

“one **industry**
one **voice**”

Builders Merchant Building Index



Monthly report for August 2017

Building the Industry & Building Brands from Knowledge



Contents - 1

Click links below and overleaf to visit pages



Click links to visit pages:	Page
Introduction	5
Overview	6
BMBI Expert Panel	7
Monthly data:	
Monthly BMBI indices, by category	8
Monthly index chart, unadjusted and adjusted for trading day differences	9
August index chart, by category	10
Monthly year-on-year chart, unadjusted and adjusted for trading day differences	11
August year-on-year sales index chart, by category	12
August v July sales index chart, by category	13
August v July average sales per day index chart, by category	14
Quarterly data:	
Quarterly BMBI indices, by category	15
Quarter 2 index chart, unadjusted and adjusted for trading day differences	16
Quarter 2 index chart, by category	17
Quarter 2 average sales per day index chart, by category	18
Quarterly indices, by categories	19
Quarter 2 year-on-year chart, unadjusted and adjusted for trading day differences	20
Quarter 2 year-on-year sales index chart, by category	21
Quarter 2 year-on-year average sales per day index chart, by category	22
Quarter 2 v Quarter 1 sales index chart, by category	23
Quarter 2 v Quarter 1 average sales per day index chart, by category	24

Continued over the page...

Click links above and overleaf to visit pages. The 'Contents' link below brings you back to this page.

Contents - 2

Continued: click links below to visit pages



Click links to visit pages:	Page
Full Year data:	
Latest 12 months compared with previous 12 months chart, by category	25
Monthly Category Charts:	
Timber & Joinery Products	26
Heavy Building Materials	26
Decorating	27
Tools	27
Workwear & Safetywear	28
Ironmongery	28
Landscaping	29
Plumbing, Heating & Electrical	29
Renewables & Water Saving	30
Kitchens & Bathrooms	30
Miscellaneous	31
Services	31
Methodology	32 - 34
Contacts	35

Quarterly reports contain additional analysis, macro-economic factors and expert comments. Click the images below to read or download the Q2 report.

Monthly and Quarterly Indices
June 2017 and Q2 2017

Workwear & Safetywear

Workwear & Safetywear - Quarterly

Macro factors impacting Merchants

GfK Insights

Product group insights at feature by brand level are available. Enabling informed strategic and tactical decision making.

- Total Disposable products share up 4.6% of total GBH sales
- Paint & Woodwork is 31% of all Construction
- Total Paint category is worth £12.1bn of sales
- Emulsion Paint is 65% of Total Paint, £7.92bn
- White

Consumer Confidence Index

Expert Panel
Roof Windows
(Part of Timber & Joinery Products)

John Duffin, Managing Director Keylite Roof Windows is BMBI's Expert for Roof Windows.

With so many political and economic factors complicating up in the air at present it is fair to say 'change' has become the new normal. In this respect it's a good time for merchants and manufacturers to be actively engaged with customers and in-line with their changing needs.

It's positive that the BMBI index continued to show modest growth. Roof Windows are doing better than the market average with growth outpacing figures holding up in quarter 2 reflecting the relative strength of RM.

There is a regional variation in performance demonstrated by the fact that average house prices in the UK vary by a factor of almost four between the highest and the lowest regions, and underlines more than ever the national average.

The industry faces the double whammy of an aging construction work force and likely Brexit restrictions on future labour movement. Rightly so, reaching for developing new, highly efficient products which are simple to install and meet the performance needs of end users, via labels, launching new, added value products in the best way to make a positive impact on the market and investment should be the industry's primary focus.

For merchants, these new, added value products are a chance to engage and stay relevant with customers but merchants must also plan to develop new ways to service a more tech savvy customer. This will become a growing challenge as the market has to look increasingly towards alternative ways of access to the trade and their customer groups.

Brexit's impact on sterling is already a reality, forcing price increases and inevitably weakening consumer spending power in the coming year as prices creep up in contrast to wages. We all face challenges ahead and the message has to be that, in this changing world, our members, clients, and our businesses must be resilient.

"Roof Windows are doing better than the market average with growth outpacing figures holding up in quarter 2 reflecting the relative strength of RM."

Introduction



This Builders Merchant Building Index (BMBI) report contains data from GfK's ground-breaking Builders Merchants Panel, which analyses data from over 80% of generalist builders' merchants' sales throughout Great Britain. GfK's Builders Merchant Point of Sale Tracking Data sets a gold standard in reliable market trends. Unlike data from sources based on estimates, or sales from suppliers to the supply chain, this up-to-date data is based on actual sales from merchants to builders and other trades.

BMBI trend data is indexed on the 12 month period July 2014 to June 2015. The monthly series tracks what is happening in the market month by month and includes an in-depth review every quarter. This trend series gives the industry access to far more accurate and comprehensive insights than that available to other construction sectors.

MRA Marketing produces the Builders Merchant Building Index, a brand of the BMF, to communicate to the wider market as the voice of the industry as well as the voice of individual Expert Brands: Crystal Direct, Keylite Roof Windows, Timbmet, Alumasc Water Management Solutions, Hanson Cement, IKO PLC, Keystone Lintels, Knauf Insulation, Encon Insulation, Ibstock, Natural Paving Products and Heatrae Sadia, who provide valuable commentary on market trends and influences.

More data available

This BMBI report provides valuable top-level indices but there's considerably more data available. GfK insights go much deeper and include sales value data. GfK can quantify market values and drill down into contributing categories, tracing product group performance, to focus on aspects that are critical to you.

GfK can also produce robust like-for-like market comparability tailored to the requirements of an individual business. As more merchants join to submit their monthly sales-out data the quality of this information can only become more extensive and rigorous. Merchants or suppliers who are interested in acquiring data or getting involved should contact Richard Frankcom at richard.frankcom@gfk.com.

The BMBI website enables you to compare Landscaping trends with Heavy Building Materials, or Kitchens with Timber on our interactive charts.

Download current and past reports, read the news or search through comments or blogs at www.bmbi.co.uk. Follow us and the Experts [@theBMBI](https://twitter.com/theBMBI).

Overview

August growth continues a positive summer for merchants

Year on year

Total Builders Merchant value sales were up 5.8% in August 2017 compared with August last year, on an identical number of trading days. Seven categories did better, including Kitchens & Bathrooms (+11.1%), Ironmongery (+9.5%) and Heavy Building Materials (+6.3%). All twelve categories sold more this year and Decorating had its highest sales in the last 12 months.

Month on month

Sales in August were 1.1% better than July, helped by one extra trading day. Plumbing Heating & Electrical (+6.2%) and Workwear & Safetywear (+5.6%) were among eight stronger categories. Only tools (-0.7%) and Landscaping (-5.5%) sold less.

Average sales per day, which mitigate for August's additional trading day, were 3.5% below July.

Other periods

The three summer months (June, July and August) were 5.5% ahead of the same period in 2016. Ironmongery (+10.9%) and Kitchens & Bathrooms (+10.7%) did best.

Year to date value sales strengthened, with the first eight months of 2017 4.5% ahead of the same period in 2016 – up from +4.3% YTD in July.

The rolling 12 month period, August 2016 to July 2017, was 4.6% up on the same period a year earlier. Ironmongery (+6.9%) had the best 12-month performance, with Kitchens & Bathrooms (+6.2%) and Landscaping (+6.1%) close behind.

Index

August's Builders Merchant Building Index was 120.5 (113.6 adjusted for trading days). Strongly seasonal Landscaping (133.2) was the top performer for the eighth consecutive month.

For additional, deeper category insights and detailed benchmarking please contact Richard Frankcom at GfK.

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The Expert Panel

Speaking for their markets



The Builders Merchant Building Index (BMBI) includes a growing panel of industry Experts. In each quarterly report they comment on the market, with a particular focus on the story behind the trends. Experts are leading brands, or brands aspiring to become leaders, who are the voice of their markets.

The Q2 2017 report, which includes commentary from our experts is available [here](#)

Meet the Builders Merchant Building Index Experts:

Steve Halford, Group Managing Director, Crystal Direct is BMBI's Expert for PVCU Windows & Doors



Andrew Simpson, National Commercial Director, Hanson Cement is BMBI's Expert for Cement & Aggregates



Mike Beard, Merchant Development Director, Encon Insulation is BMBI's Expert for Insulation Products - Distribution



John Duffin, Managing Director, Keylite Roof Windows is BMBI's Expert for Roof Windows



Andy Williamson, Group Managing Director, IKO PLC is BMBI's Expert for Roofing Products



Tony France, Sales Director, Ibstock is BMBI's Expert for Bricks



Nigel Cox, Managing Director, Timbmet is BMBI's Expert for Timber & Panel Products



Derrick McFarland, Managing Director, Keystone Lintels is BMBI's Expert for Steel Lintels



Paul Rivett, Managing Director, Heatrae Sadia is BMBI's Expert for Water Heating



Steve Durdant-Hollamby, Managing Director, AWMS is BMBI's Expert for Civils, Metal Rainwater & Drainage



John Sinfield, Managing Director, Knauf Insulation is BMBI's Expert for Mineral Wool Insulation



Malcolm Gough, Group Sales & Marketing Director, Natural Paving Products is BMBI's Expert for Natural Stone, Vitrified Paving & Artificial Grass



Monthly: Index and Categories

July 2016* – August 2017

(Indexed on monthly average, July 2014 – June 2015)



VALUE EX VAT £	Index	2016					2017							
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Total Builders Merchants	100	113.7	113.8	112.3	113.6	77.1	94.7	100.5	122.8	106.7	121.1	120.2	119.2	120.5
Timber & Joinery Products	100	112.2	113.3	112.8	113.7	76.1	99.1	100.9	121.2	102.9	117.1	116.7	116.3	118.1
Heavy Building Materials	100	114.4	114.6	113.4	114.1	77.0	94.0	100.1	123.0	106.9	122.5	121.2	120.6	121.9
Decorating	100	112.5	109.8	108.3	110.4	76.3	92.8	97.0	115.6	98.8	111.0	111.8	114.6	116.4
Tools	100	102.4	104.6	106.5	111.3	74.8	97.6	101.7	120.7	97.2	107.0	109.9	109.8	109.1
Workwear & Safetywear	100	98.6	101.0	110.9	133.2	72.6	109.5	102.7	114.1	85.1	101.4	99.4	95.2	100.5
Ironmongery	100	115.8	119.8	118.0	119.9	84.6	107.5	109.4	129.2	107.5	121.6	124.5	125.6	126.9
Landscaping	100	129.2	119.9	110.2	97.2	62.4	71.0	87.7	129.5	138.1	153.1	146.9	140.8	133.2
Plumbing, Heating & Electrical	100	103.6	111.7	116.0	132.4	94.0	114.9	116.1	128.7	98.3	109.7	110	106.6	113.2
Renewables & Water Saving	100	63.1	72.8	61.2	73.4	42.4	68.1	76.2	90.3	68.2	70.2	69.9	66.6	71.1
Kitchens & Bathrooms	100	105.3	111.4	109.4	121.7	83.8	98.1	110.2	123.6	99.3	111.3	118.3	113.7	117.5
Miscellaneous	100	114.5	115.7	113.6	122.2	92.6	113.2	108.8	124.4	103.4	120.5	113.7	117.2	124.4
Services	100	115.2	111.1	108.3	107.1	81.3	87.8	95.0	115.0	100.6	112.4	109.7	110.6	116.1

*Click the web link below to see the complete series of indices from July 2015.

