

EDA State of the Sector Survey Wholesaler Feedback: Q4 2025 October





State of the Sector Survey Wholesaler Feedback: Q4 2025

These are the responses from EDA Wholesaler businesses as part of the Q4 EDA State of the Sector Survey 2025.

The results were presented at the EDA's Talking Shop on Friday 7 November 2025.

This survey attracted 74 responses, a 28% response rate.

As of 1 November 2025 the EDA has 260 wholesaler members, plus the head offices of the 4 buying groups.

There is a separate survey for EDA Manufacturers.

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[Q18: Has there been any change in demand for the following products in Q3 2025 compared to Q2 2025? Ranked by 'Significantly increased'. Page 1 of 2](#)

[Q18: Has there been any change in demand for the following products in Q3 2025 compared to Q2 2025? Ranked by](#)

['Significantly increased'. Page 2 of 2](#)

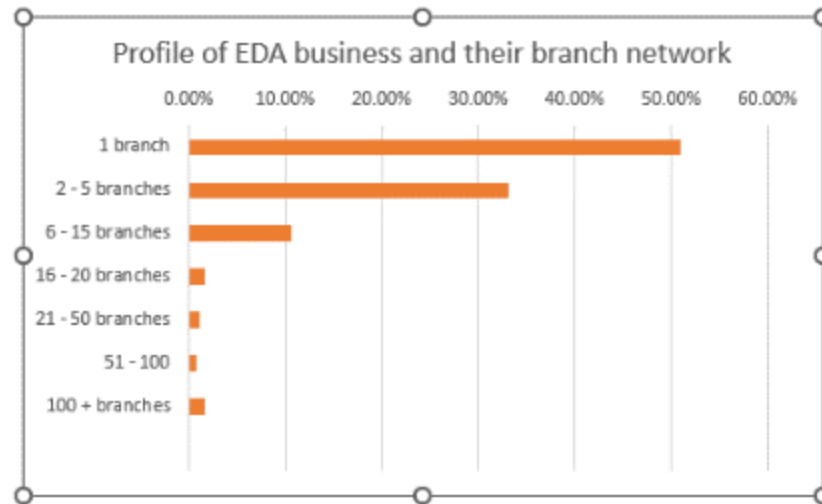
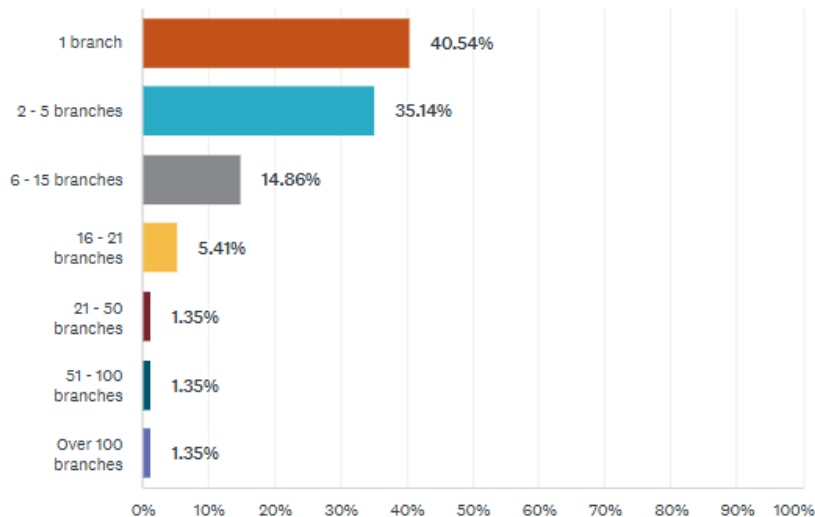
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[Q19: How do you anticipate sales volumes \(like for like sales\) will change in Q4 2025 and in 2026.](#)



Q1: How many branches do you have?

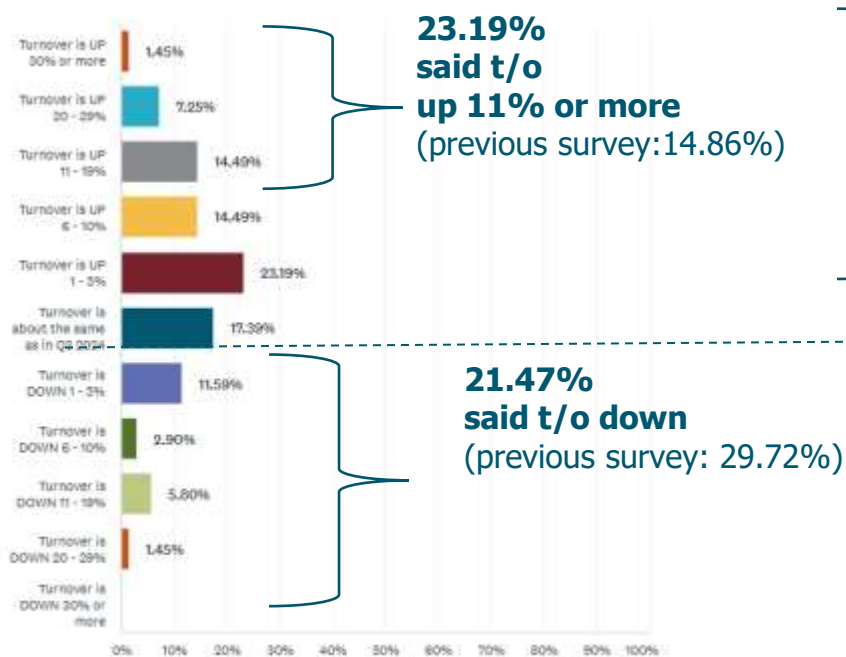


As at 1 November 2025 the EDA has 260 member wholesalers, plus 4 buying group head offices. Collectively, EDA wholesalers run 1,907 branches across the UK.

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Q2: How does turnover in Q3 2025 compare with Q3 2024?

