

EDA State of the Sector Survey Manufacturer Feedback: Q3 2025 July





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Introduction

These are the results of the Q3 2025 EDA State of the Sector Survey with Manufacturer responses.

There is a separate survey for EDA Wholesalers.

This survey attracted 44 responses, a 38% response rate. On 1 August 2025 the EDA had 117 manufacturer affiliates.

A summary of wholesaler and manufacturer feedback was shared at our Talking Shop Live Online on Friday 8 August 2025.

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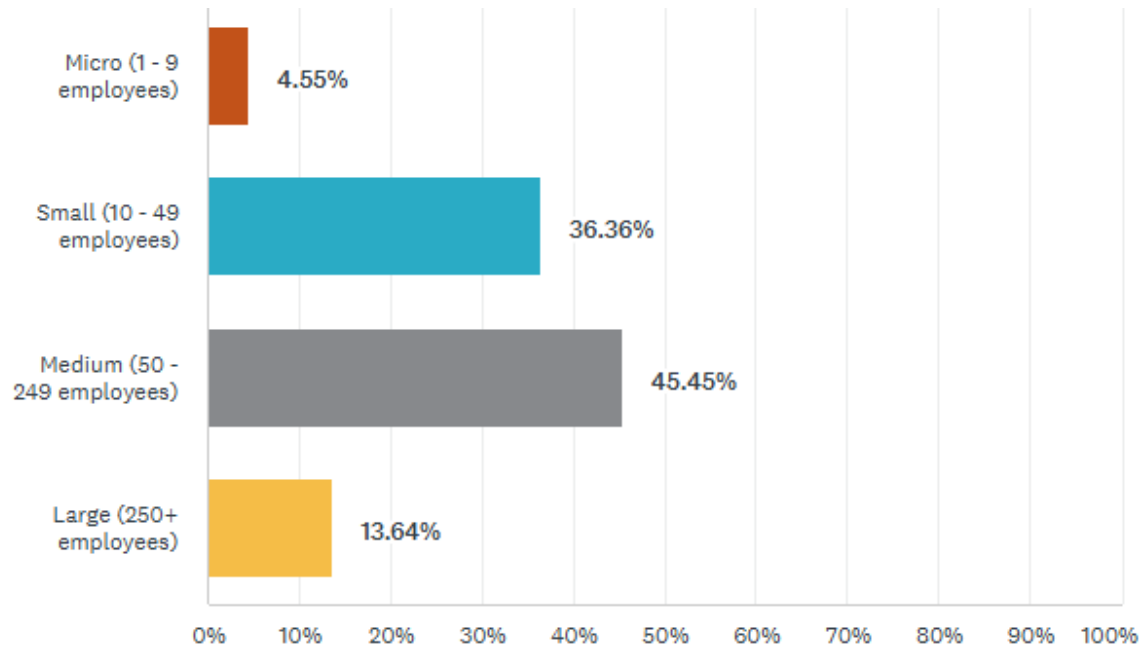
[Q20: How to you anticipate sales volumes \(like for like sales\) will change...](#)

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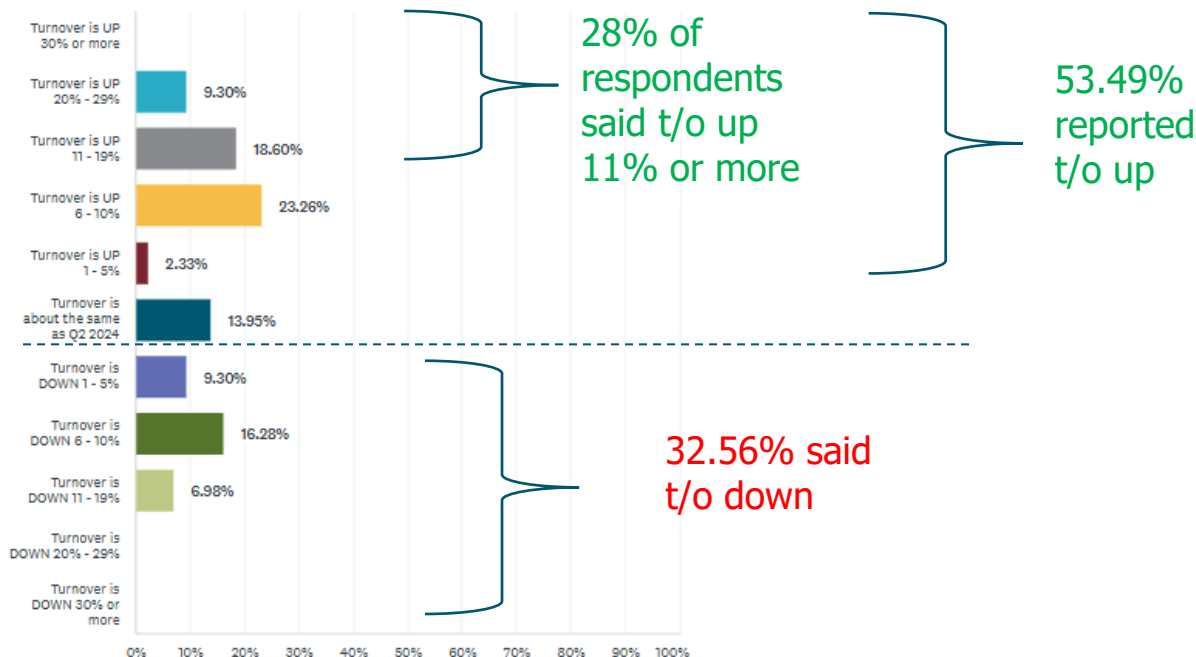


Q1: Please tell us the size of your business



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Q2: Please tell us how your turnover in Q2 2025 compares with turnover in Q2 2024.