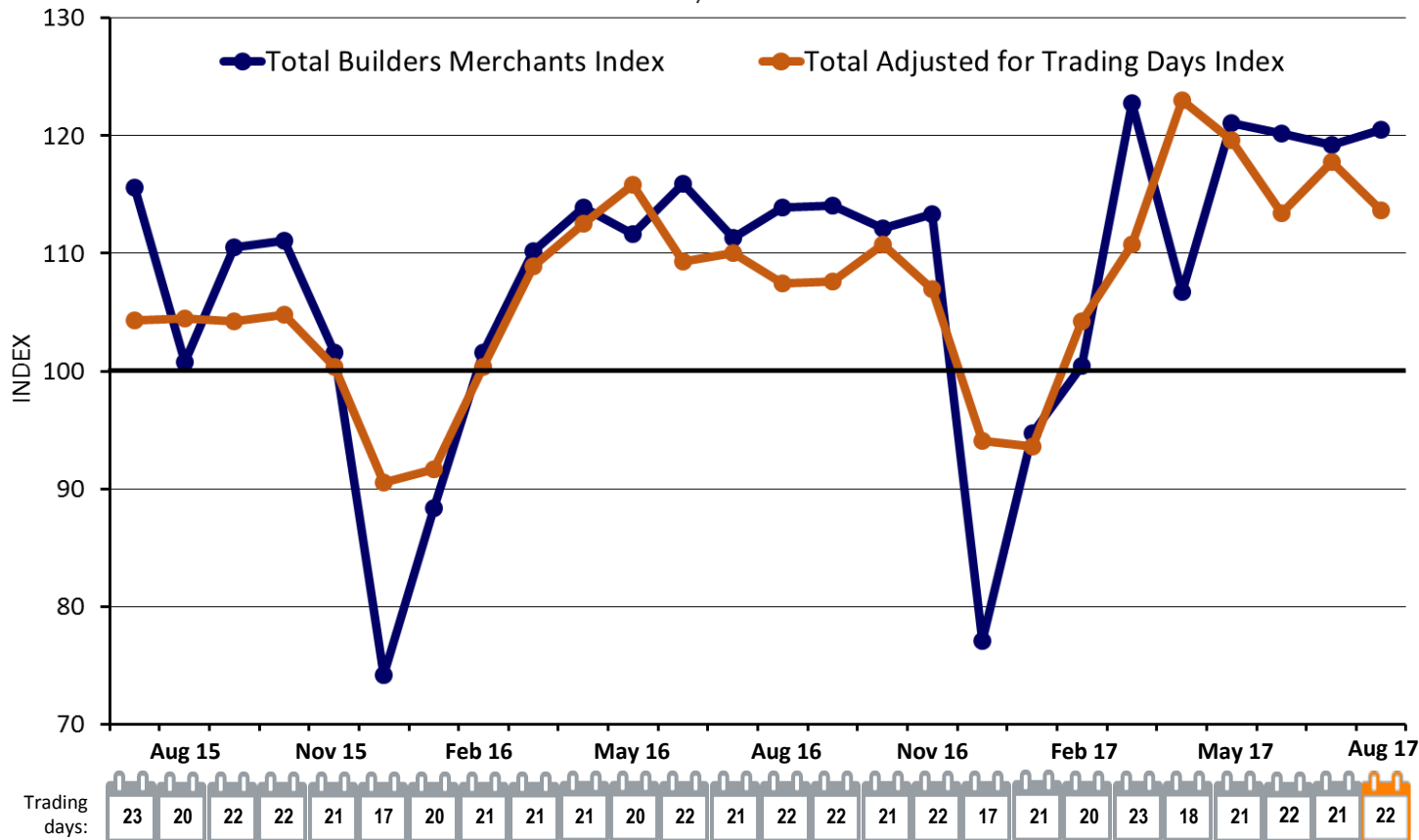
Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Index

Adjusted and unadjusted for trading days

Total Builders Merchants Index v Total Adjusted for Trading Days Index

Indexed on July 2014 - June 2015



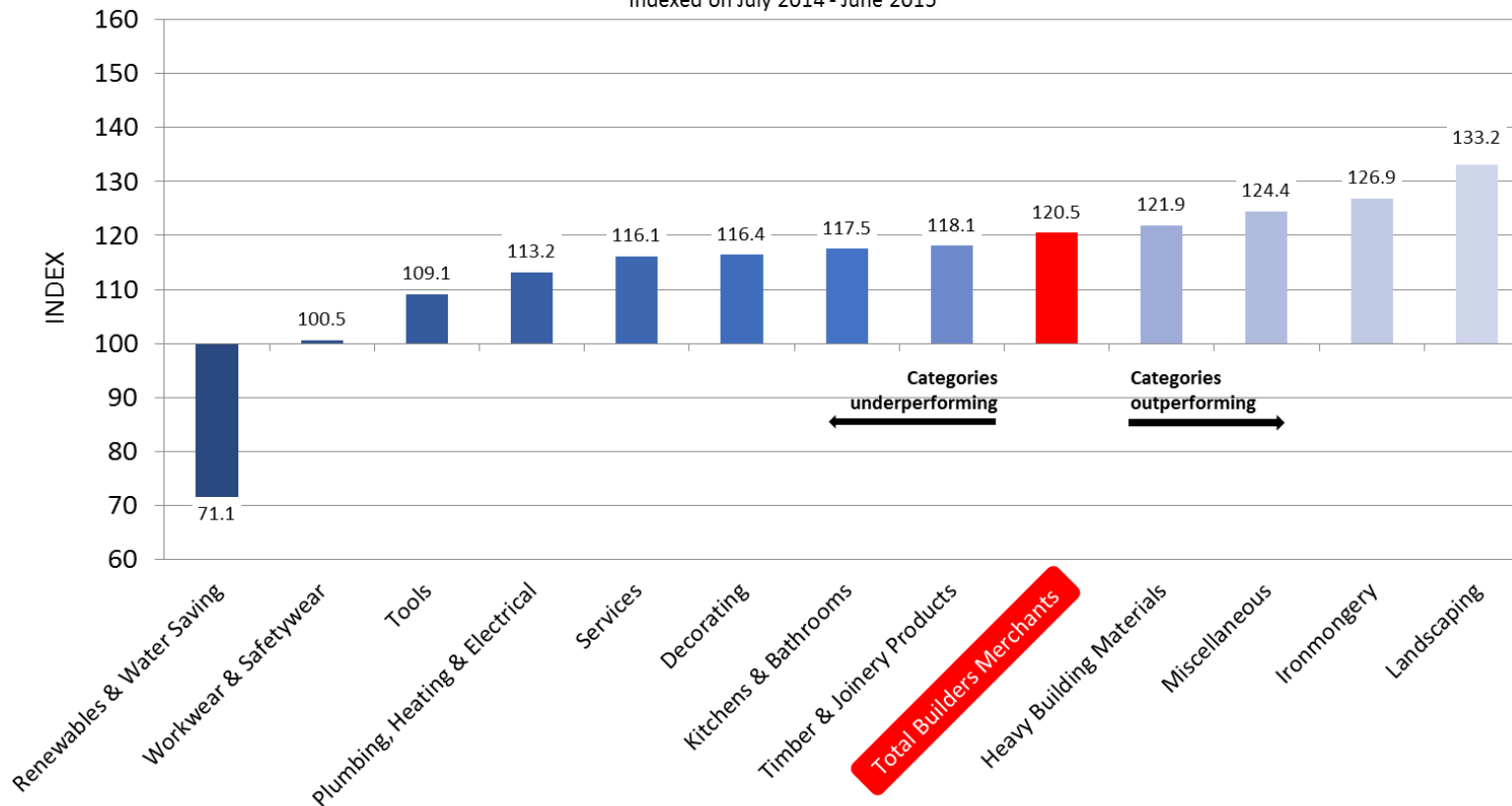
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Index and Categories