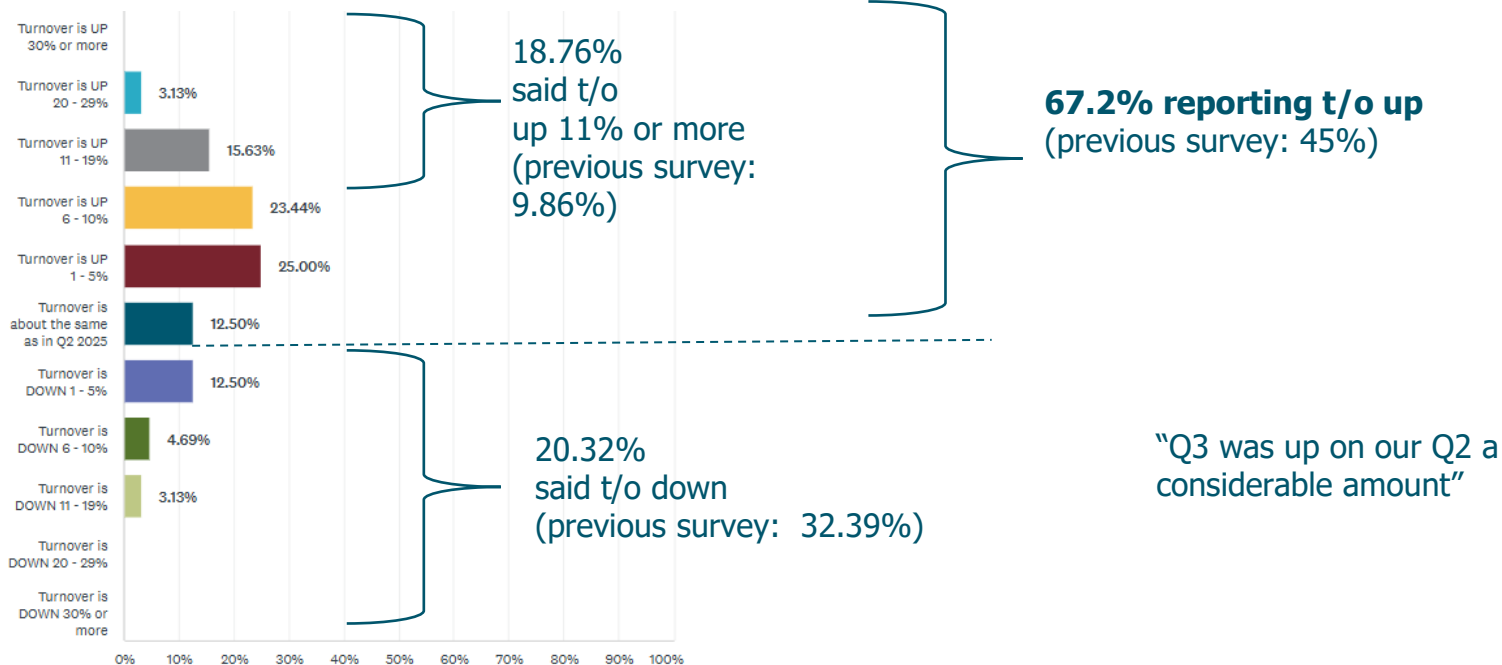


60.87%
Reporting t/o up
(previous survey: 55%)

“New branch opened – helped turnover of the company”

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Q3: How does turnover in Q3 2025 compare with Q2 2025?



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Q4. Have you experienced a change in turnover in Q3 2025 compared to Q2 2025 for the following sectors? Ranked by growth (grey band) – arrows indicate comparison with previous survey

Decline No change Growth

Commercial (offices of all types, new and renovation)

New Private housing

Industrial (warehouse and factories)

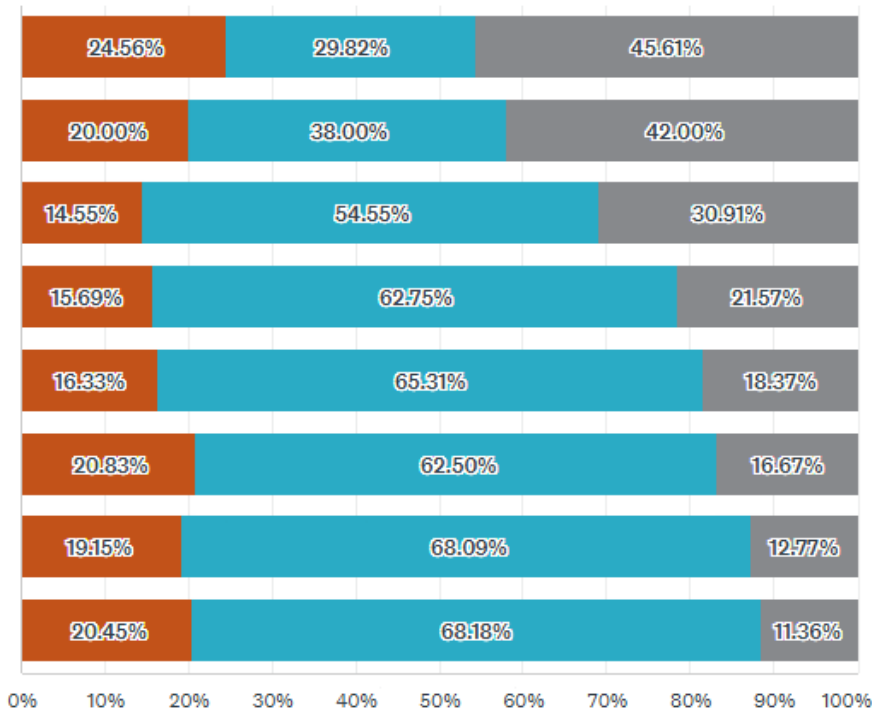
Infrastructure, govt projects, and local authority projects

New Public housing

Public non-housing

Private housing RM&I

Public housing RM&I



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Q4: Comments on particular areas of growth

“Industrial”

“Solar PV and Battery Storage”

“Renewables and e-commerce”

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



	October 2024	January 2025	April 2025	July 2025	October 2025
1	Online prices making margins tight	Inflation in business overheads and passing these on to customers	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	Online prices making margins tight	Increasing business overheads
2	A general downturn in demand	Online prices making margins tight	Online prices making margins tight	Inflation in business overheads and passing these on to customers	Delays to project starts
3	Inflation in business overheads	Upward pressure on all wages driven by the increases in National Living Wage and National Minimum Wage on my overall wage bill	Difficulties attracting and recruiting staff	Upward pressure on all wages driven by the increases in National Living Wage and National Minimum Wage on my overall wage bill	Downturn in market demand
4				A slowdown in the start of projects	Cash flow related issues
5				Product price increases and passing these on to customers	Difficulties attracting, recruiting or retaining staff