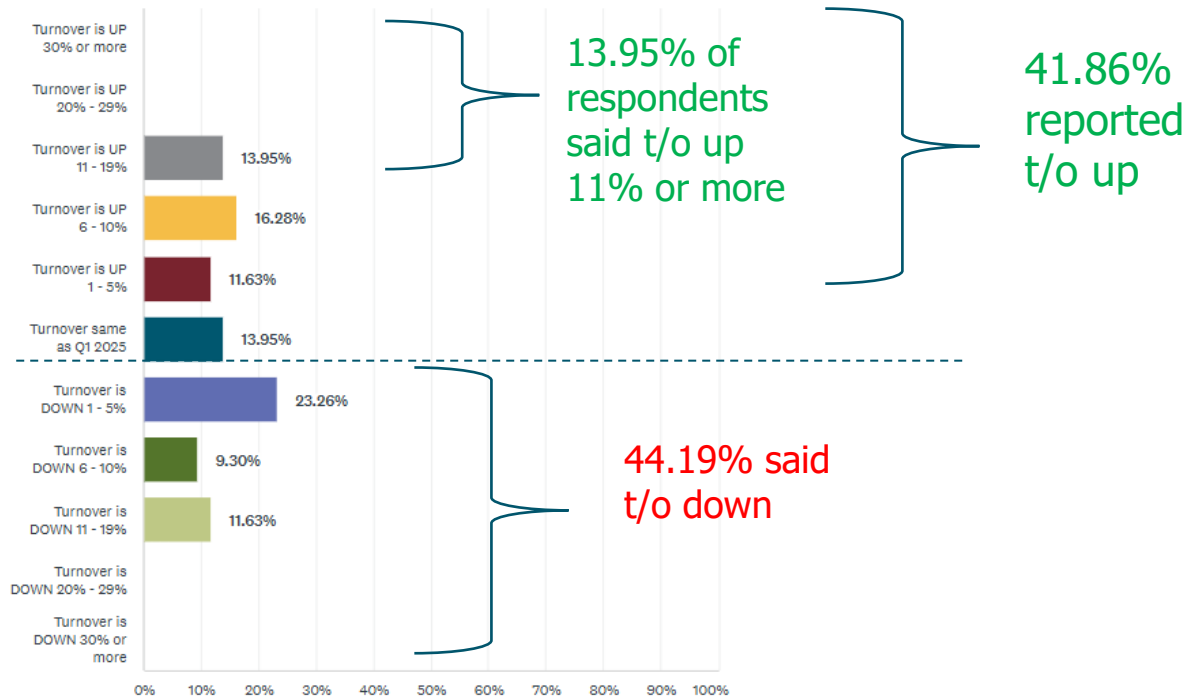
Comments:

"Downturn started in April."

"Our traditional product offering has grown by just 3%, but a new market within EV projects has shown very positive results."

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Q3: Please tell us how your turnover in Q2 2025 compares with turnover in Q1 2025.



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Q4: Have you experienced a change in turnover in Q2 2025 compared to Q1 2025 for the following sectors? Ranked by growth (grey band)

Infrastructure, govt projects, and local authority projects

Industrial (warehouse and factories)

Commercial
(offices of all types, new and renovation)

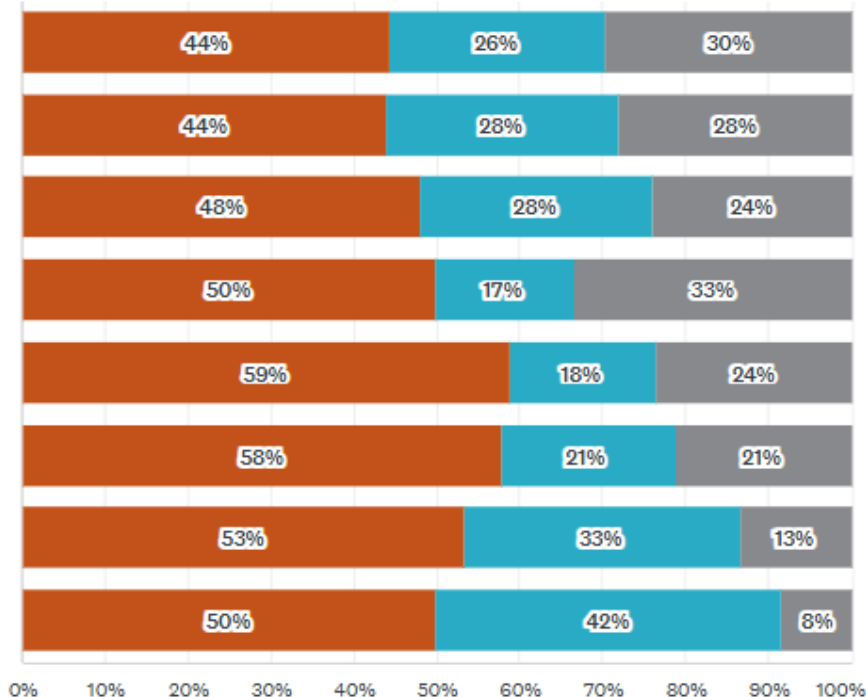
Public housing RM&I

New Private housing

Private housing RM&I

Public non-housing

New Public housing



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Q4: Comments on particular areas of growth

“DC EV Charging Projects have show a significant growth area for us in Q2.”

“Our increases are due to new products & increase in market share.”

“Organic growth is being driven by sector specific product categories ie Renewables or IOT sectors including smart buildings.”

“Decline in first fix product for housebashing. Growth in industrial products has offset.”

Q5: Your Operational Challenges: from a prompted list please tell us which 5 operational challenges are your most pressing at this time?

