flow could be the bigger issue in the coming months.
- Price increases.
- Managing supply chain and price increases.
- Stock & price.
- Consistency of pricing and supply
- Being able to honour old quotes for new jobs, the end clients seem reluctant to accept increases, so again perhaps better communication from manufacturing bodies as above but directed at end users would be useful for our customers.
- Cashflow as always.
- Price increases.
- Price increases to core products.
- Passing on price increases.



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## Q18: What would you say are your customers' biggest business challenges at the moment?

### Delays, Products & Availability

- Delays to projects. Increased prices.
- Product availability and constant price increases
- Skilled labour and product availability
- Finishing jobs
- Realising the potential disruption of longer lead times.
- Labour and materials supply
- Selecting the right product to specify.
- Goods being delivered on time.
- Product supply
- Products

### Stock

- Stock, to much work (shouldn't complain though) having jobs put back due to lack of building materials
- Keeping up with demand.
- Reliable routes of supply and fulfilling their own customers expectations in terms of time scales.
- Stock shortages and slow deliveries by us as it has been impossible for us to get staff.





## Q18: What would you say are your customers' biggest business challenges at the moment?

### Staff

- Finding staff.
- Covid infections and self isolation notices meaning that they are unable to or do not have the staff to complete their jobs.
- Covid infections and self isolating meaning that they cant get onsite to do or haven't got the manpower to complete the job.
- Self isolating staff, getting paid, lack of time.
- Getting all the work completed.
- Time, not enough hours in the day for some. Staff shortages, covid cover impossible for small business.
- Forecasting and recruiting labour.
- Skilled staff shortage.
- Getting people on site to finish the project on time. Price rises for quoted projects product availability.



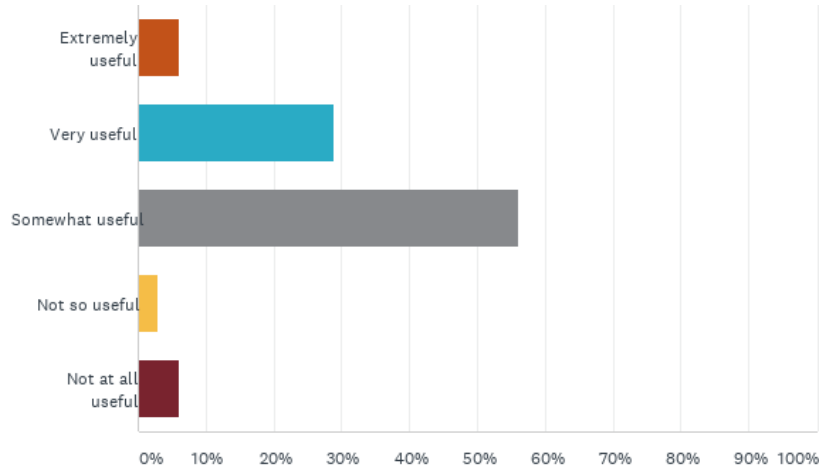
### Other

- Brexit.
- Relaxation of covid rules has meant that customers are no longer sticking to appointments.
- Recovering from COVID
- The competition.

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## Q19: Managing customer expectations: How useful did you find the Construction Leadership Council (CLC) statement about product supply which the EDA circulated recently?

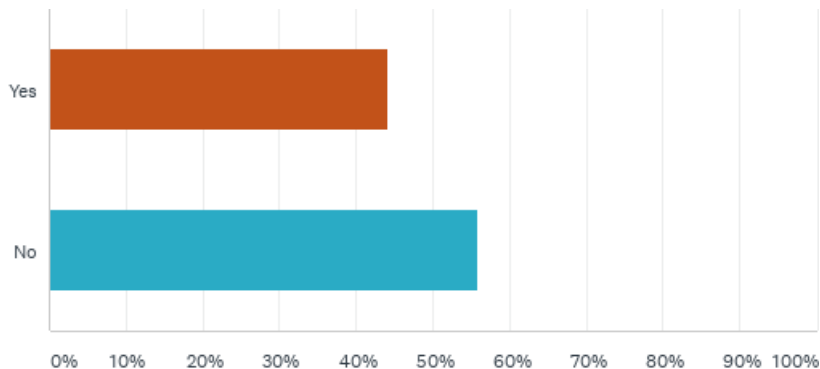


ANSWER CHOICES	RESPONSES	
Extremely useful	6.06%	4
Very useful	28.79%	19
Somewhat useful	56.06%	37
Not so useful	3.03%	2
Not at all useful	6.06%	4
<b>TOTAL</b>		<b>66</b>