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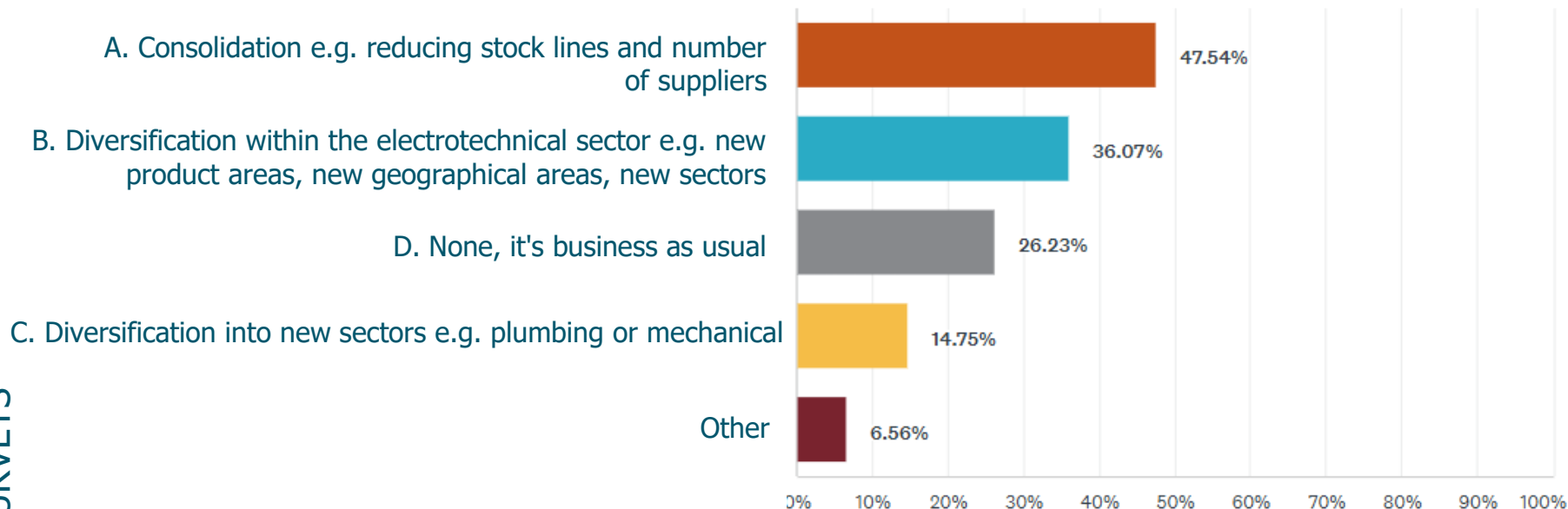
Q5: Comments on operational challenges

“Price erosion online affecting margins.”

“On-Line resellers destroying margin, no brand loyalty and do not grow the market for a manufacturer just shifting the channel it's sold through.”



Q6: Which of the following strategies, if any, is your company adopting to deal with current market conditions? Please tick all that apply.



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Q6: Which of the following strategies, if any, is your company adopting to deal with current market conditions?

Other strategies:

"Improving internal processes to be able to react quicker to customer enquiries and quotes and win a bigger share of their business."

"Pricing at commercially unviable levels."

"Constant investment in ecommerce, whilst having to be ever more competitive. Also have now taken out cyber insurance, an additional £3k+ cost to the business."

"Increasing Stock lines - stock is King."

Comments

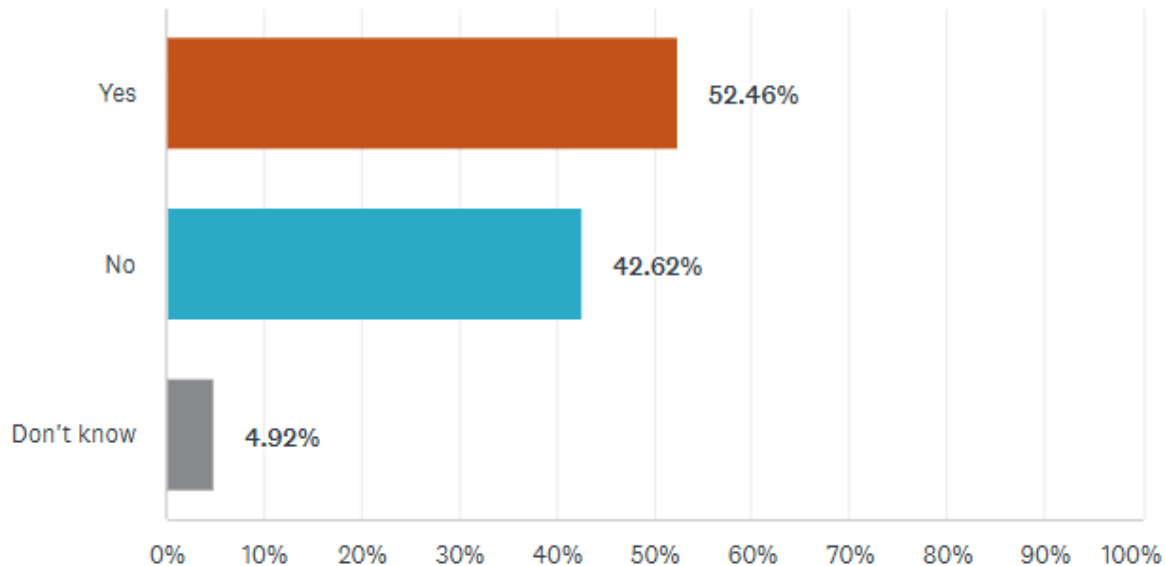
"We are struggling with a high stock provision and end of line stock profiles."

"Looking at renewables and online."

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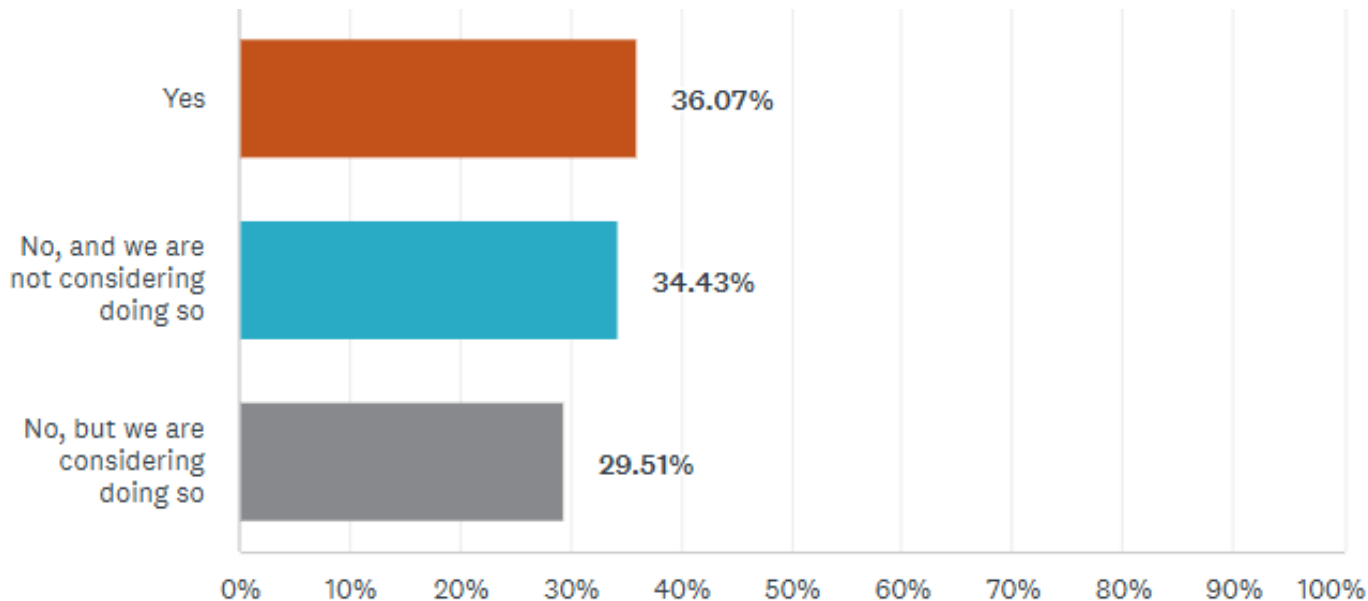
Q7: Does your organisation have a formal cyber security policy in place?