August 2017 index

August 2017 Index

Indexed on July 2014 - June 2015

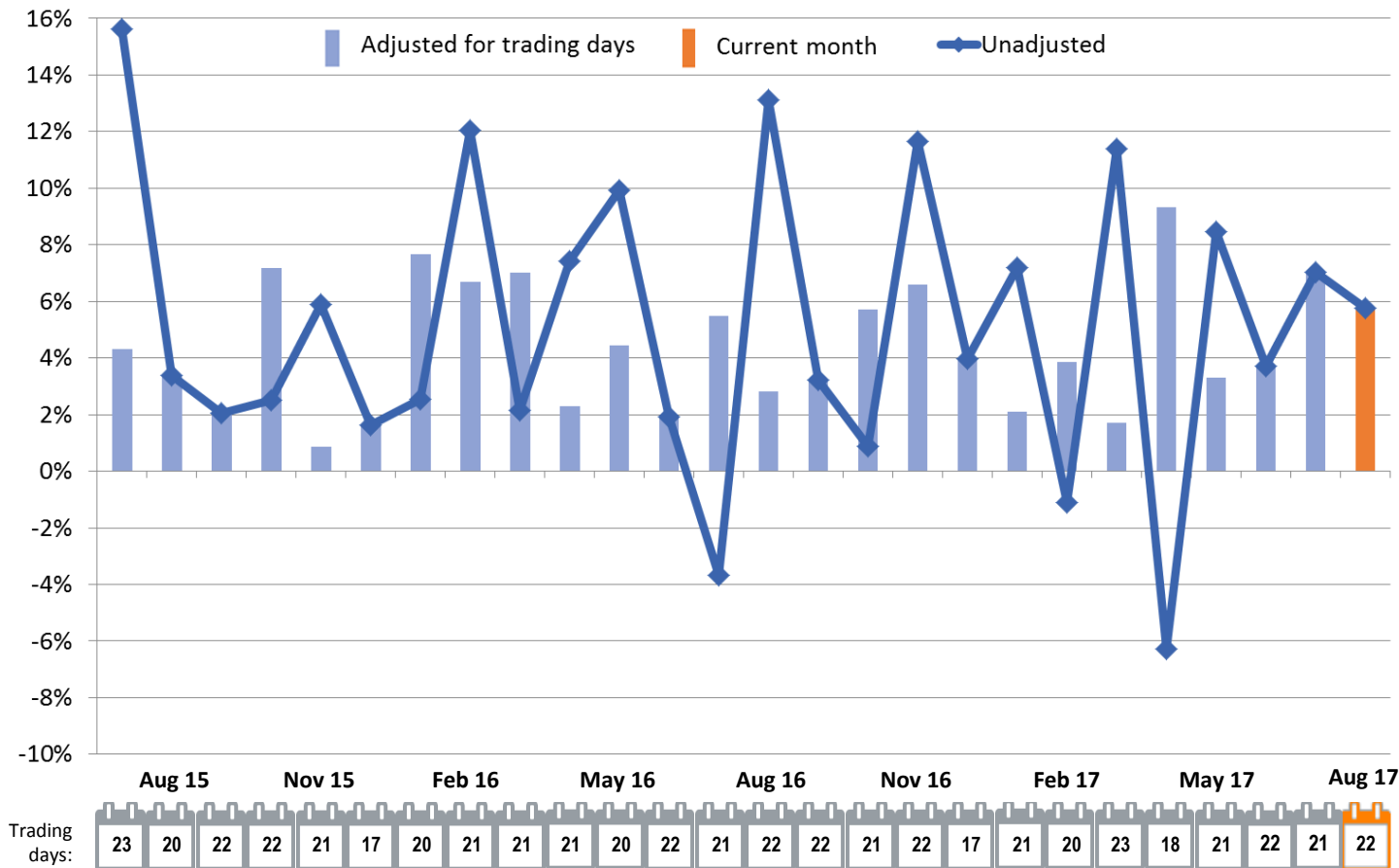


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Sales Indices

Adjusted and unadjusted for trading days

Monthly: Year on Year

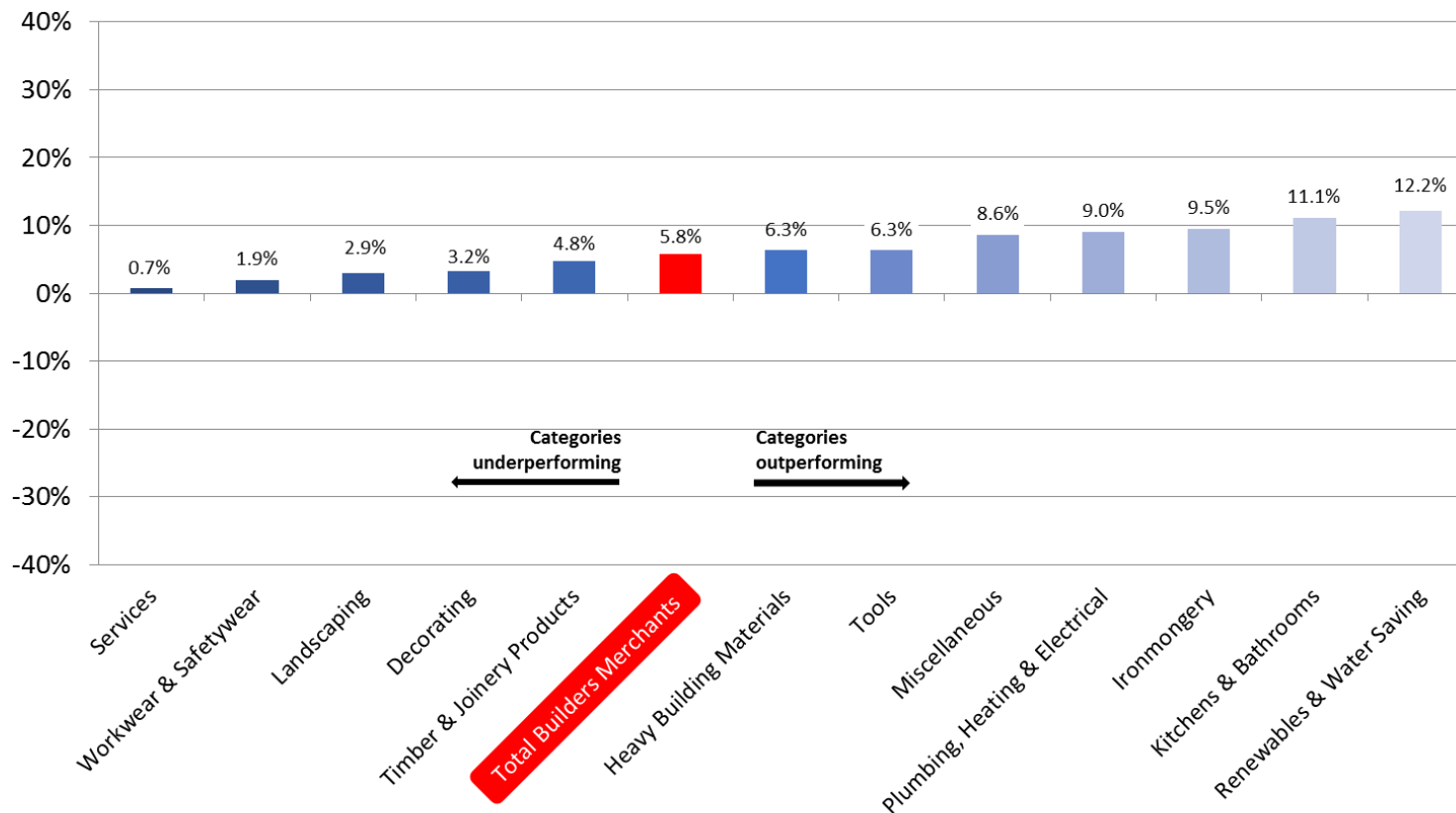


 Source: GfK's Builders Merchants Total Category Report July 2015 to August 2017

Monthly: This Year v Last Year

August 2017 sales indices

August 2017 index v August 2016 index

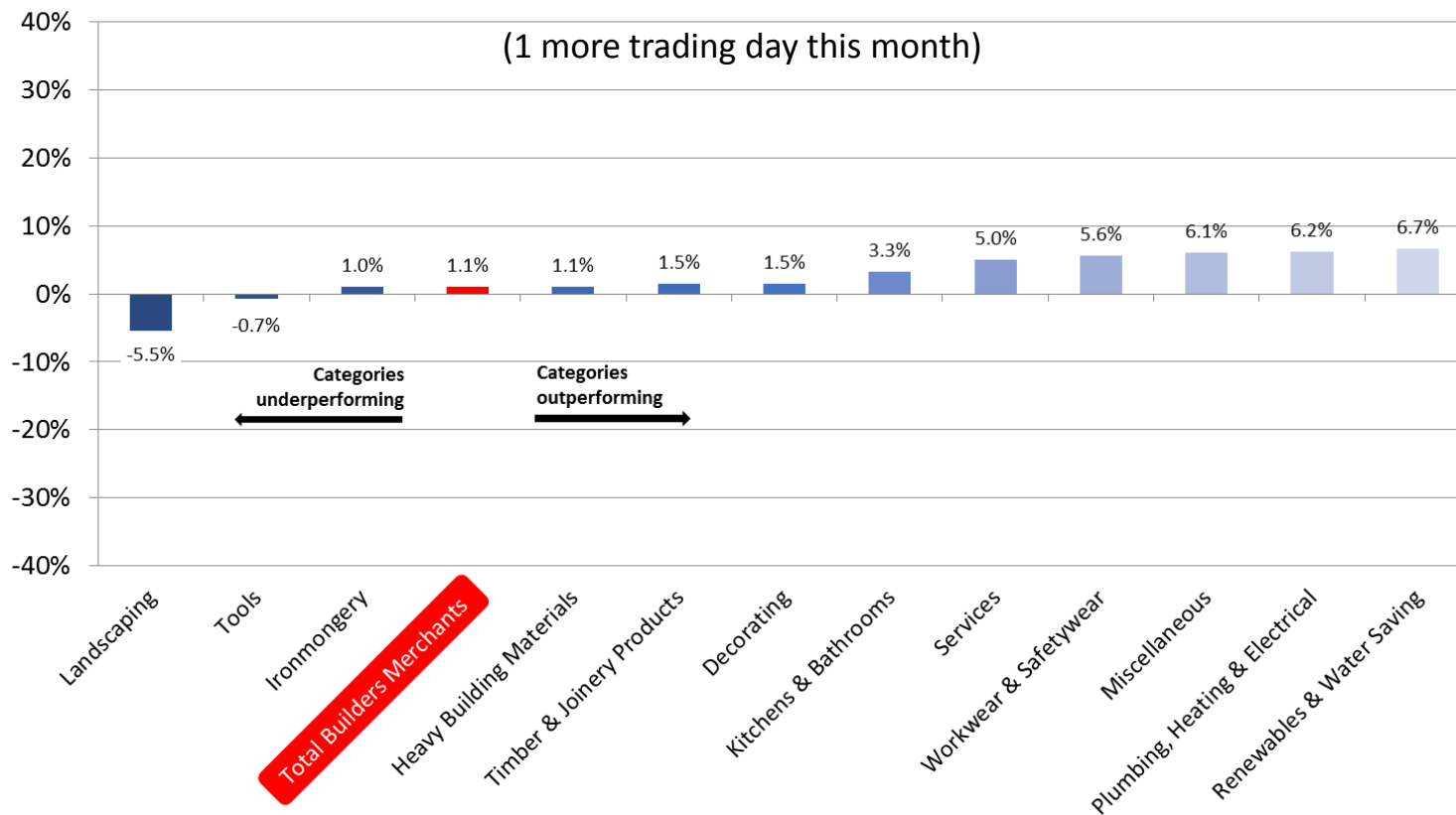


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: This Month v Last Month

August 2017 sales indices

August 2017 index v July 2017 index



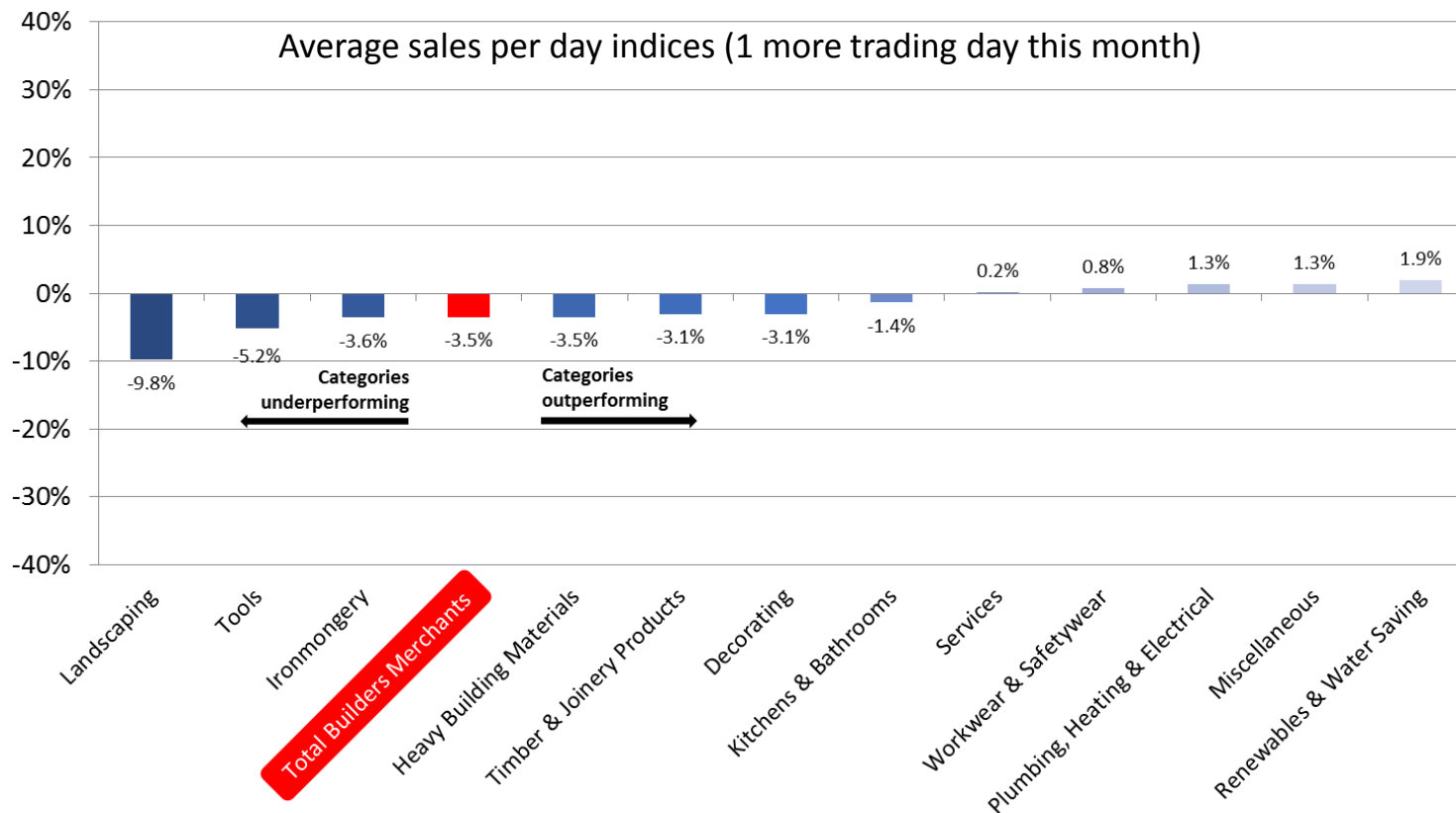
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: This Month v Last Month

August 2017

average sales per day indices

August 2017 index v July 2017 index



 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Quarterly: Index and Categories

Quarter 2 2016* to Quarter 2 2017

(Indexed on July 2014 to June 2015)



VALUE EX VAT £	Index	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017
Total Builders Merchants	100	113.6	112.9	100.9	106.0	116.0
Timber & Joinery Products	100	109.0	111.1	100.7	107.1	112.3
Heavy Building Materials	100	114.1	113.6	101.4	105.7	116.9
Decorating	100	107.0	110.0	98.2	101.8	107.2
Tools	100	103.5	102.8	97.3	106.7	104.7
Workwear & Safetywear	100	100.1	99.4	105.5	108.8	95.3
Ironmongery	100	112.2	115.5	107.4	115.3	117.9
Landscaping	100	142.2	127.0	89.8	96.1	146.0
Plumbing, Heating & Electrical	100	105.2	105.3	113.9	119.9	106.0
Renewables & Water Saving	100	69.1	66.5	59.0	78.2	69.4
Kitchens & Bathrooms	100	104.1	106.1	104.7	110.6	109.6
Miscellaneous	100	111.3	115.1	109.4	115.5	112.5
Services	100	114.7	113.9	98.9	99.3	107.6

*Click the web link below to see the complete series of quarterly indices from September 2015.

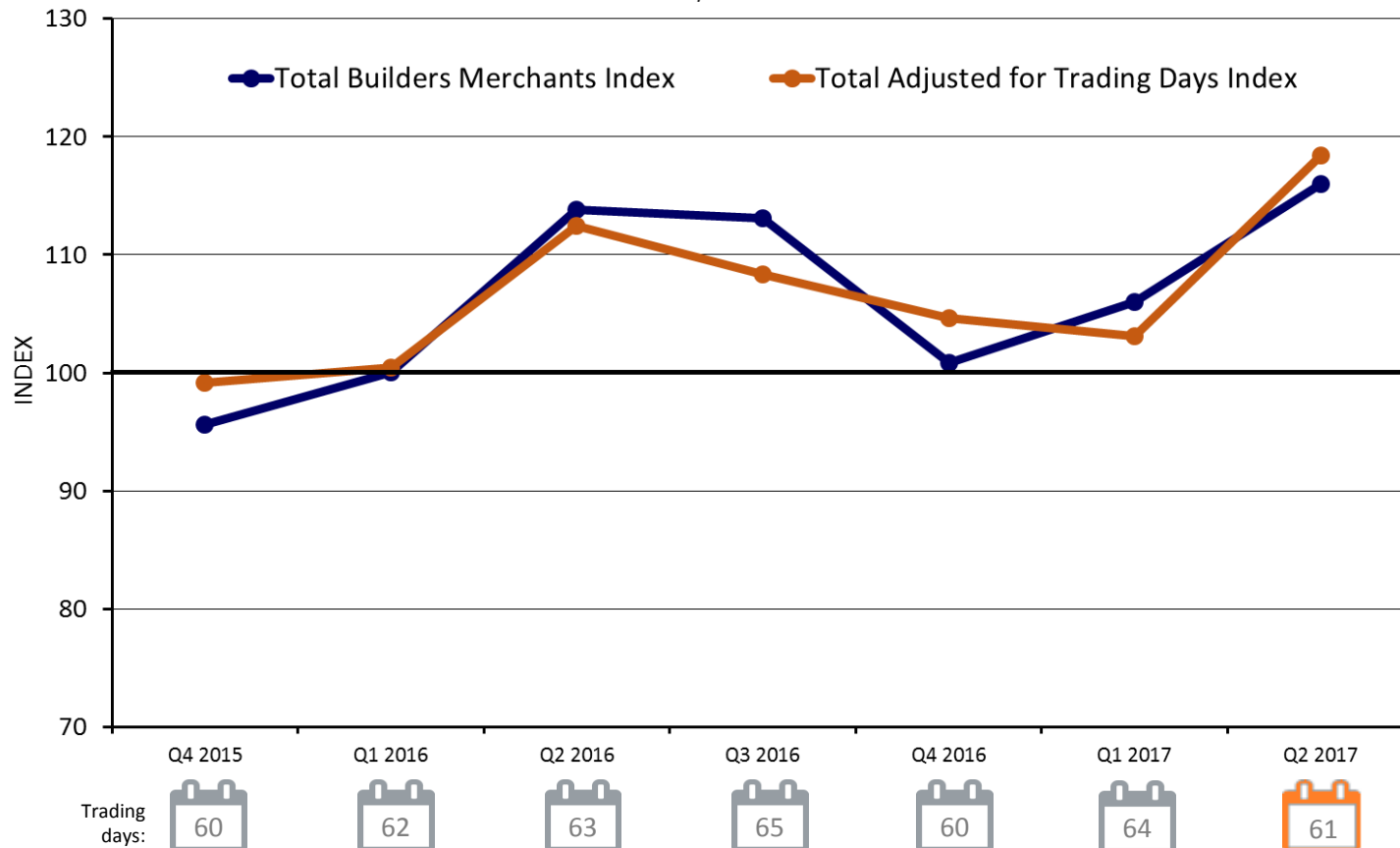
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: Index