## Q20: During May and June 2021, has your team been affected by Test & Trace?



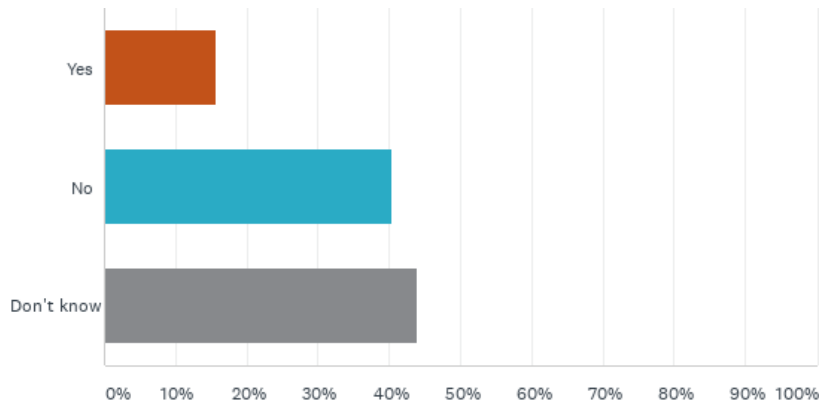
ANSWER CHOICES	RESPONSES
Yes	44.12% 30
No	55.88% 38
TOTAL	68

### Further comments

- Increasing frequency.
- Major worry for all employers and employees.
- Had a couple self isolate.
- Mostly notified 5 days after contact, crazy system.
- Nightmare, not fit for purpose.
- Becoming more of a problem as the country comes out of lockdown.
- Minimal - under 10 from 370 total staff.



## Q21: If you employ EU nationals, did they apply for UK Settled Status before the deadline on 30 June 2021?



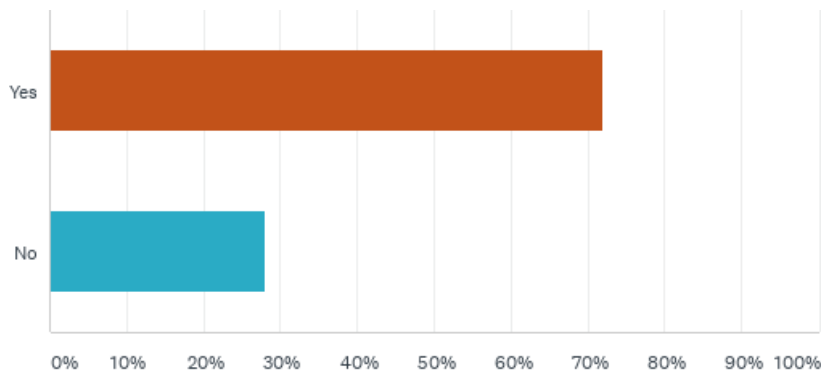
ANSWER CHOICES	RESPONSES
Yes	15.79% 9
No	40.35% 23
Don't know	43.86% 25
TOTAL	57

### Further comments

- We do not employ any EU nationals.
- Eastern European staff are reliable and industrious, it has been difficult to recruit locals for certain roles.