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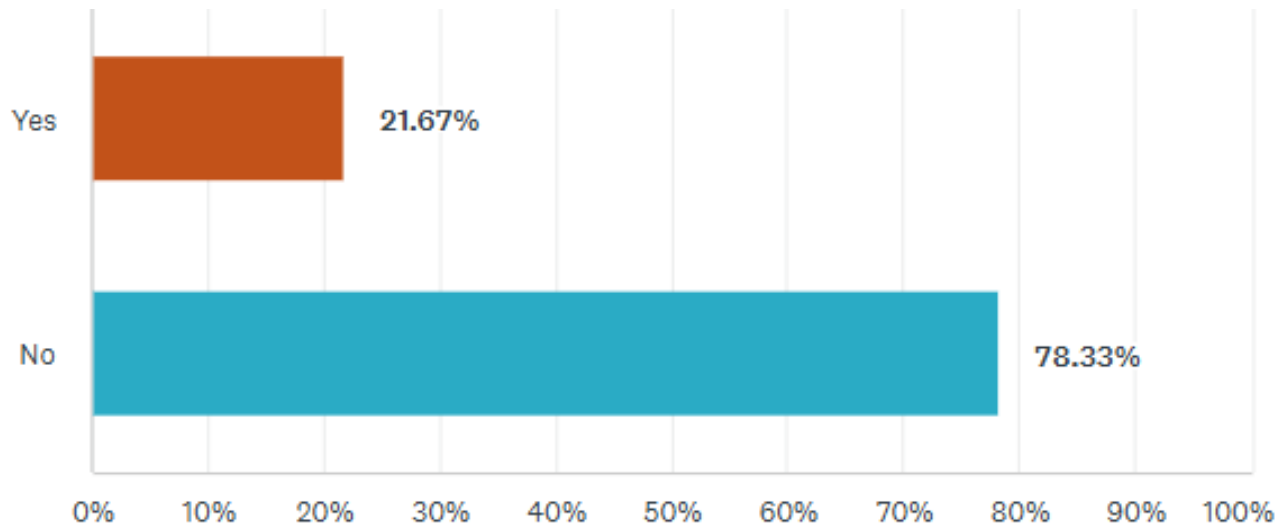
Q8: Does your business employ a cyber security consultancy that helps you proactively monitor your cyber security preparedness?



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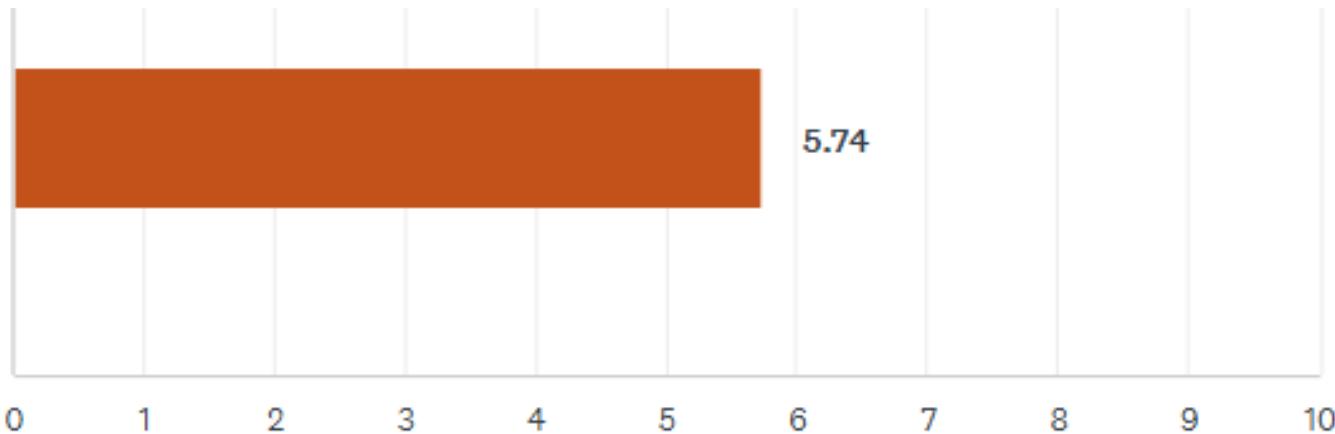


Q9: Has your business been the victim of a cyber incident in the last 12 months?



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Q10: How concerned are you about ransomware or data breaches affecting your business?
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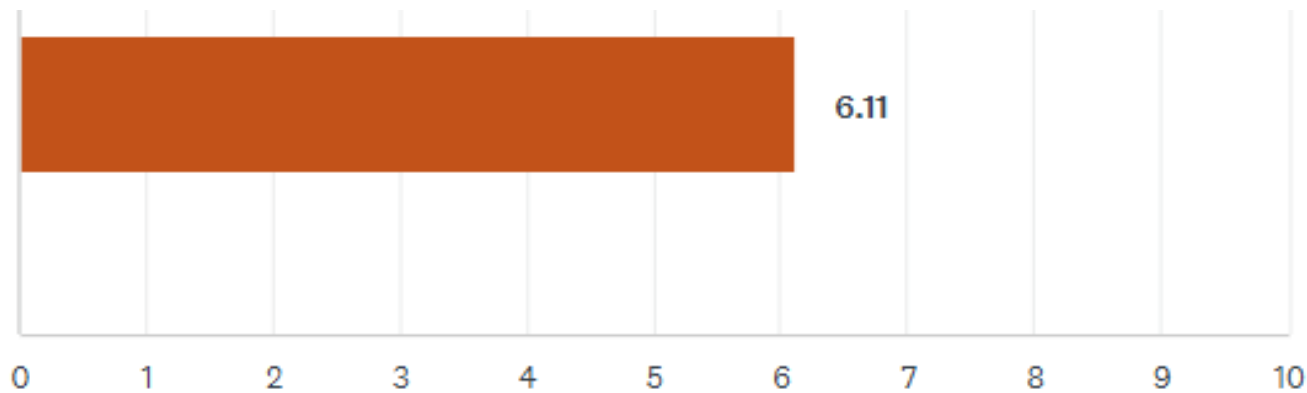