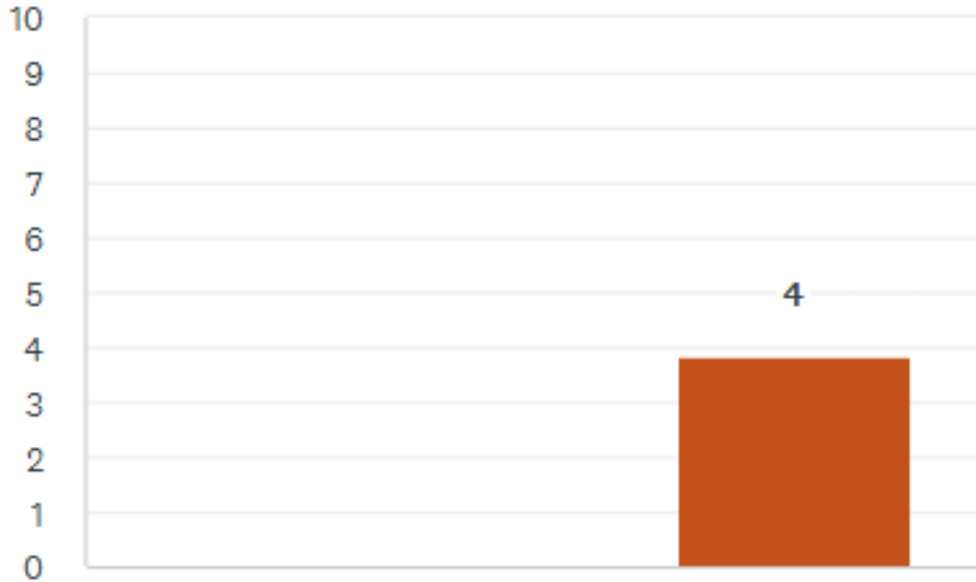
	July 2024	October 2024	January 2025	April 2025	July 2025
1	A general downturn in demand	A general downturn in demand	Inflation in business overheads and passing these on to customers	Upward pressure on all wages driven by the increases in National Living Wage and National Minimum Wage on my overall wage bill	Slowdown in the start of projects + Upward pressure on all wages driven by the increases in National Living Wage and National Minimum Wage on my overall wage bill
2	Increasing competition for work	Increasing competition for work	Upward pressure on all wages driven by the increases in National Living Wage and National Minimum Wage on my overall wage bill + A general downturn in demand	The slowdown in my traditional market segments	Inflation in business overheads
3	High tendering levels but slow or low conversion levels + Difficulties attracting and retaining staff	Product price deflation	Product price deflation	Inflation in business overheads	The slowdown in my traditional market segments
4					Transport and logistics costs + Difficulties attracting and recruiting staff
5					Product price deflation



Q5: Comments on operational challenges

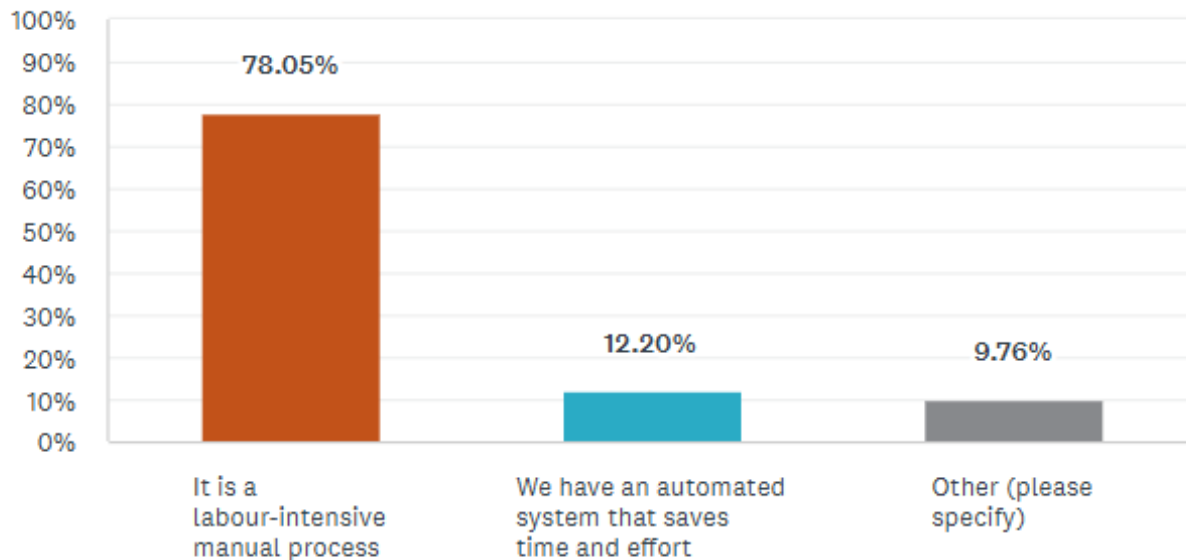
“Market saturation and increased pressure for additional rebate.”

Q6: How big an issue are product returns for your business? Please rank using the scale below. (*shows mean/average scores*)



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Q7: With regard to product returns, which statement best describes how your business handles the process.



Other:

"Main issues are shipping back to us, due to the nature of our products the majority of the time we ask the customer to dispose of the majority. We ask for photos and a limited amount of samples to be returned to us for testing

"We have a returns system that manages this subject well."

"It's a smooth manual process Somewhere between the options given above."

Q7: Comments: With regard to product returns, which statement best describes how your business handles the process.

"We do not insist on large stocks in wholesalers, therefore returns are minimal."

"Last year we experienced a dramatic increase in stock cleanse requests with a handling charge (not 2-1), we have costed the 2-1 orders and this still costs our business significant money."

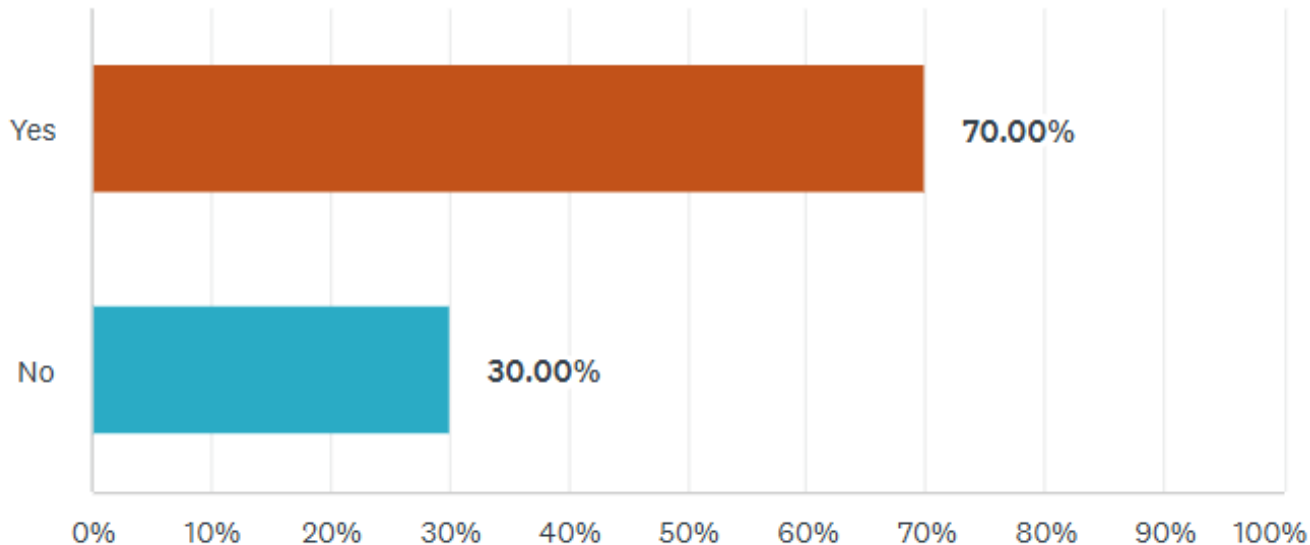
"Wholesalers should make more effort to sell stock they have bought rather than always look to the manufacturer to bail them out of poor decisions and sloppy practice."