## Q22: Have you been actively recruiting during May and June 2021?



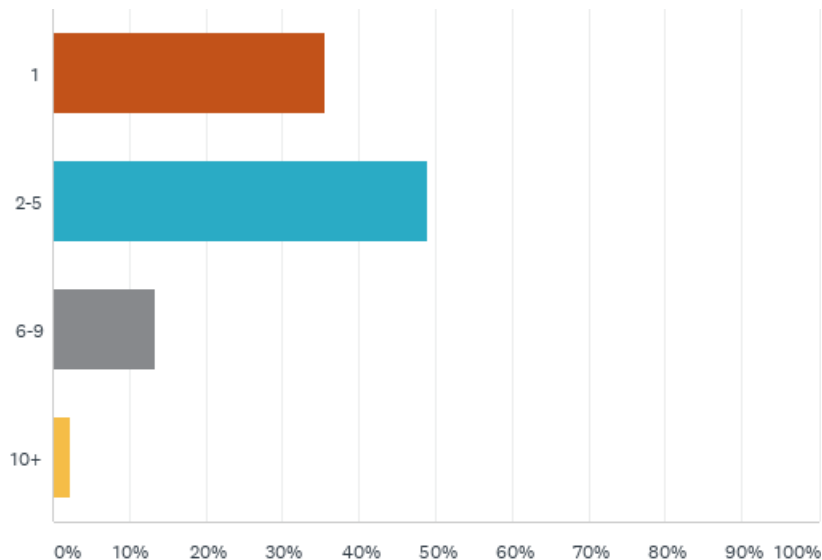
ANSWER CHOICES	RESPONSES	
Yes	72.06%	49
No	27.94%	19
TOTAL		68

### Comments

This month's survey shows a 22.5% increase in respondents actively recruiting compared to April 2021.



Q23: How many job roles do you have available currently which are a result of incremental growth rather than replacing people who have left?



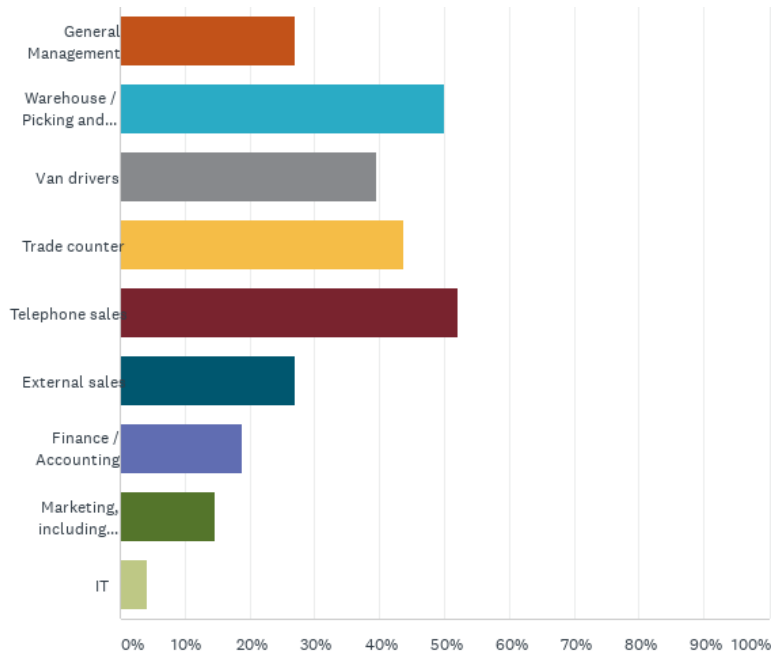
ANSWER CHOICES	RESPONSES
1	35.56% 16
2-5	48.89% 22
6-9	13.33% 6
10+	2.22% 1
TOTAL	45

**Comments**

This month's survey shows a 15.5% of respondents are recruiting 6+ new members of staff.