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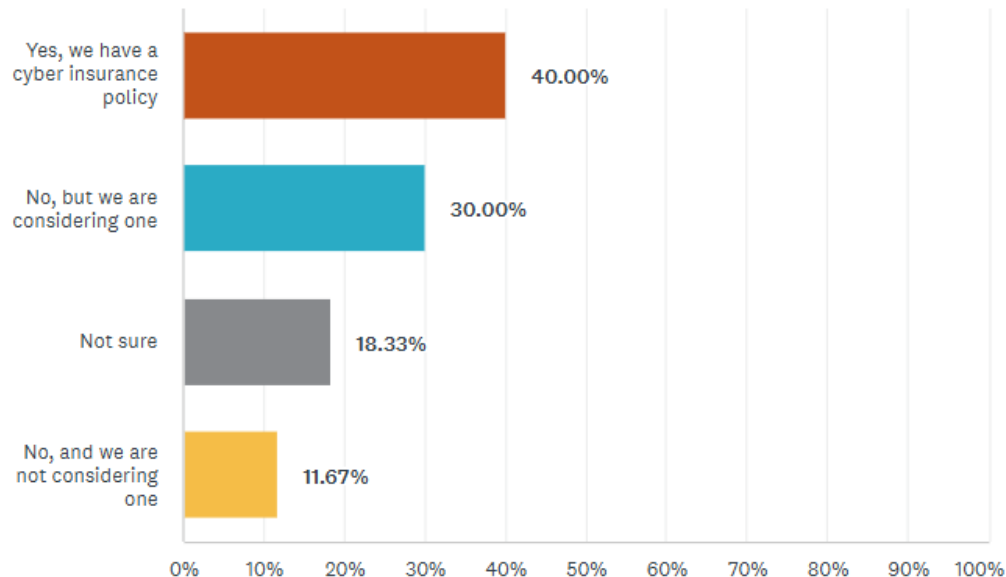




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Q12: Which of the following best describes your organisation's cyber insurance coverage?

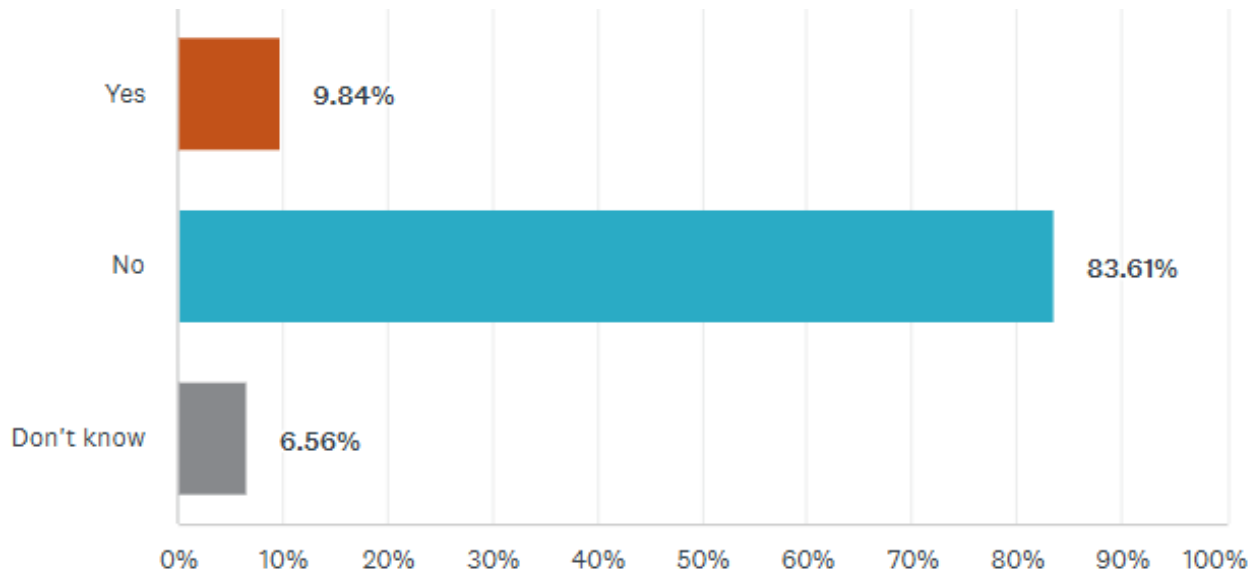


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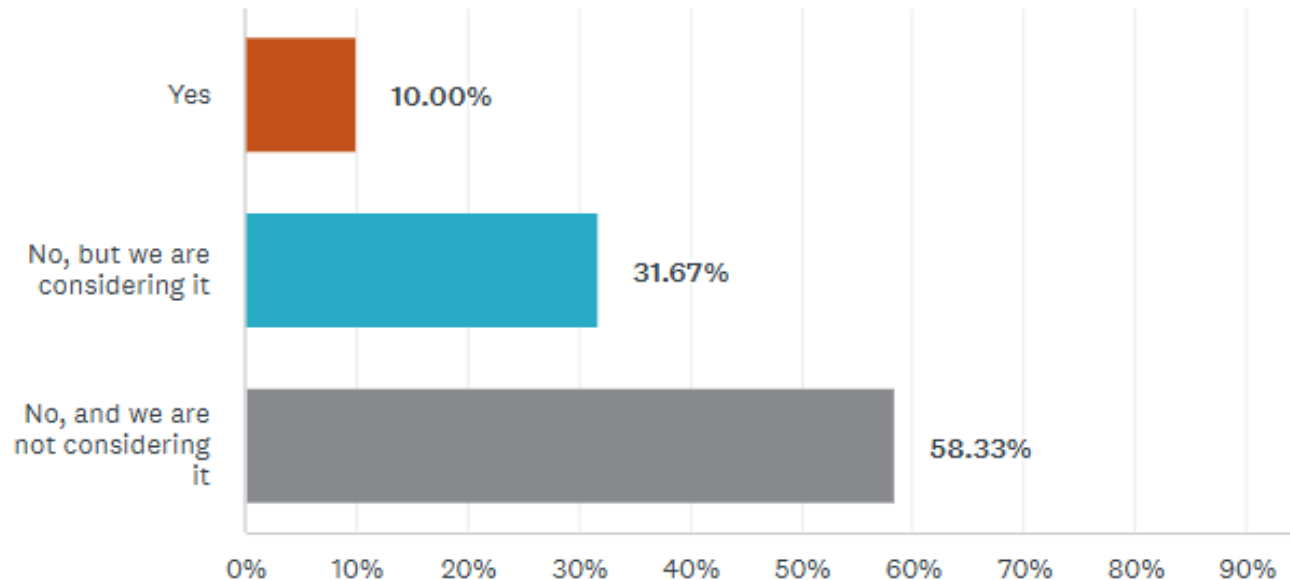


Q13: Are your customers asking for proof of your cyber resilience?