"We in most cases do not require product back and process a debit request via email."

"Any return requires some level of manual intervention i.e. QC checking, return to location etc., however as a proportion of overall sales for our business, this is within reasonable limits and is manageable with a semi manual and automated process."

"Mostly no quibble, throw away products."

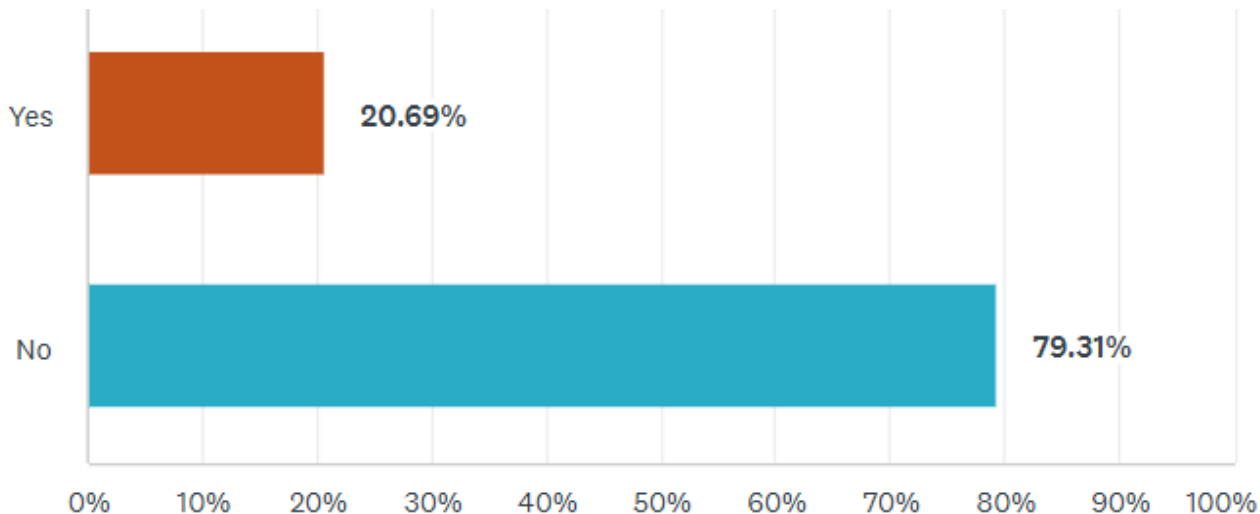
Q8: Are you experiencing a slow down in projects starting?



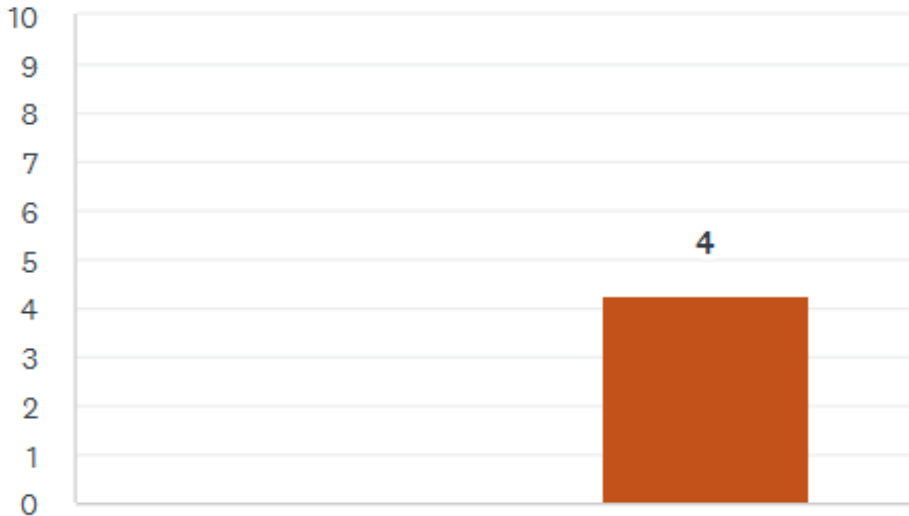
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Q9: Are you aware of reports that delays to large projects (including High Risk Residential Buildings, Hospitals, and Schools) are the result of under resourcing at the Building Safety Regulator?



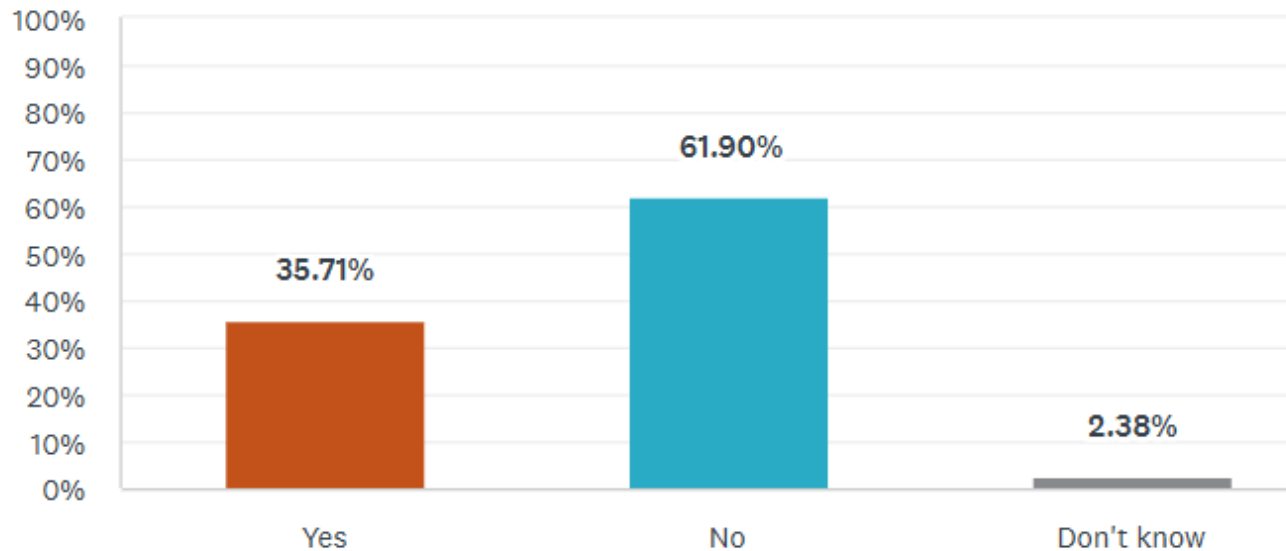
Q10: To what extent do you believe the delays your business is experiencing are caused by the problems at the Building Safety Regulator?