## Q24: In which areas of your business do you have vacancies?



ANSWER CHOICES	RESPONSES	
General Management	27.08%	13
Warehouse / Picking and Packing	50.00%	24
Van drivers	39.58%	19
Trade counter	43.75%	21
Telephone sales	52.08%	25
External sales	27.08%	13
Finance / Accounting	18.75%	9
Marketing, including digital marketing and web	14.58%	7
IT	4.17%	2
Total Respondents: 48		

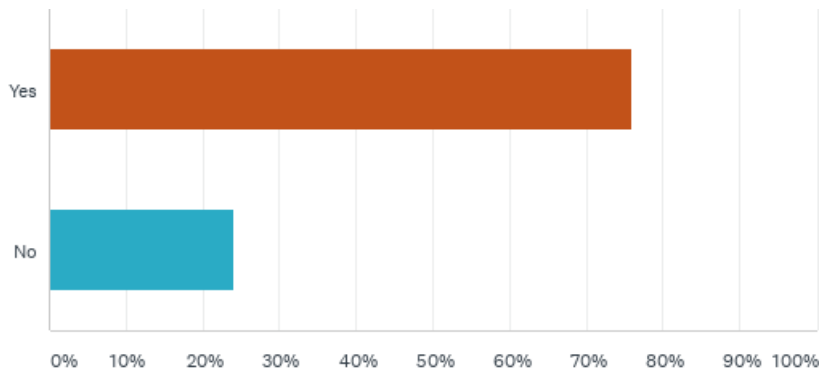
### Are you finding it hard to retain staff?

- To an extent.
- Always tough in this industry due to poaching and then unrealistic salary expectation for the role.
- Not necessarily but certainly an increase in mental health issues.
- Some have left for more money.
- We have for a few reasons.
- No, the opposite there is very little movement in the industry at present.
- No.

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## Q25: Are you finding it difficult to recruit the staff you need?



ANSWER CHOICES	RESPONSES	
Yes	76.00%	38
No	24.00%	12
TOTAL		50

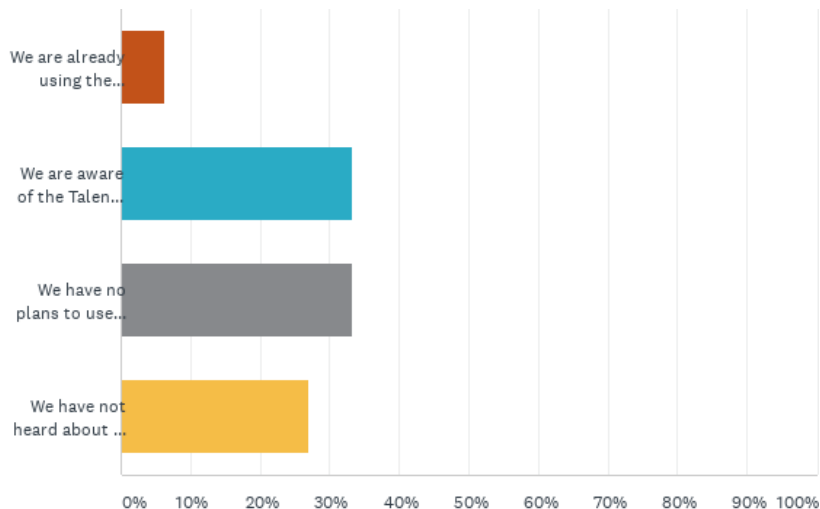
### Further comments

- Talent shortage.
- The "talent pool" is very weak. Most candidates lack the key skills needed, i.e. Maths /written English to succeed.
- Not may applied, then those that were offered an interview never responded.
- Experienced staff are hard to find or just not moving around as before.
- No.
- Lack of available talent has been a problem for many years.
- Sector is very buoyant. Most are recruiting from the same talent pool, this is raising the salary expectations.

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**Q26:** About the free recruitment portal the Construction Talent Retention Scheme: please choose the statement that applies to your business.