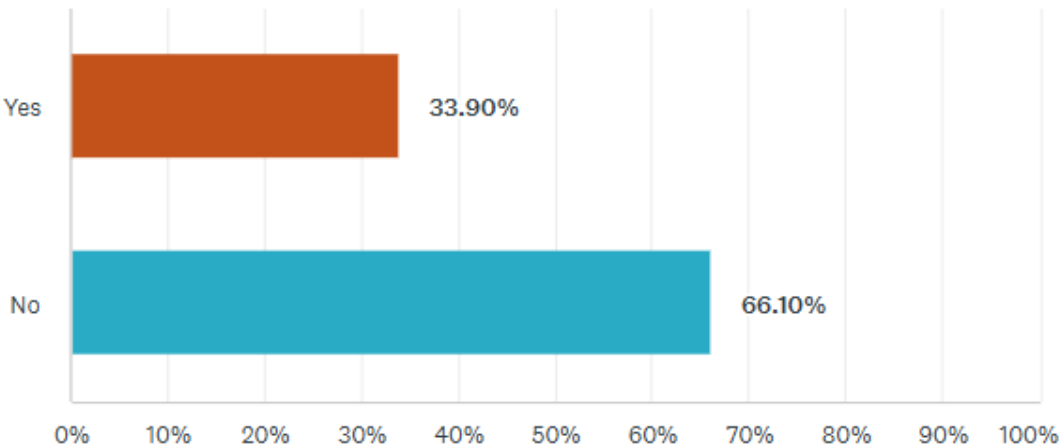
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Q14: Has your business achieved the Cyber Essentials Plus standard?



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Q15: Are you planning to allocate additional budget to cyber security in 2026?



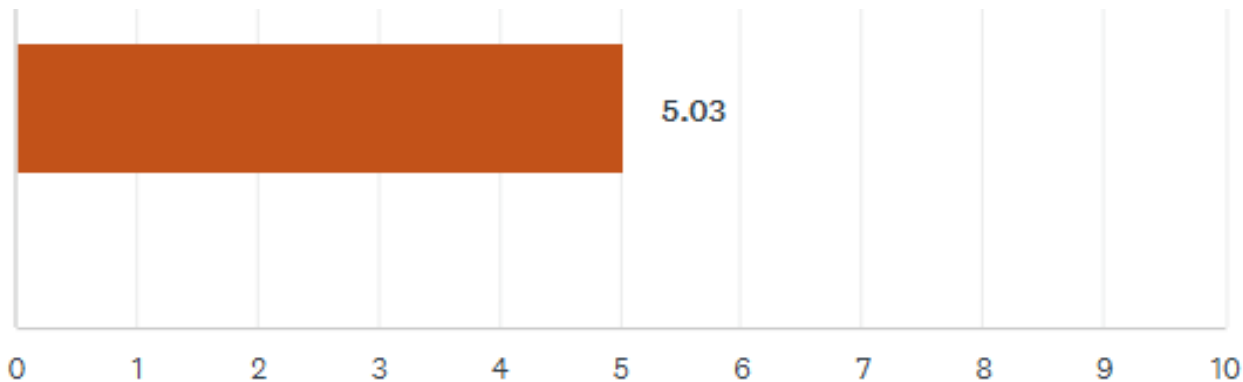
"We are having an IT company manage all our IT infrastructure from 2026 onwards."

"We have already experienced a small malware/relay attack. It's only a matter of time before the next one."

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Q16: On a scale of 1 - 10, how big a problem is bad debt for your business? Please use the slider below where 1 is a minor problem and 10 a major problem.



Q17: In your view, what are the key market conditions leading to customer bad debt?

- Poor business management
- Aggressive pricing on jobs
- Job delays
- Builder not paying on time
- Poor cash flow management of customers, especially small contractors
- Rising cost base to business is having an effect on payments due. Larger business slowing payments to smaller contractors
- Reduced activity - many customers use deposits for future work to pay past debts.
- Cost of living. Customers Prioritising debts and bills. Family, household utility bills etc over wholesaler bills.
- Potential bad debt is always a concern no matter what the market conditions are and our processes are strong in this area to minimize the risk.
- Poor contractor money management and late payment across the supply chain from the end customer through to wholesaler.
- Choice of wholesalers, run up a bill at one and then move onto another - no loyalty
- Customer competence leading to cash flow problems
- Increased business costs, flat market conditions, lack of market price discipline
- Customers taking on jobs without experience
- Contractor mismanagement including the speed of growth
- Increase in running costs, growth strategies without due diligence on cash flow.
- Domino effect usually from poor cash flow leading to insolvency
- Competition - scared to lose customer to competitors so provide service over credit terms.
- Poorly run business, increasing costs and increased competition so margin pressure
- Decline in market
- Cashflow pressures
- Over competitive tendering

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Q17: In your view, what are the key market conditions leading to customer bad debt?

Continued

"Bad Debt has always been an issue for the industry. Often it's the largest house builders at the top withholding monies, which puts strain further down the chain. Likely also that contractors are cutting margins to win jobs, and view the wholesalers as a free banking facility, with limitless credit days."

"Failure of Building Contractors."

"Increase in business overheads. Slow down in the market, jobs being postponed. Customers trying renewables without the finance to cope."

"Clients working on small margins chasing turnover and getting caught up with project delays or a squeeze on rates /prices."

"Companies higher up the food chain going into liquidation and having a knock-on effect."

"The general culture in the industry is a major problem. Late payments are a major inhibitor of growth."