Comments:

"We are one step removed from this issue so cannot comment."

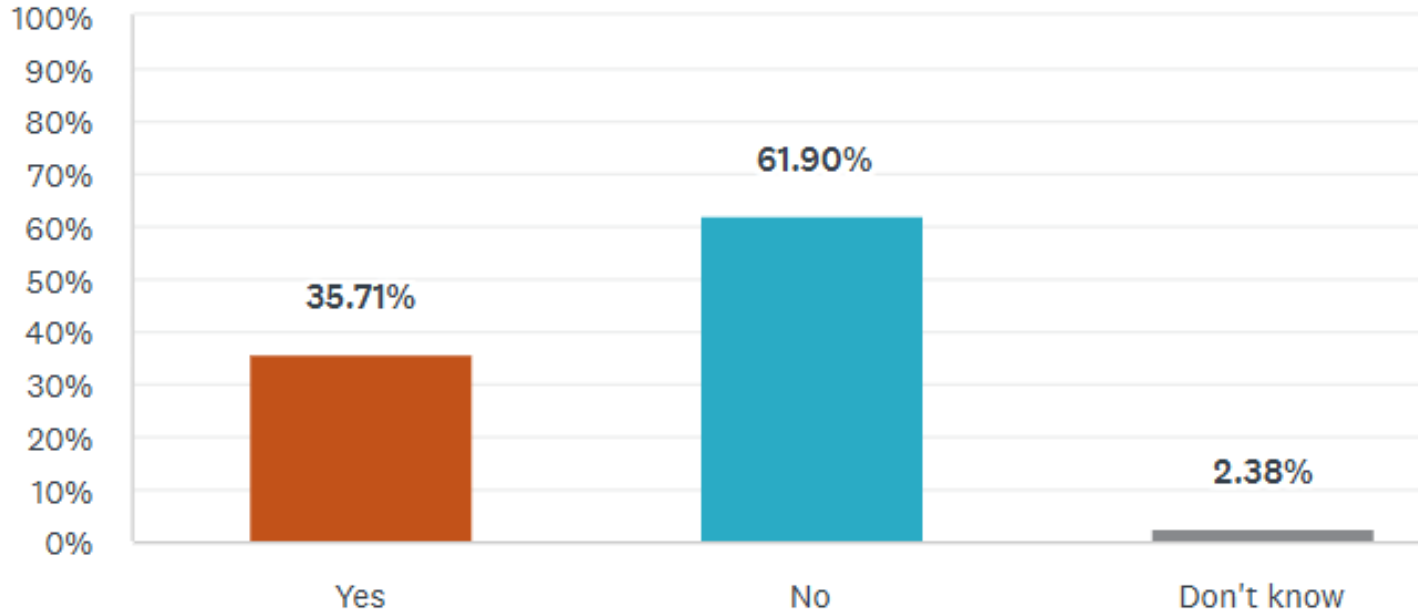
Q11: Does your business have a corporate policy regarding the use of AI?



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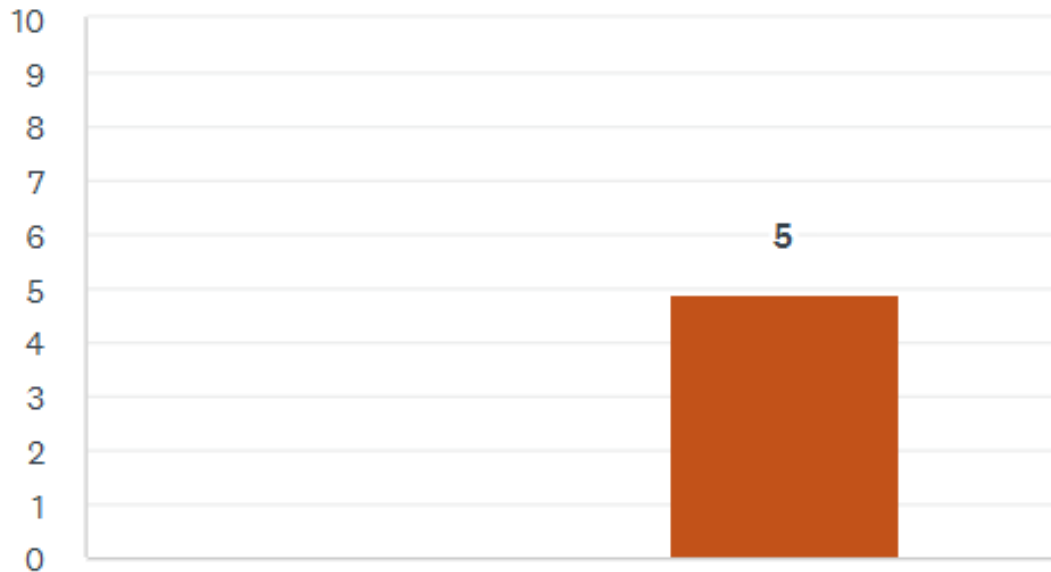


Q12: Has your business developed a strategy regarding the use of AI?



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Q13: To what extent do you believe that your business has assessed the risks involved in using AI?