Adjusted and unadjusted for trading days

Total Builders Merchants Index v Total Adjusted for Trading Days Index

Indexed on July 2014 - June 2015



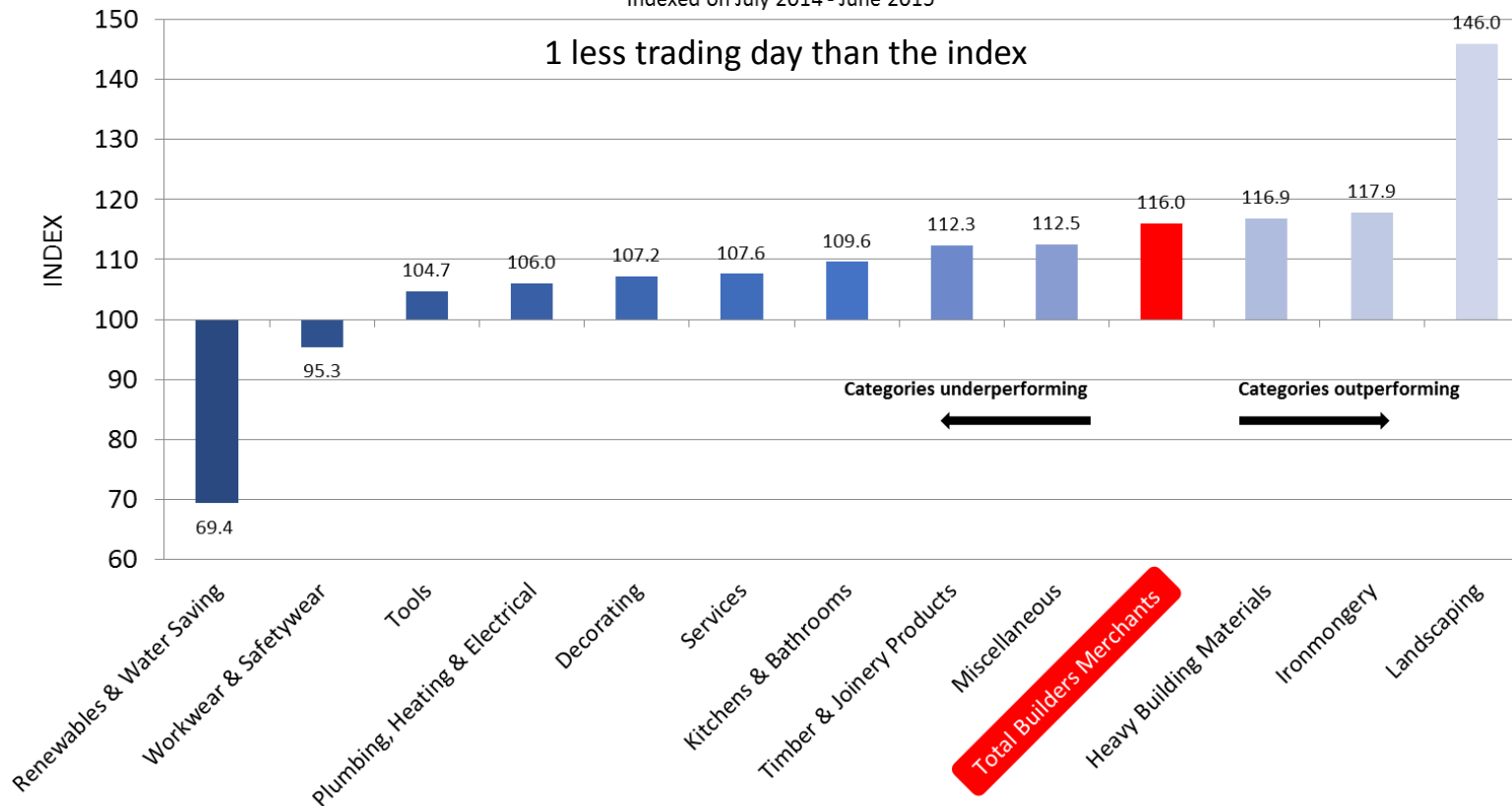
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: Index and Categories

Q2 2017 index

Quarter 2 2017

Indexed on July 2014 - June 2015



 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: Index and Categories

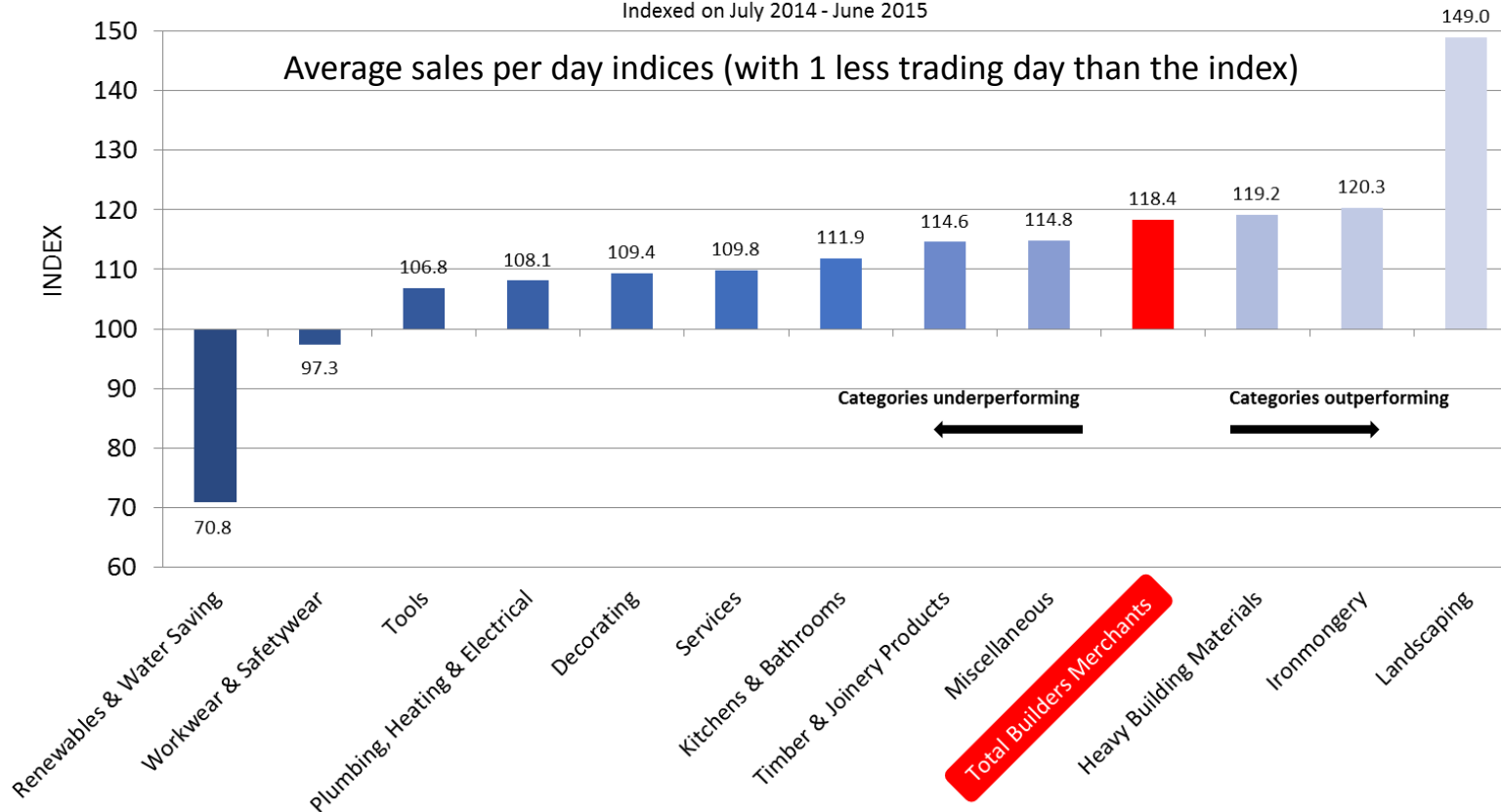
Q2 2017 index

average sales per day



Quarter 2 2017

Indexed on July 2014 - June 2015



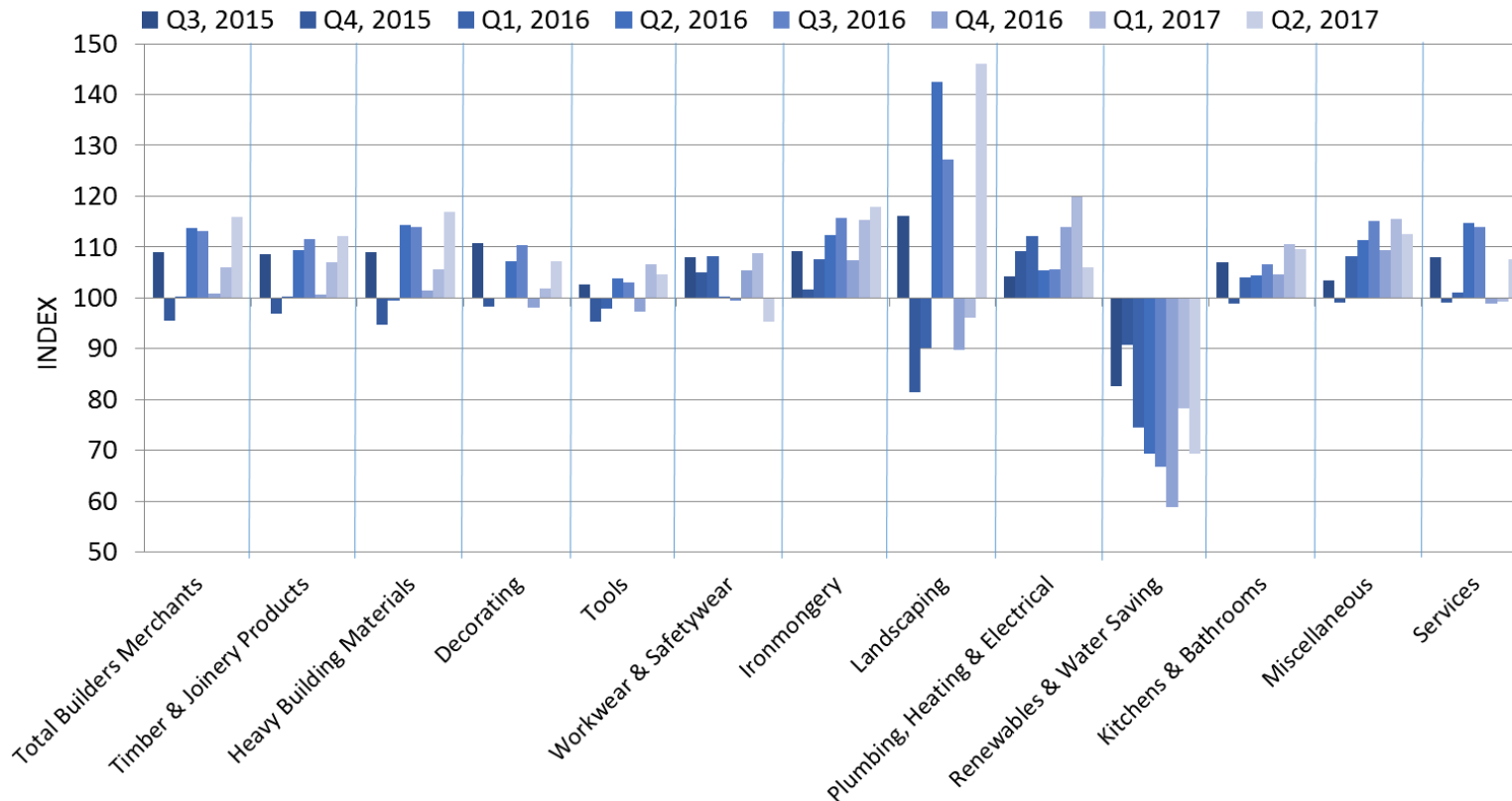
Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: Index and Categories