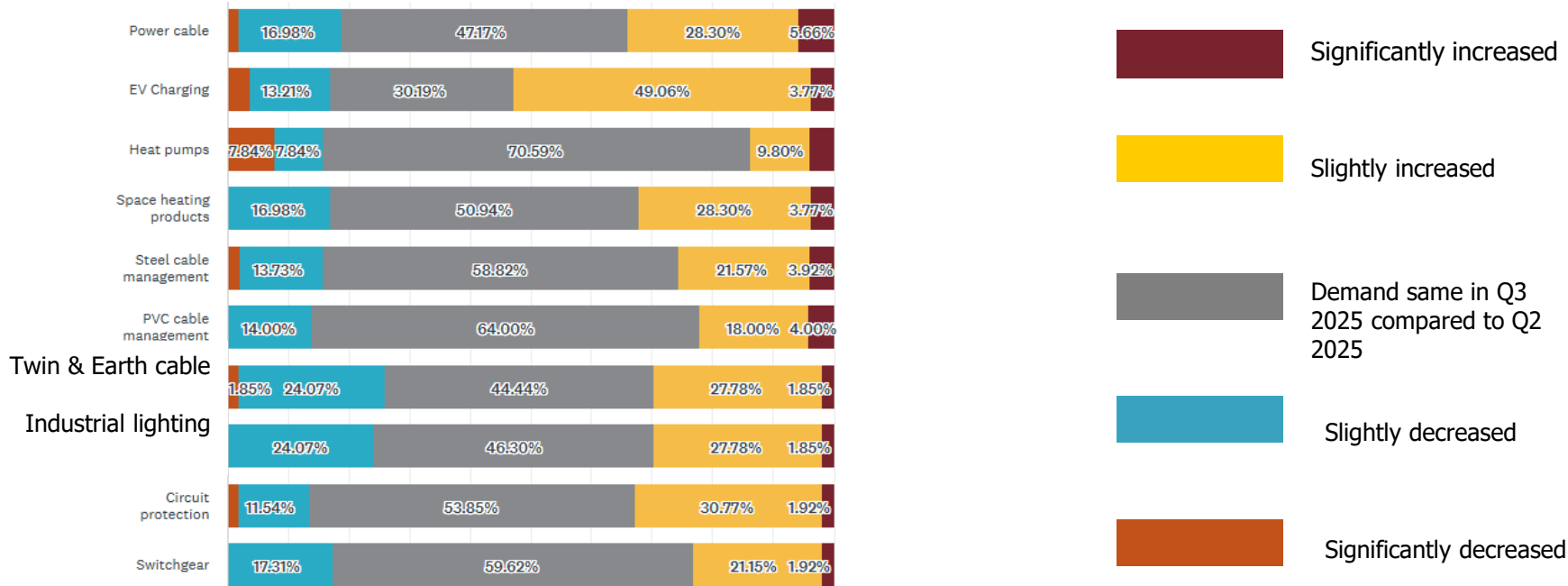
"Individuals should be prevented from starting up a new business following administration/liquidation."

"We remain as tight as we feel we can be in the credit limits and credit terms we give away. You cannot avoid debt if you offer credit."

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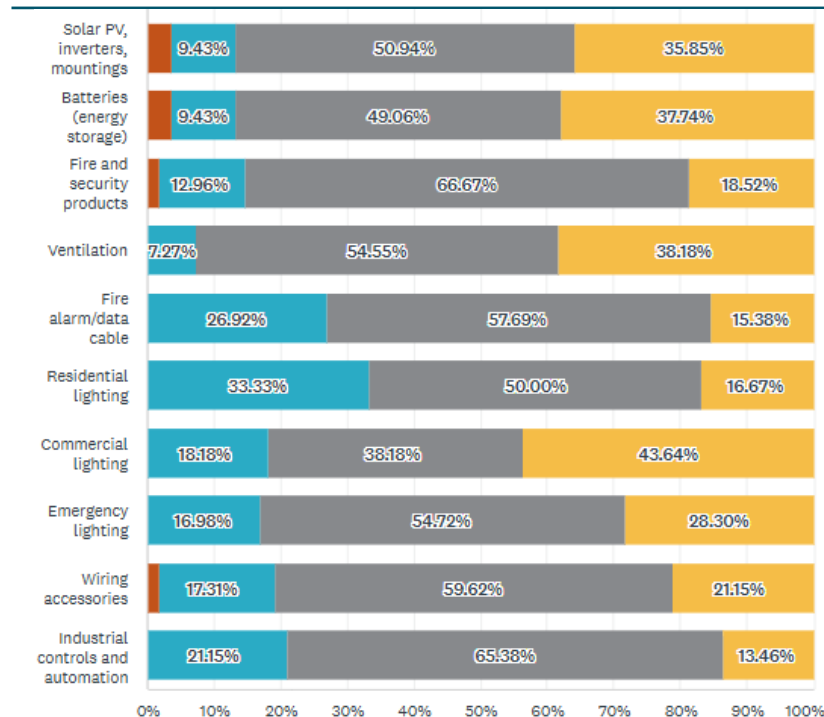


Q18: Has there been any change in demand for the following products in Q3 2025 compared to Q2 2025? Ranked by 'Significantly Increased'. Page 1 of 2

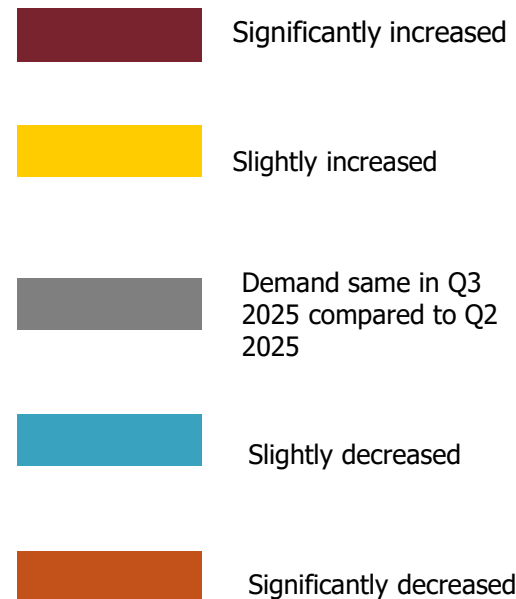


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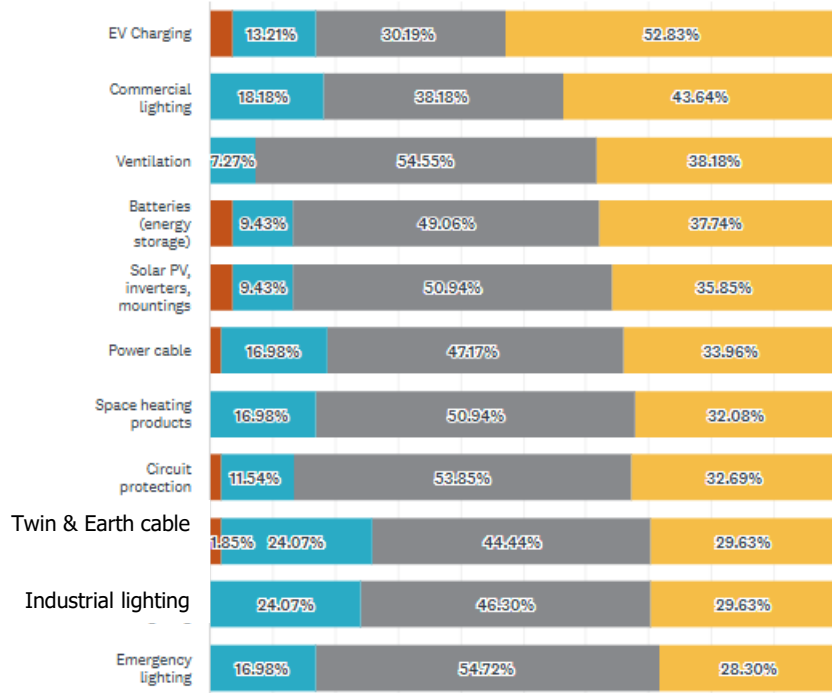


Note: there was no 'Significant increase' reported for these products. See next slide for more information.