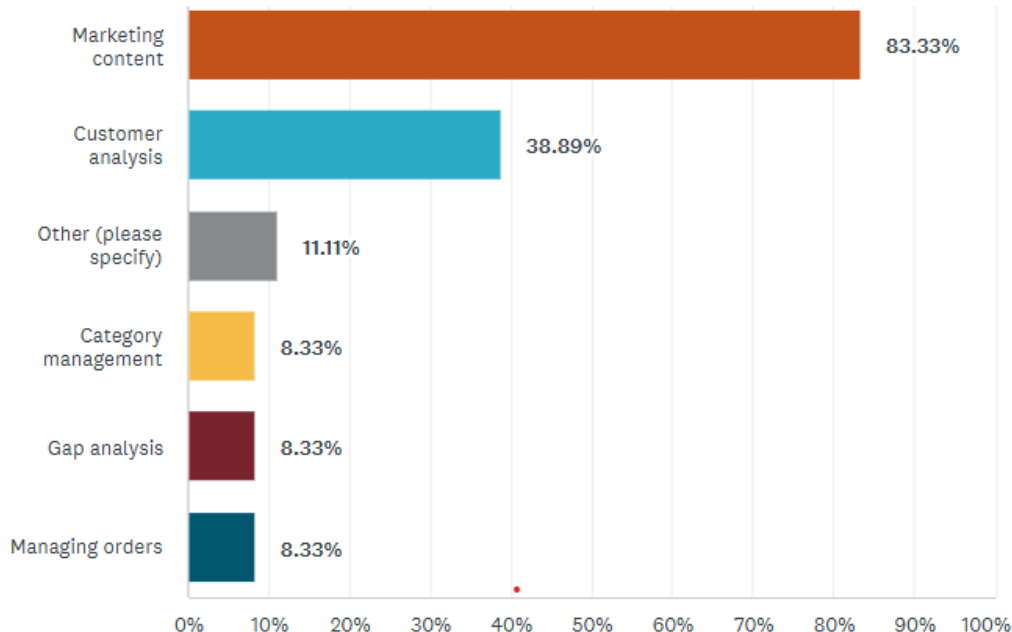
Comments:

"How we secure our data and still use AI is our biggest concern."

"AI is an effective tool to support businesses in core areas, the extent to which it is used and understood is the current weakness, however we use it only as a support aid rather than as a replacement tool."

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Q14: What tasks are you using AI for? Please tick all that apply.



Other:

Finance

Administration emails

Project take offs

What AI tools are you using?

Bubo Ai

Chat GPT (several mentions)

Perplexity

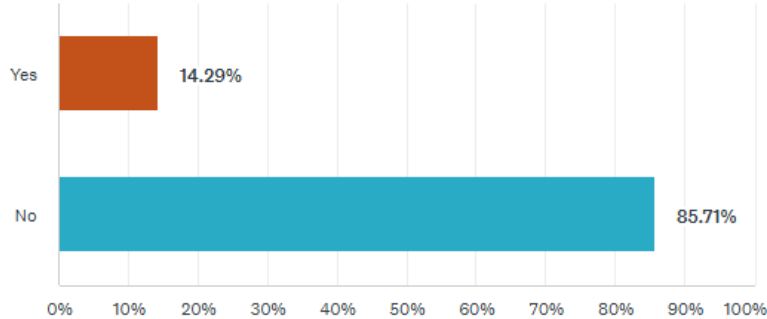
Microsoft Co Pilot

Microsoft suite of products

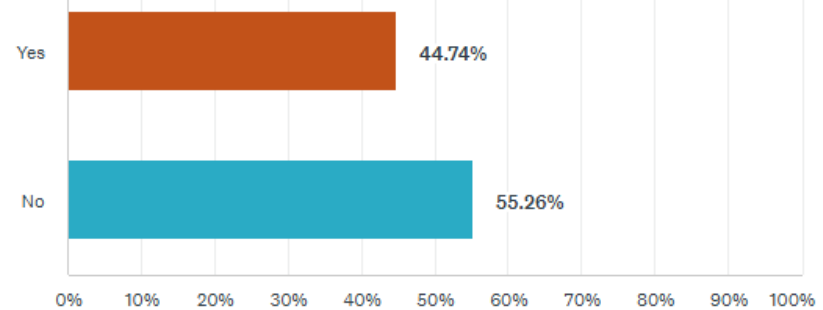
"I am unsure of the name of all of the names of the AI providers we are using. CHAT GPT and Gemini are certainly being reviewed at present."

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Q15: Do you work with your wholesaler customers to ask them to track the proportion of the sales of your products that are Business to Consumer (B2C)?



Is this something you are exploring?



Context

Extended Producer Responsibilities (EPR) –PACKAGING

Change in the recycling regulations – applies to all obligated UK organisations that **import or supply packaging**.

Pack UK is the scheme administrator for the UK's **Extended Producer Responsibility for packaging**.

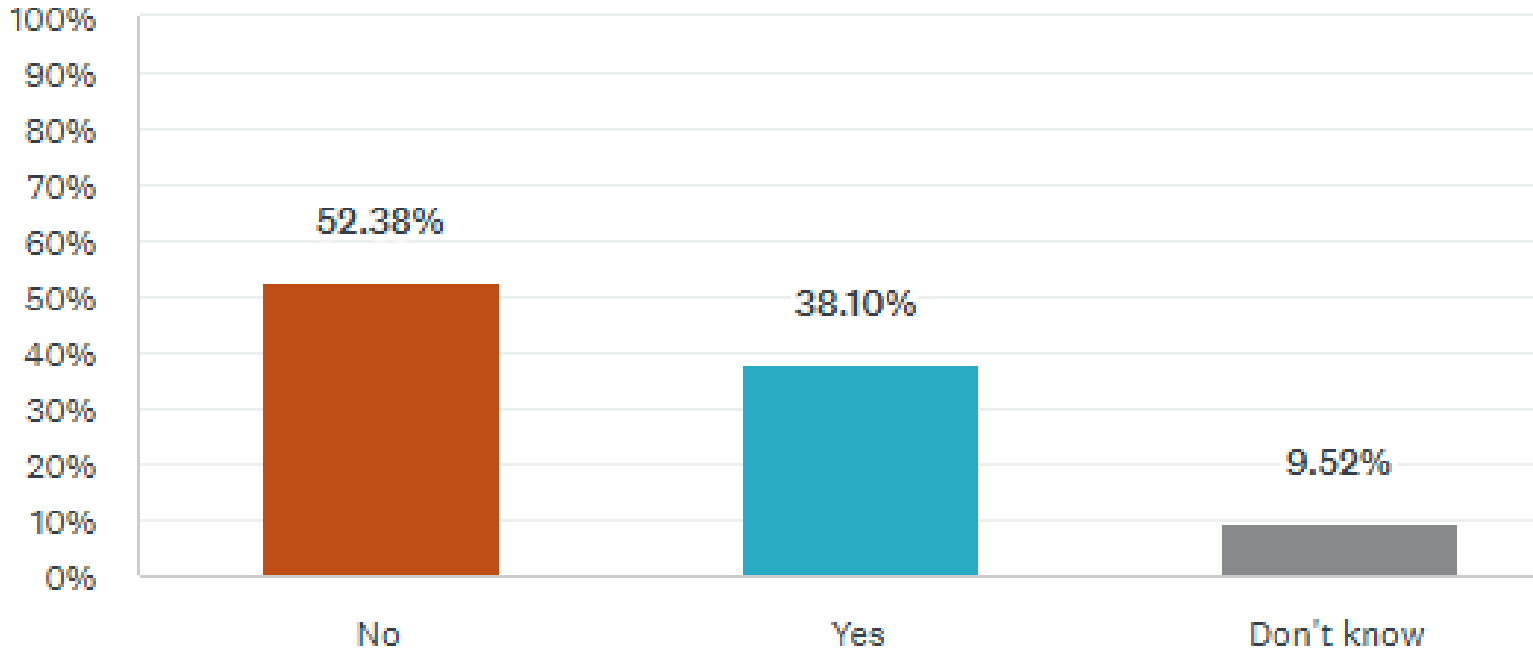
It was formally launched 21 January 2025, and will operate across all four UK nations to improve packaging sustainability and reduce its environmental impact.