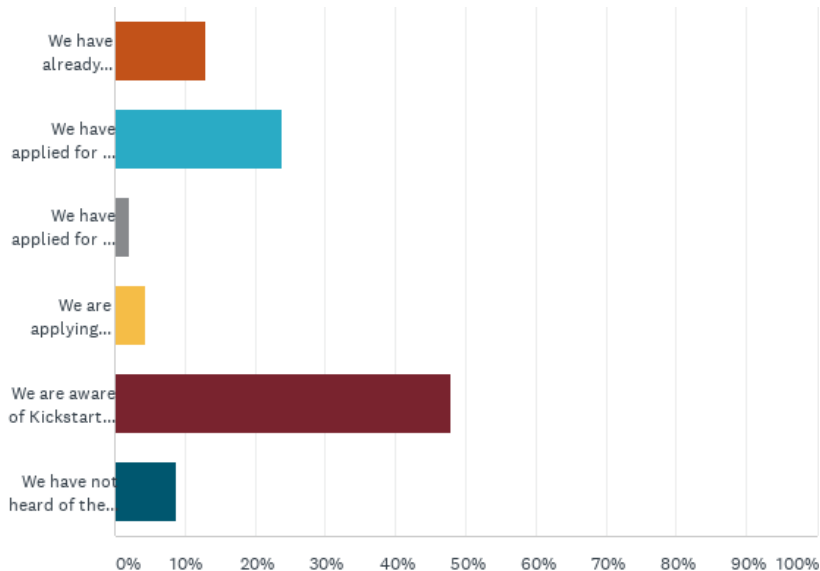
ANSWER CHOICES	RESPONSES	
We are already using the Talent Retention Scheme	6.25%	3
We are aware of the Talent Retention Scheme and may use it in the future	33.33%	16
We have no plans to use the Talent Retention Scheme	33.33%	16
We have not heard about the Talent Retention Scheme	27.08%	13
<b>TOTAL</b>		<b>48</b>

### Comments

Visit the [Talent Retention Portal here](#) or find more information on about the [scheme on our website](#).



## Q27: Government's Kickstart Scheme: help us understand your level of engagement and experience by choosing one of the following statements:

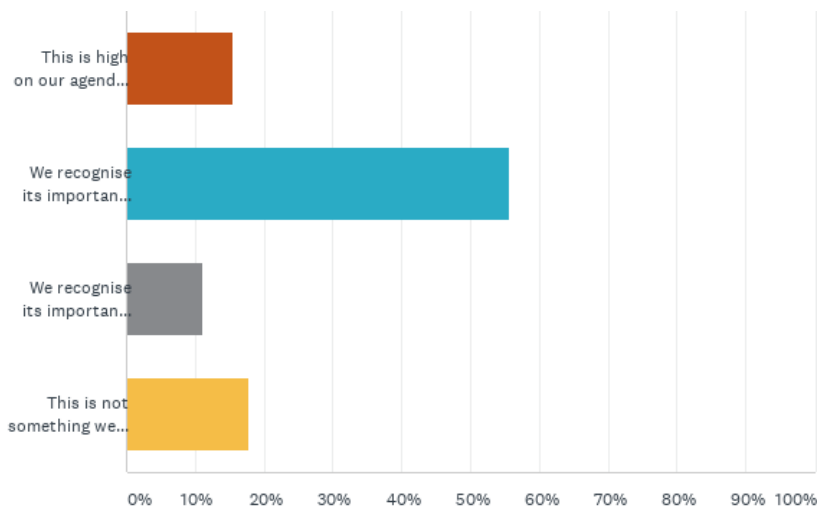


ANSWER CHOICES	RESPONSES	
We have already recruited a Kickstarter through the EDA Support Service	13.04%	6
We have applied for a Kickstarter through the EDA Support Service but no one has been appointed yet	23.91%	11
We have applied for a Kickstarter through a service other than the EDA	2.17%	1
We are applying directly to the Department for Work and Pensions for a Kickstarter	4.35%	2
We are aware of Kickstart but have not engaged so far	47.83%	22
We have not heard of the Kickstart Scheme	8.70%	4
<b>TOTAL</b>		<b>46</b>





## Q28: Inclusion and diversity is important in recruiting and retaining talent: which statement best describes your businesses' approach



ANSWER CHOICES	RESPONSES	
This is high on our agenda: we have a strategy/policy in place and are acting upon it	15.56%	7
We recognise its importance and potential and will be developing our strategy/policy in the future	55.56%	25
We recognise its importance and potential but need help/support to progress further	11.11%	5
This is not something we are considering	17.78%	8
<b>TOTAL</b>		<b>45</b>