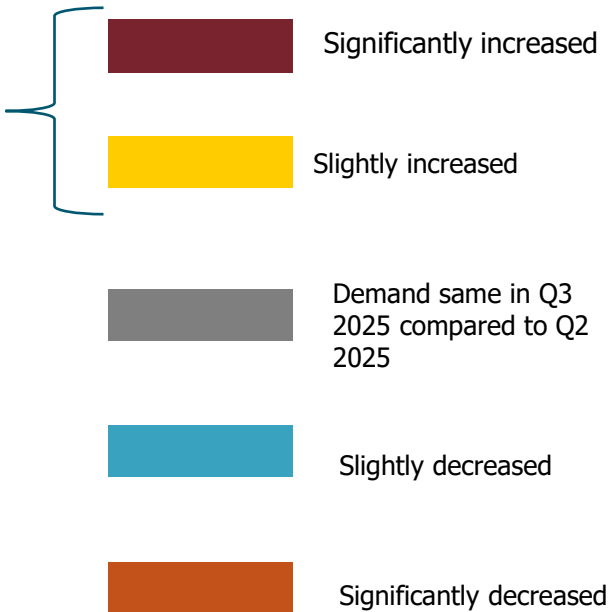


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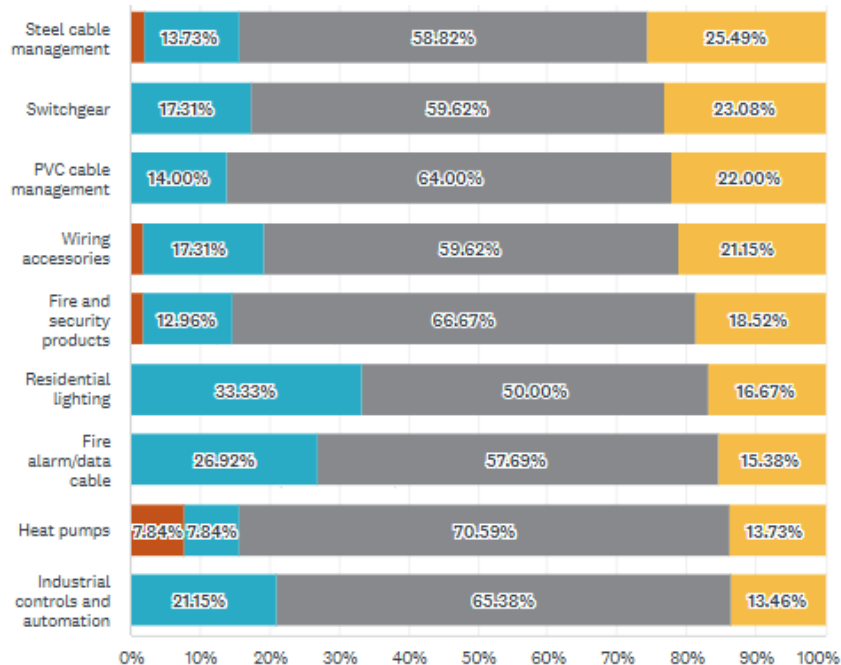


Note: Here we merged 'Slightly increased' and 'Significantly increased' to show a general growth profile.

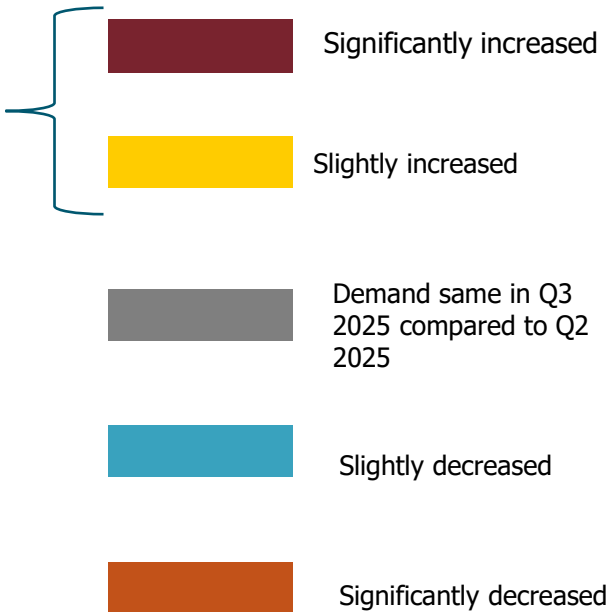


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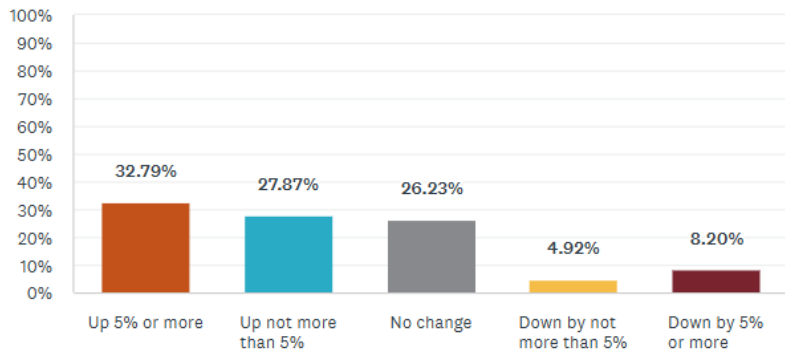
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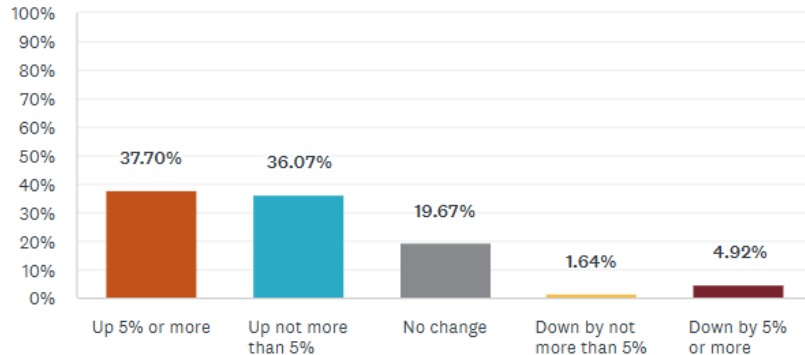
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Q19: How do you anticipate sales volumes (like for like sales) will change...

During Q4 2025



During 2026



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