Pack UK's role is to implement EPR programme, and ensure producers are accountable for their packaging throughout its lifecycle.



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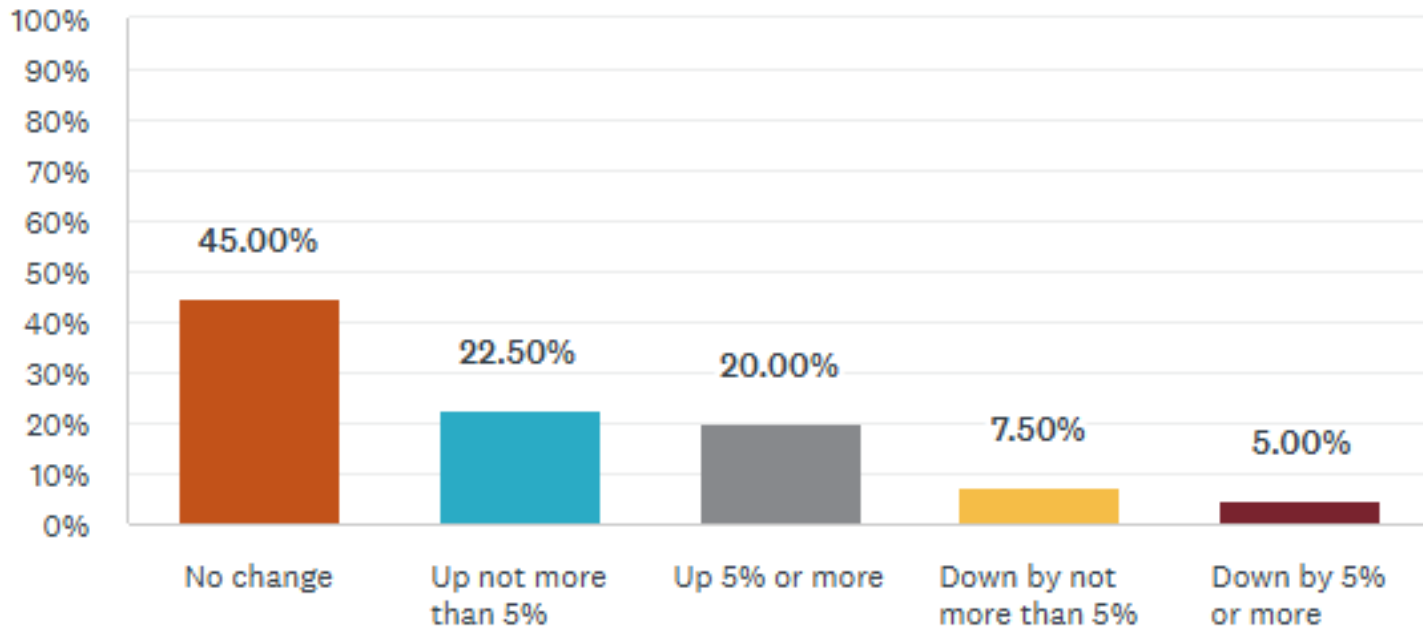
Q16: As we move towards the end of the academic year, is your business considering recruiting an apprentice?



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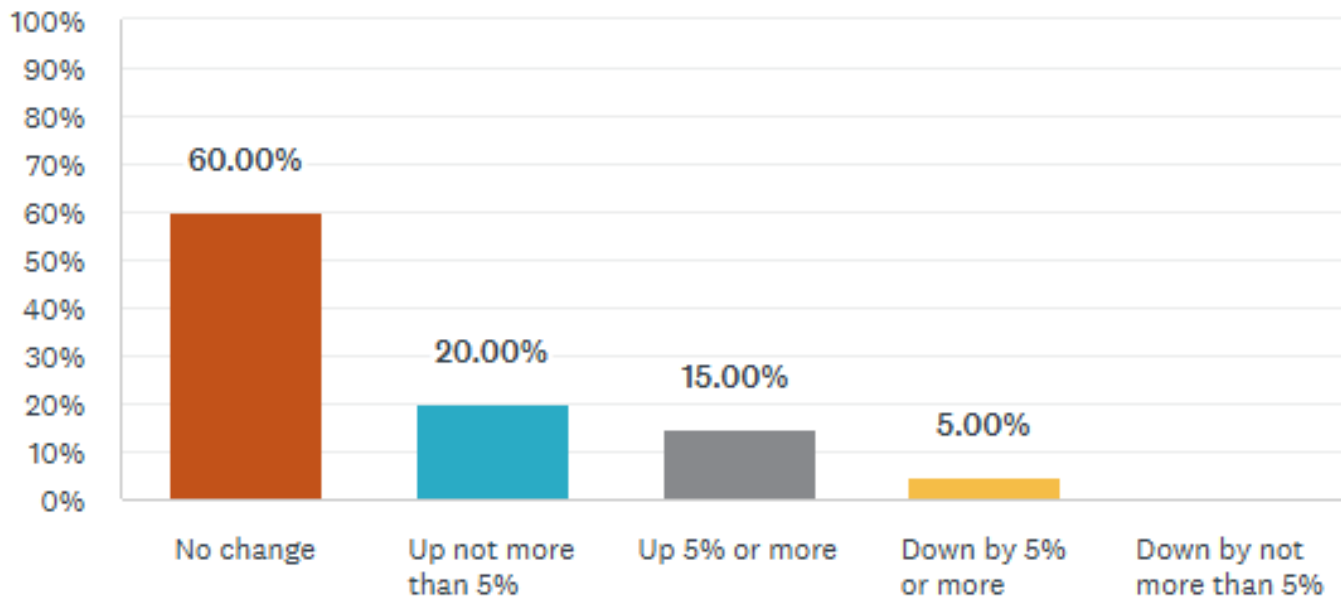