Quarterly indices

Quarterly Indices

Indexed on July 2014 to June 2015

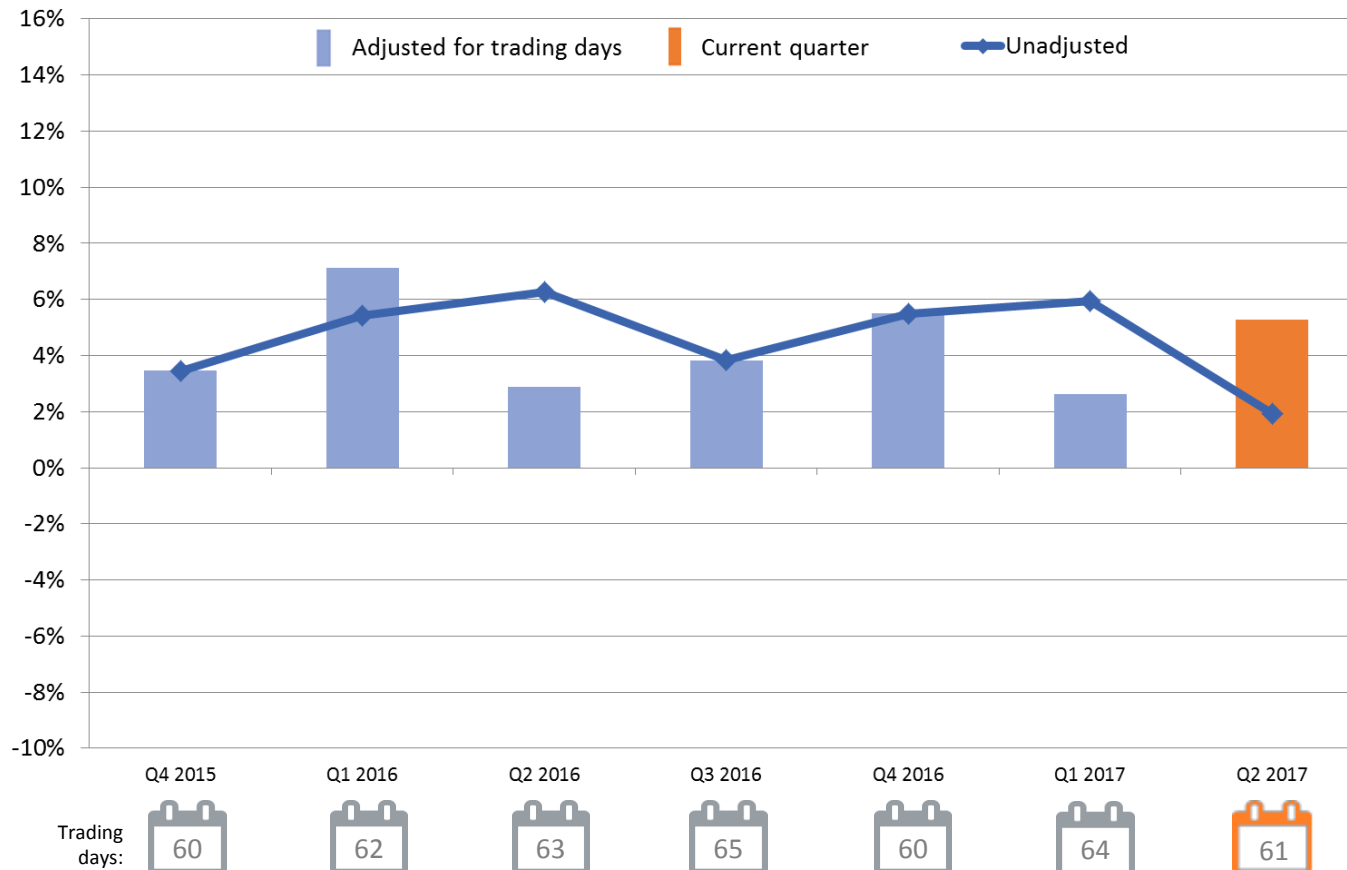


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: Sales Indices

Adjusted and unadjusted for trading days

Quarterly Indices: Year on Year

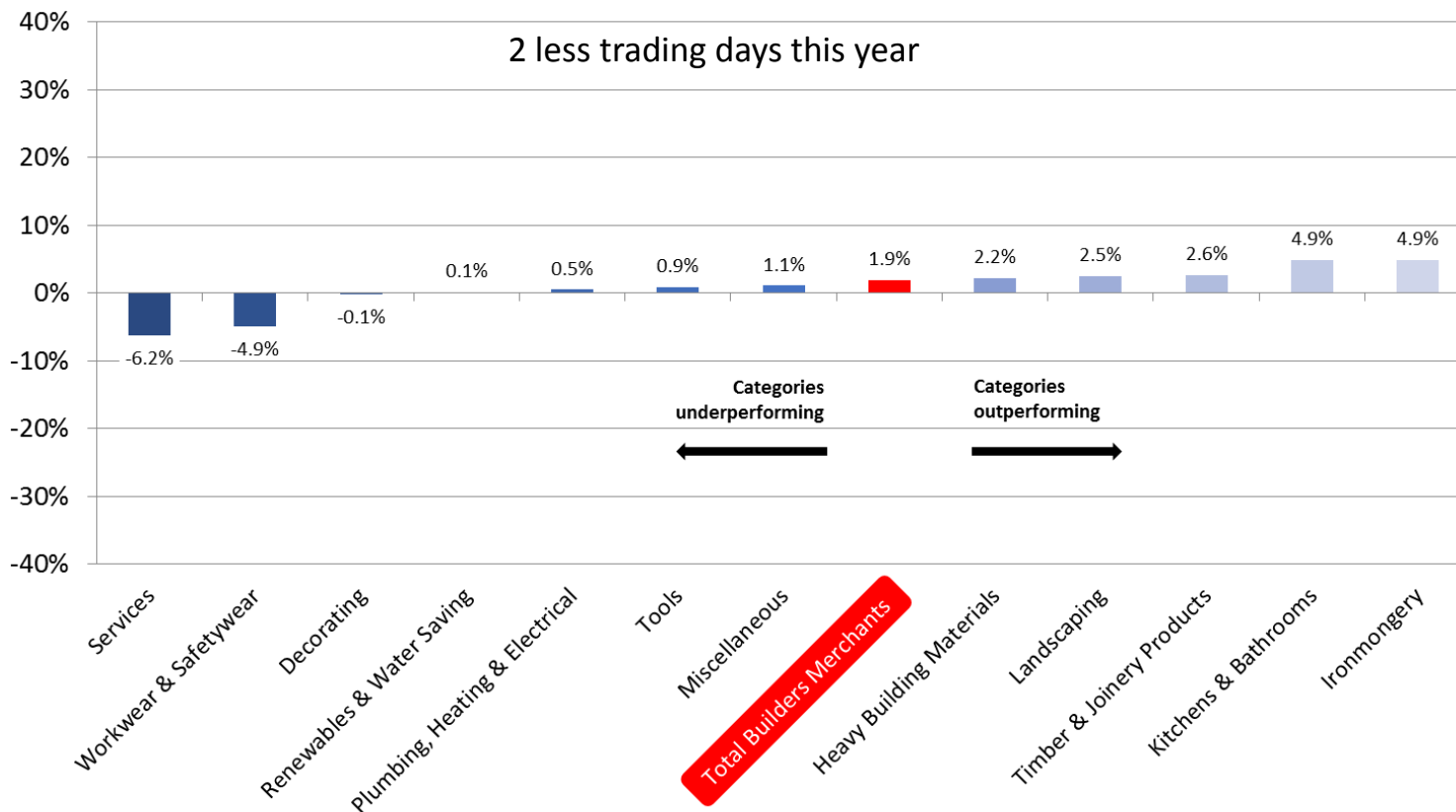


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: This Year v Last Year

Q2 2017 sales indices

Quarter 2 2017 index v Quarter 2 2016 index

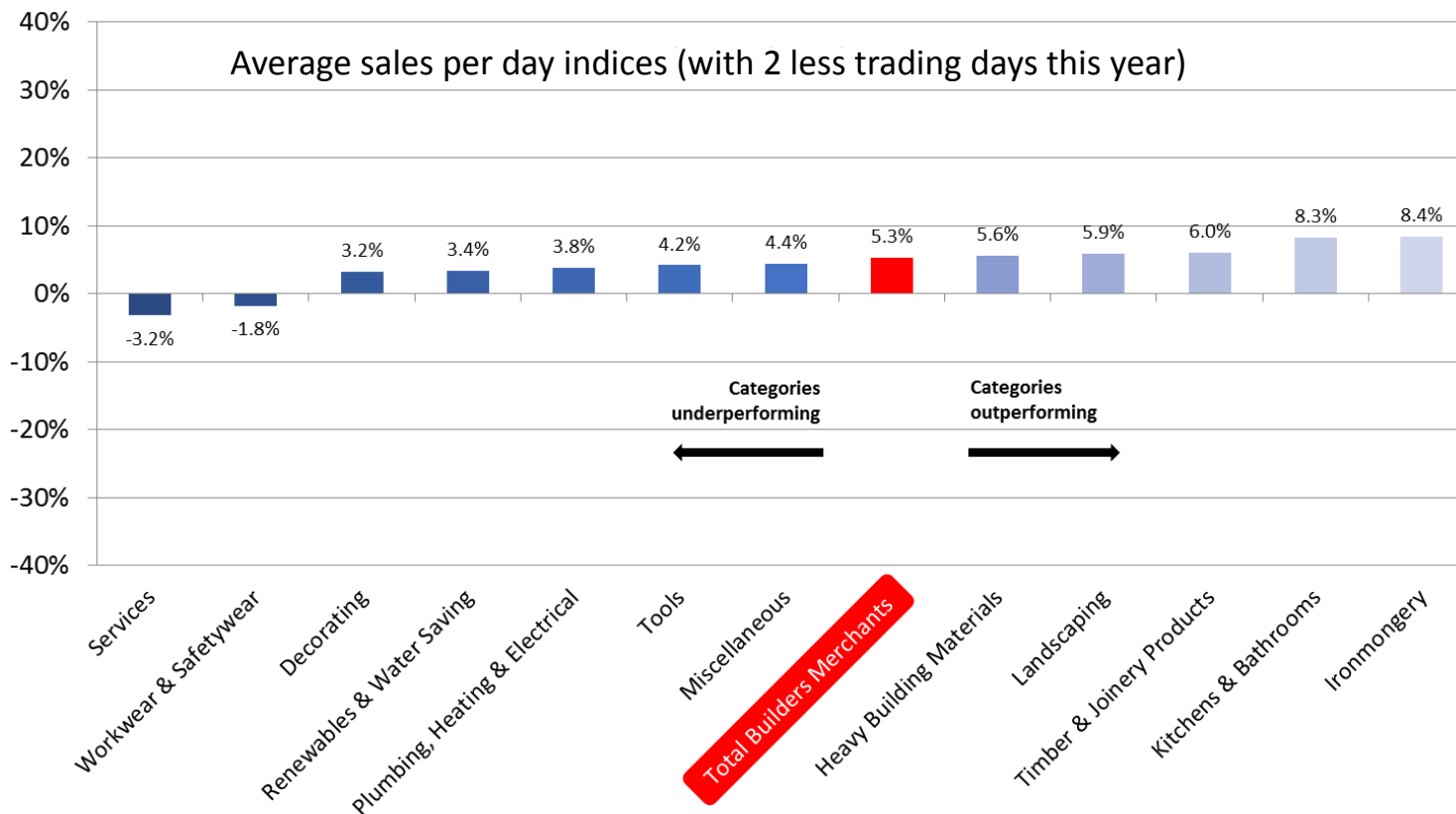


Quarterly: This Year v Last Year

Q2 2017

average sales per day indices

Quarter 2 2017 index v Quarter 2 2016 index

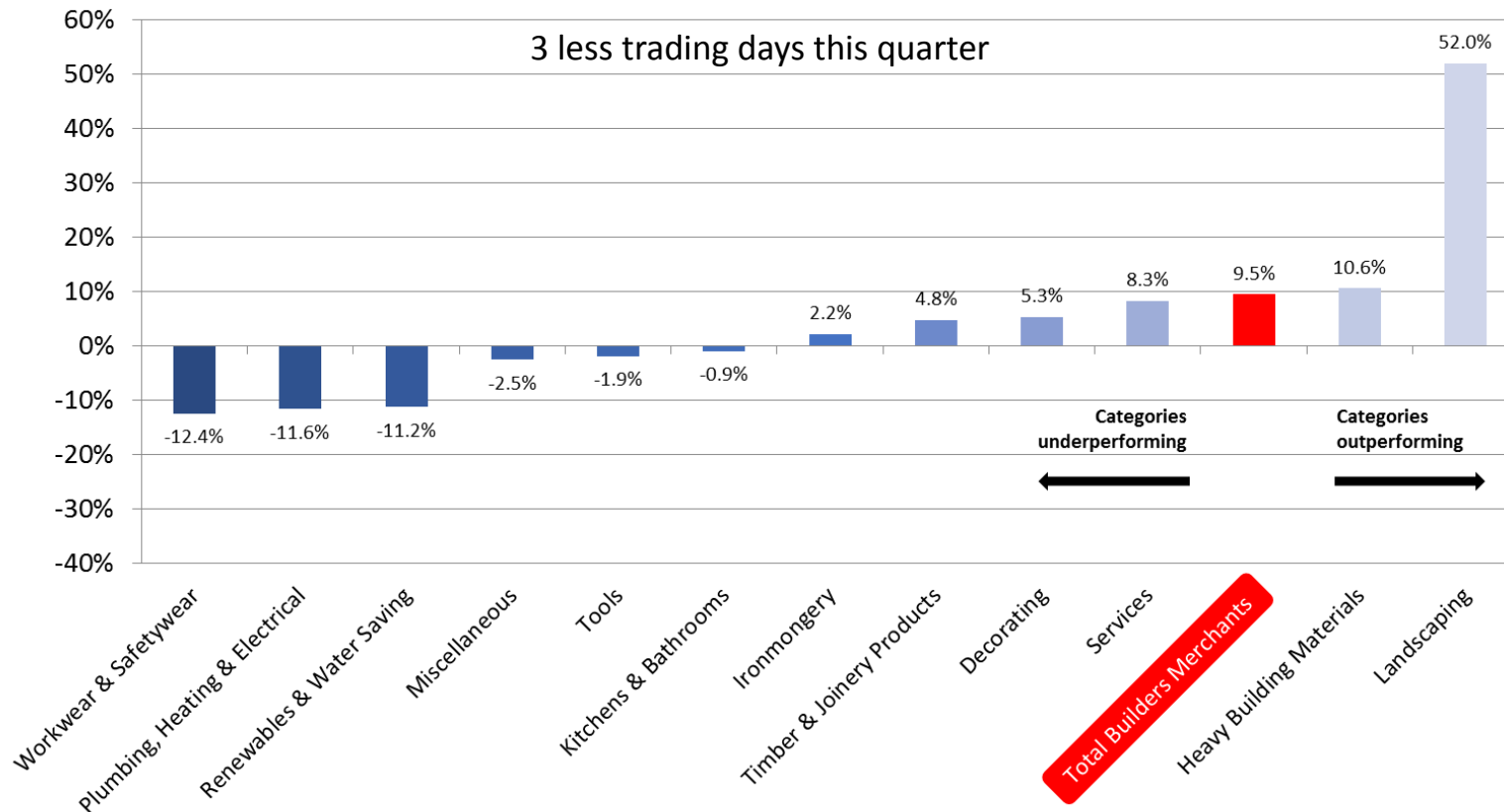


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to June 2017

Quarterly: Quarter on Quarter

Q2 2017 sales indices

Quarter 2 2017 index v Quarter 1 2017 index



 Source: GfK's Builders Merchants Total Category Report July 2015 to June 2017

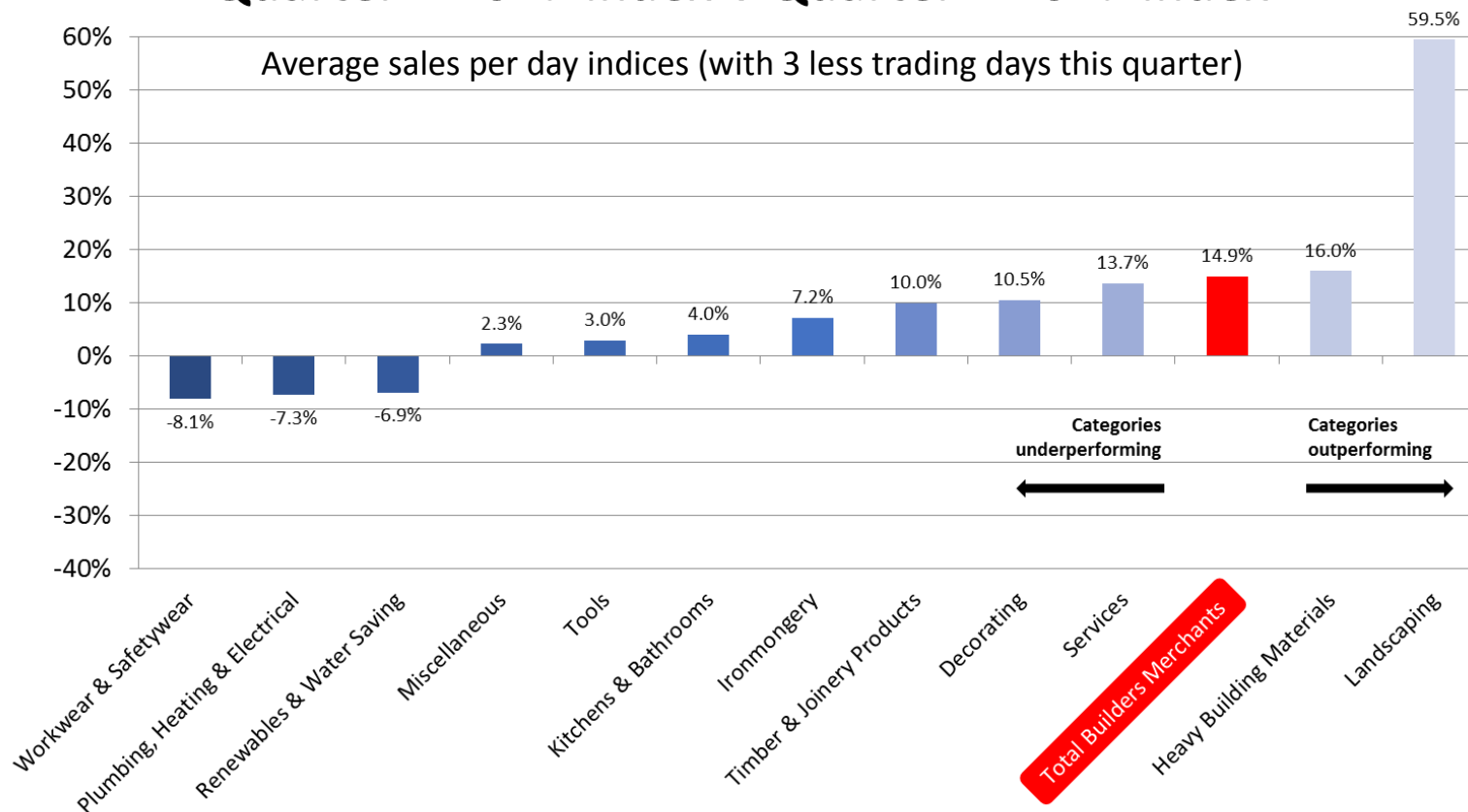
Quarterly: Quarter on Quarter

Q2 2017

average sales per day indices



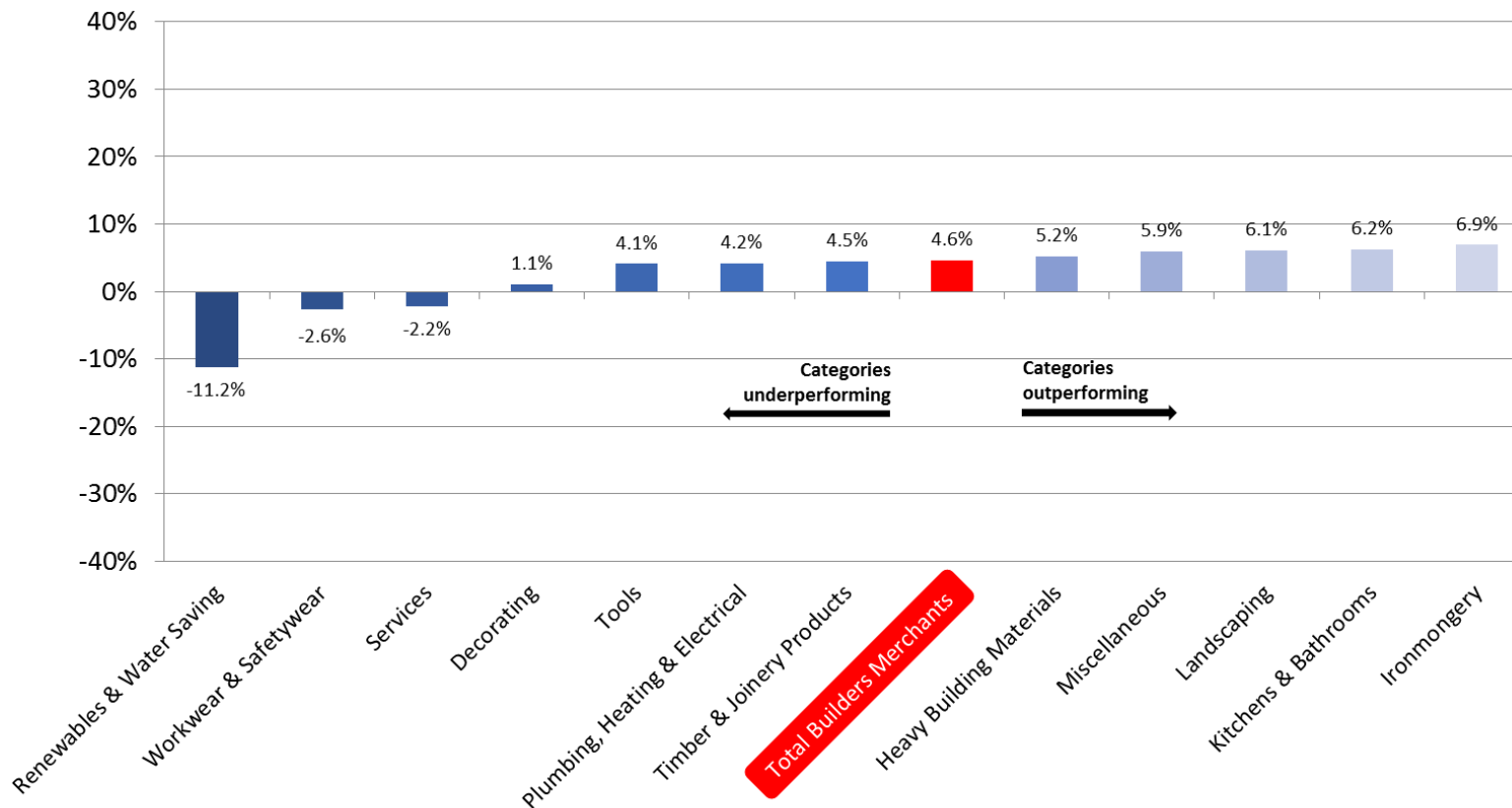
Quarter 2 2017 index v Quarter 1 2017 index