Q17: How did unit costs change during Q2 2025 compared with Q1 2025?



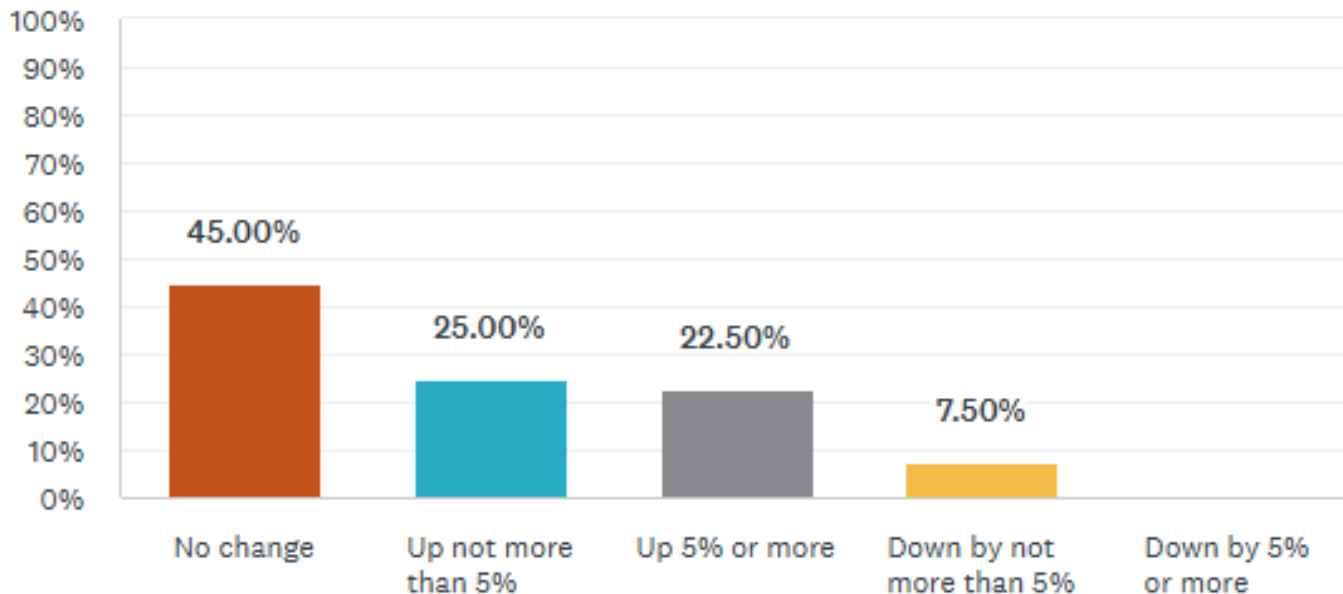
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Q18: How do you anticipate unit costs will change during Q3 2025



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Q19: How do you anticipate unit costs will change during the rest of 2025?

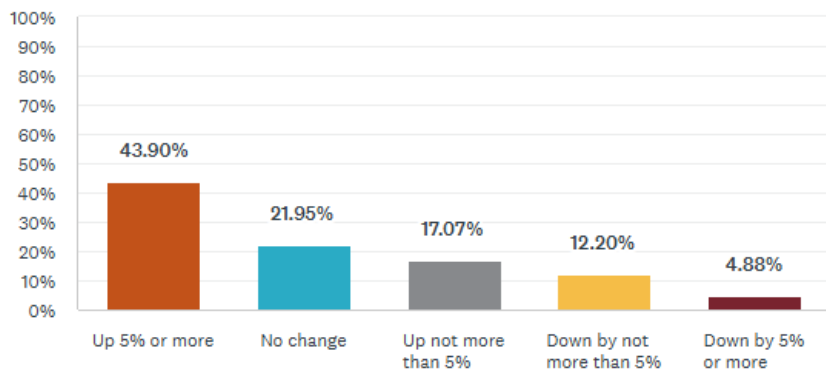


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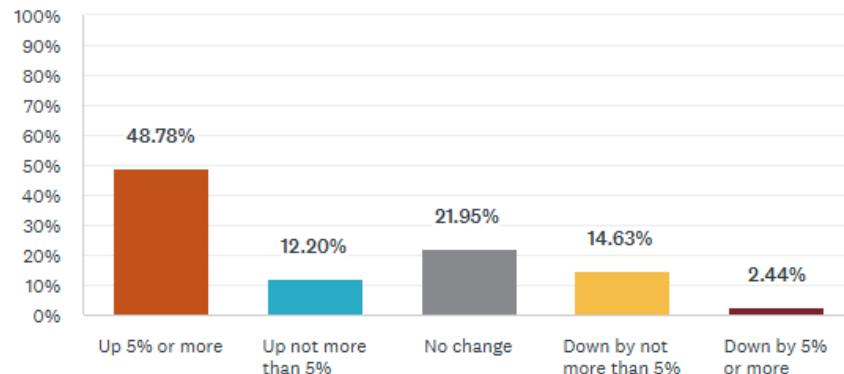


Q20: How to you anticipate sales volumes (like for like sales) will change...

During Q3 2025



During 2025



Comment:

"Last 2 surveys have concentrated on the construction industry, what other markets/channels are showing growth and any new ones that we should try and tap in to with future product development."

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