Source: GfK's Builders Merchants Total Category Report July 2015 to June 2017

Last 12 Months: Year on Year Rolling 12 months sales indices

Sep 16 to Aug 17 v 12 months Sep 15 to Aug 16

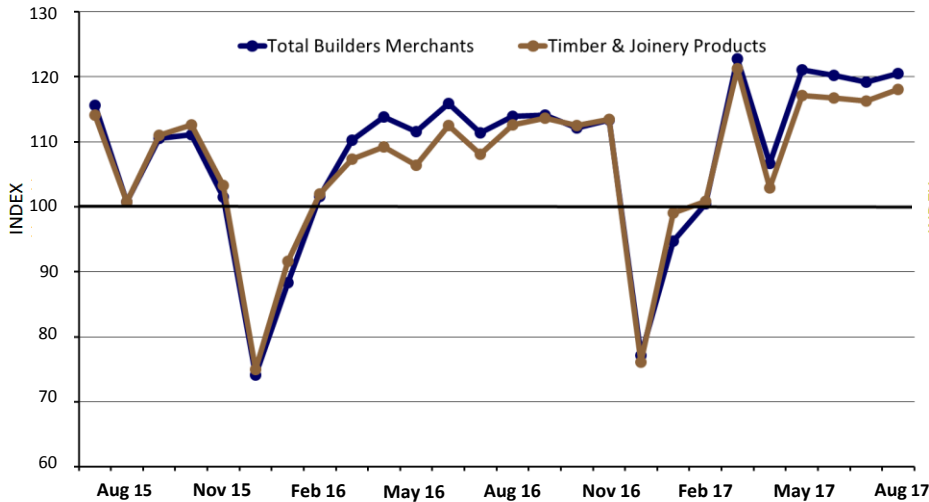


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Indices

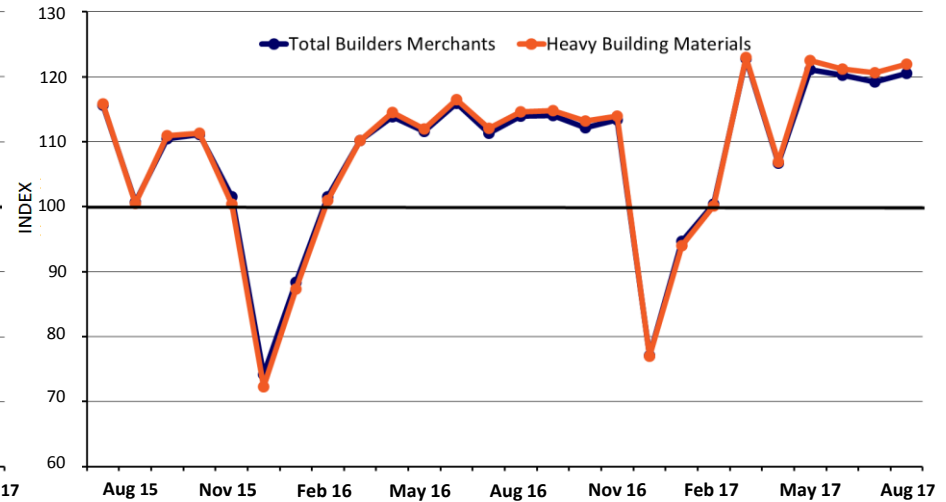
August 2017

Timber & Joinery Products



Indexed on July 2014 – June 2015

Heavy Building Materials



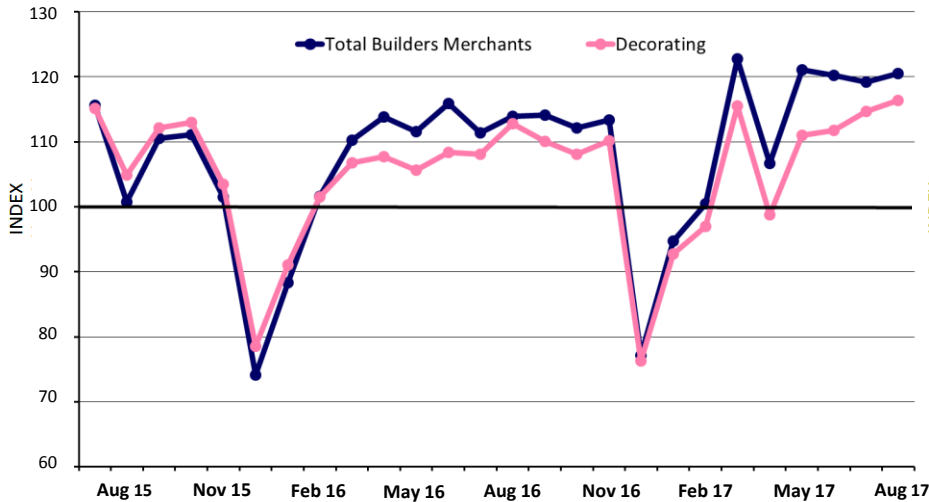
Indexed on July 2014 – June 2015

 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Indices

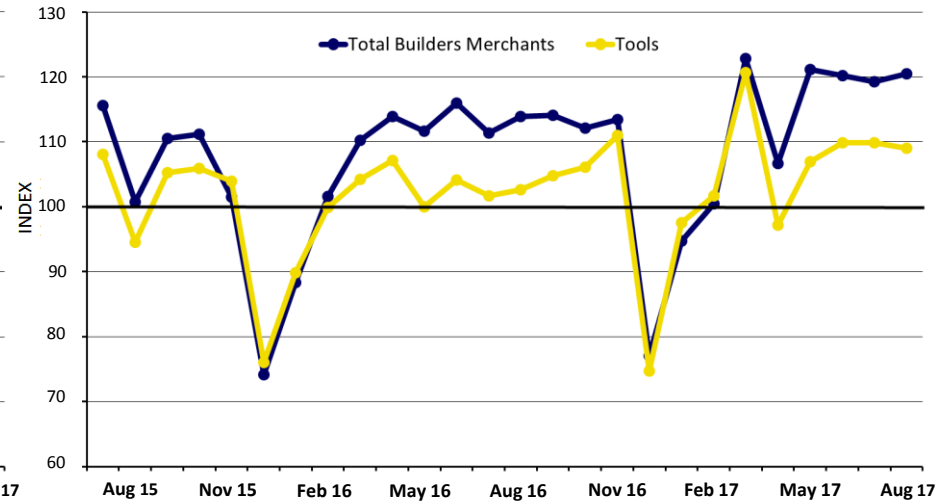
August 2017

Decorating



Indexed on July 2014 – June 2015

Tools

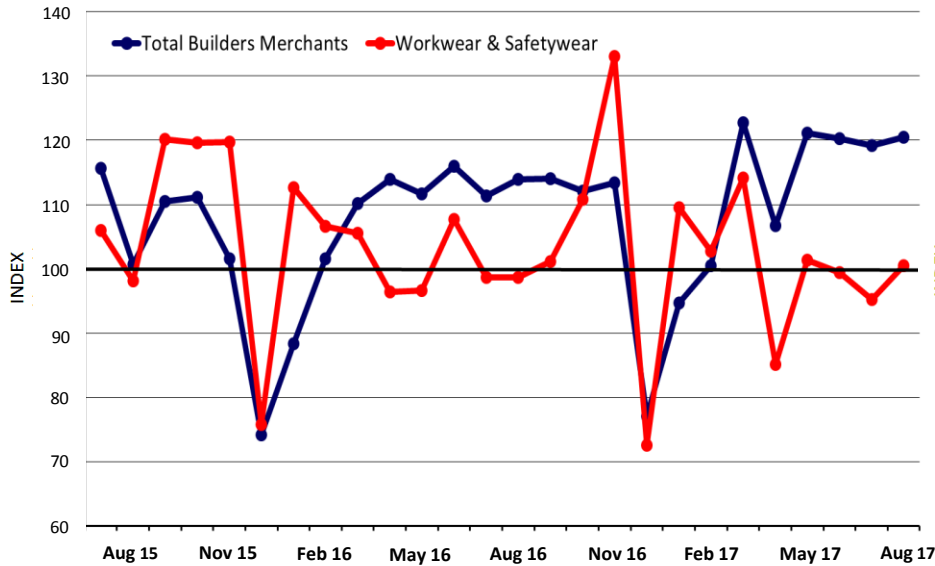


Indexed on July 2014 – June 2015

Monthly: Indices

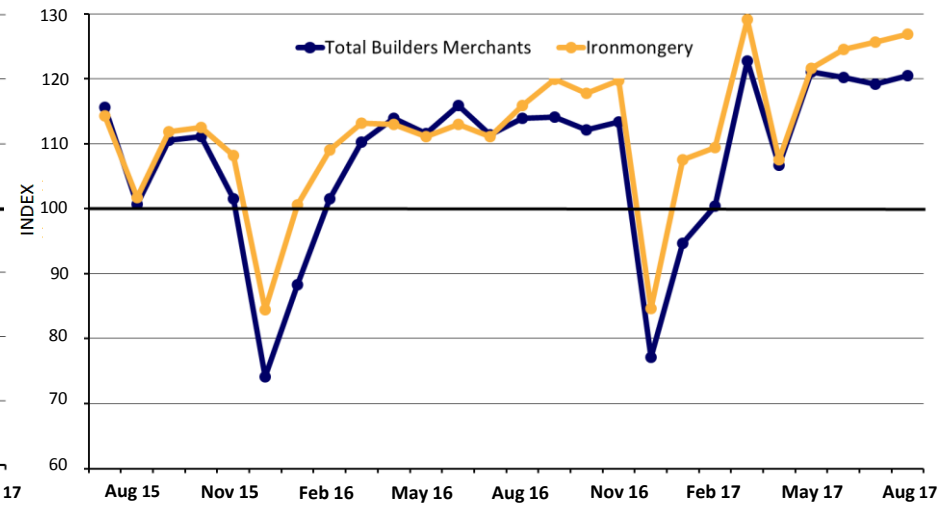
August 2017

Workwear & Safetywear



Indexed on July 2014 – June 2015

Ironmongery

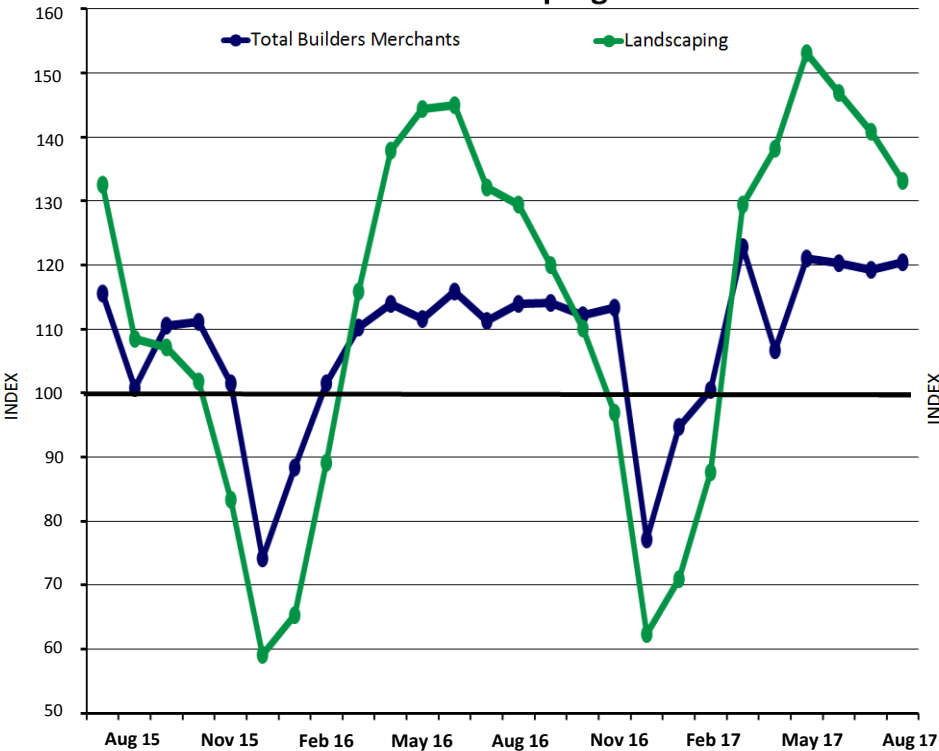


Indexed on July 2014 – June 2015

Monthly: Indices

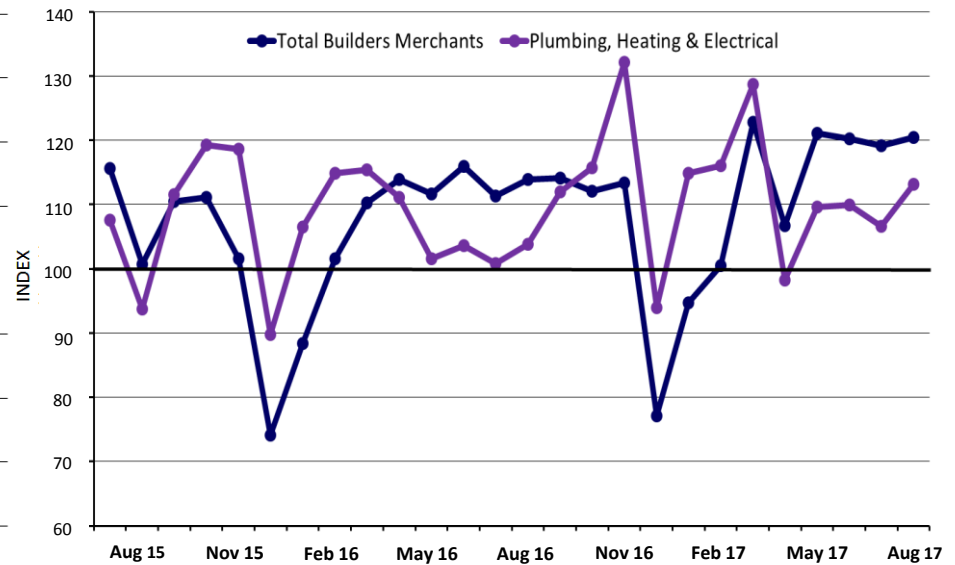
August 2017

Landscaping



Indexed on July 2014 – June 2015

Plumbing, Heating & Electrical



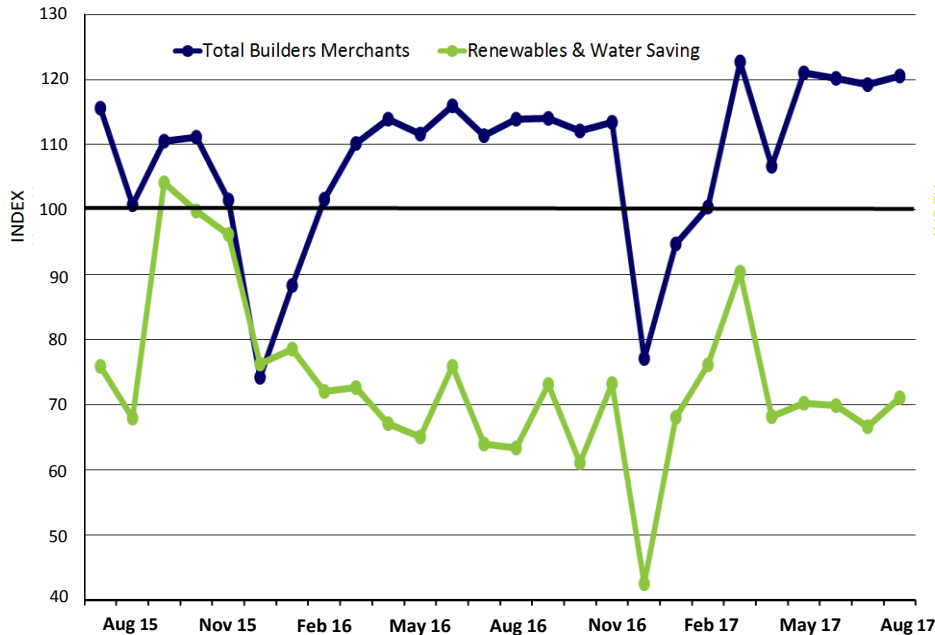
Indexed on July 2014 – June 2015

 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Indices

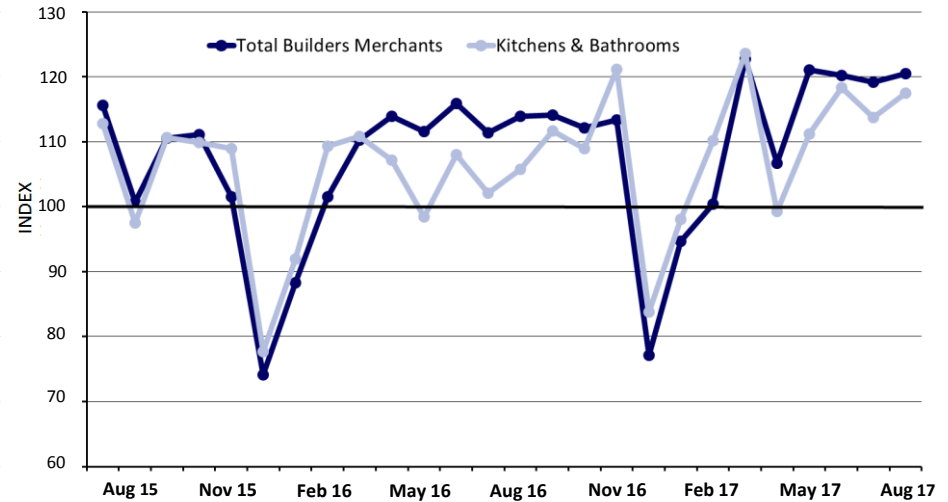
August 2017

Renewables & Water Saving



Indexed on July 2014 – June 2015

Kitchens & Bathrooms



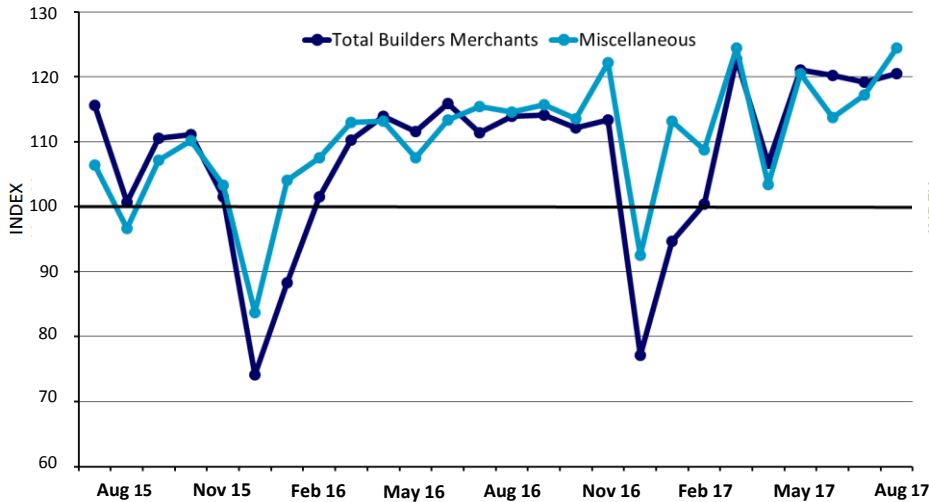
Indexed on July 2014 – June 2015

 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to August 2017

Monthly: Indices

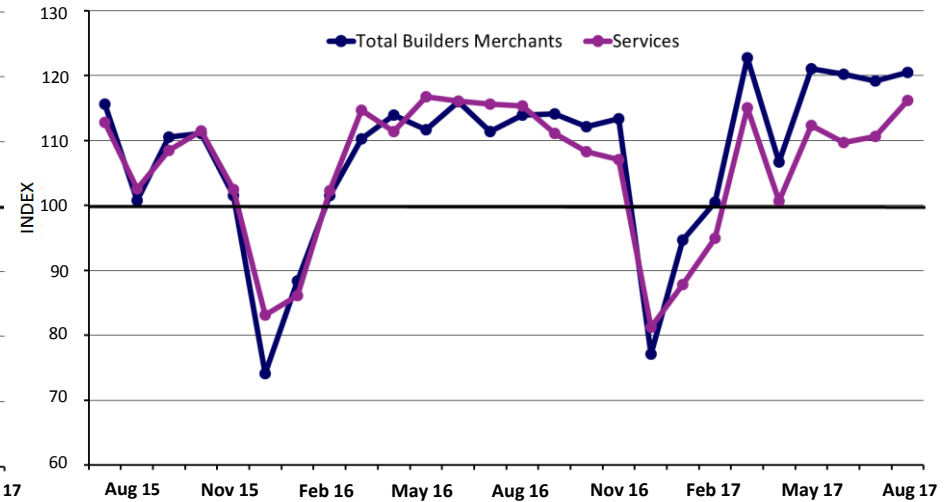
August 2017

Miscellaneous



Indexed on July 2014 – June 2015

Services



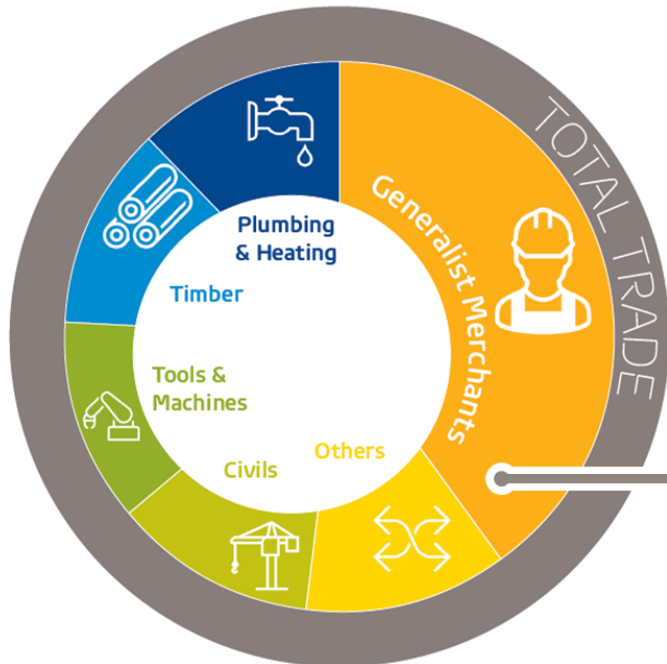
Indexed on July 2014 – June 2015

GfK's Panel

Generalist Builders Merchant Panel (GBM's)



The Multiple Generalist Builders Merchants Channel



Generalist Builders Merchants

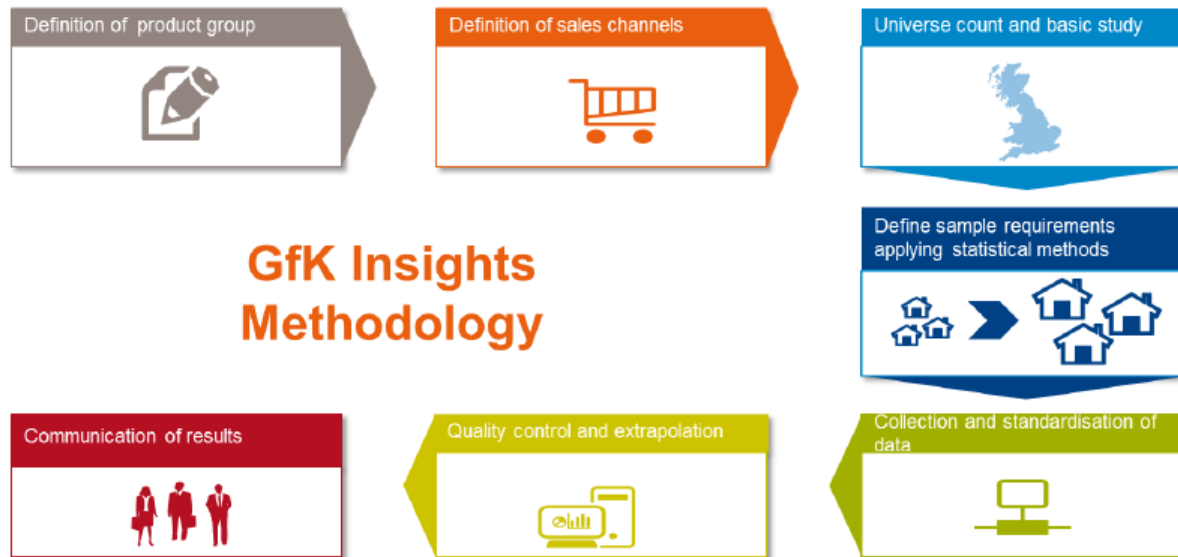
Builder Merchants handle an extended range of building materials and components (e.g. doors, windows, interior furnishing materials, insulation materials, tiles, cement, mortar, adhesives, sealants, nails, hardware products, pipes, ironware, paint) and generate their turnover with professional end users.

Multiple merchants are those defined as having more than 3 outlets or a turnover of greater than £3m p.a.

Examples include:



GfK Insights Methodology



GfK collect live sales-out data from our panel of merchant partners.

We add value to that data through the application of each sold product's unique technical features. We compare like-for-like products and categories from like-for-like merchants and aggregate this within our reports.

Our international methodology is based on robust scientific principles and delivers continuous, reliable information that can be applied to your business requirements.

GfK's Product Categories

Reports cover category headline values & in-depth, brand-level insights



Headline values available

Timber & Joinery Products

Timber
Sheet Materials
Cladding
Flooring & Flooring Accessories
Mouldings
Stairs & Stairparts
Window & Frames
Doors/Door Frames

Heavy Building Materials

Bricks Blocks & Damp Proofing
Drainage/Civils/Guttering
Lintels
Cement/Aggregate/Cement Accs
Concrete Mix/Products
Plasters Plasterboards And Accessories
Roofing Products
Insulation
Cement Mixers/Mixing Buckets Products
Builders Metalwork
Other Heavy Building Equipment/Material

Decorating

Paint/Woodcare
Paint Brushes Rollers & Pads
Adhesives/Sealants/Fillers
Tiles And Tiling Accessories
Decoration Preparation & Decorating Sundries
Wall Coverings

Tools

Hand Tools
Power Tools
Power Tool Accessories
Ladders & Access Equipment

Workwear And Safetywear

Clothing
Safety Equipment

Ironmongery

Fixings And Fastenings
Security
Other Ironmongery

Landscaping

Garden Walling/Paving
Driveways/Block Paving/Kerbs
Decorative Aggregates
Fencing And Gates
Decking
Other Gardening Equipment

Plumbing Heating & Electrical

Plumbing Equipment
Boilers Tanks & Accessories
Heating Equipment/Water Heaters/Temperature Control/Air Treatment
Radiators And Accessories
Electrical Equipment
Lighting And Light Bulbs

Renewables And Water Management

Water Saving
Renewables & Ventilation

Kitchens & Bathrooms

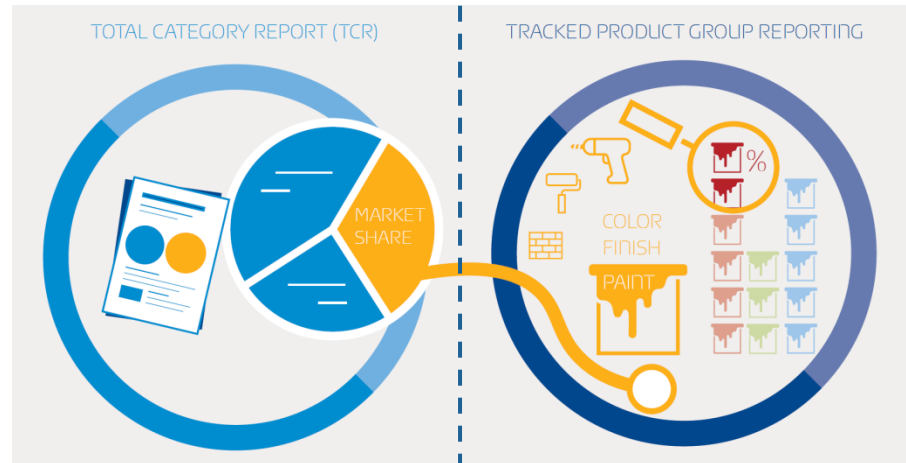
Bathroom (Including Showering)
Fitted Kitchens
Major Appliances

Miscellaneous

Cleaning/Domestic/Personal
Automotive
Glass
Other Furniture & Shelving
Other Misc

Services

Toolhire / Hire Services
Other Services



In-depth product group reporting

Monthly sales values, volumes, pricing analysis & distribution facts available by brand and key product features.

For insights on your product group please contact Pete Church at GfK (pete.church@gfk.com).

Available categories:

Heavyside

Bricks
Insulation

Lightside

Emulsion Paints (incl. Masonry & Base)
Trim Paints
Primers/Undercoats
Woodcare
Adhesives
Sealants
Fillers/PU Foam
Tile Fixing (Adhesives/Grout)

Contact us

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