

Excellence in building
materials supply

Builders Merchant Building Index



Executive Summary - Quarter 1 2025

(Published 27 May 2025)

Highlights

BMBI Report Q1 2025 Highlights

(unadjusted for trading days)

www.bmbi.co.uk

+0.9%



First quarter v last year

Q1 2025 total value sales up +0.9%

on Q1 2024

+5.2%



First quarter v previous quarter

Q1 2025 total value sales up +5.2%

on Q4 2024

+7.2%



Latest month v last year

Mar 2025 total value sales up +7.2%

on Mar 2024



Latest 12 months v last year

Apr 2024 - Mar 2025 total value sales down -2.2%

on Apr 2023 - Mar 2024

-2.2%

“Total value sales in Quarter 1 were up +0.9% on the same quarter last year. Total volume sales were +3.9% up and prices -2.9% down.”

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Introduction:

Builders Merchant Building Index



This **Builders Merchant Building Index (BMBI)** report contains data from GfK's ground-breaking Builders Merchants Panel, which analyses data from over 88% 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 relatively small samples or 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. It's therefore a very good proxy for housing RMI.

The monthly series tracks what is happening in the market month by month and includes an in-depth review every quarter. BMBI Index data is calculated on the 12 months base period January 2019 to December 2019. This trend series gives the industry access to far more accurate and comprehensive insights than that available to other construction sectors.

Executive Summary

Short of time and just want to read the headlines? Download an Executive Summary that provides a snapshot on value sales and trends from Britain's Builders' Merchants for Quarter 1 and March 2025 [here](#).

BMBI Expert Panel

MRA Research 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. **Meet the Experts and read their comments on pages 13 to 24 of this report or read their previous comments [here](#).**

Recognition for BMBI

One of the aims of BMBI is to reach across and beyond construction. It's now syndicated to a growing number of trade magazines in different sectors on a regular basis. Outside the industry, economists, banks, consultancies, investment bodies and the big accountants regularly refer to it and BMBI is referenced alongside the Office for National Statistics (ONS) data in the Government **Department for Business and Trade** monthly construction update. **Download the latest update [here](#).**



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 **Emile van der Ryst** at emile.vanderryst@nielseniq.com.

Latest quarter v last year

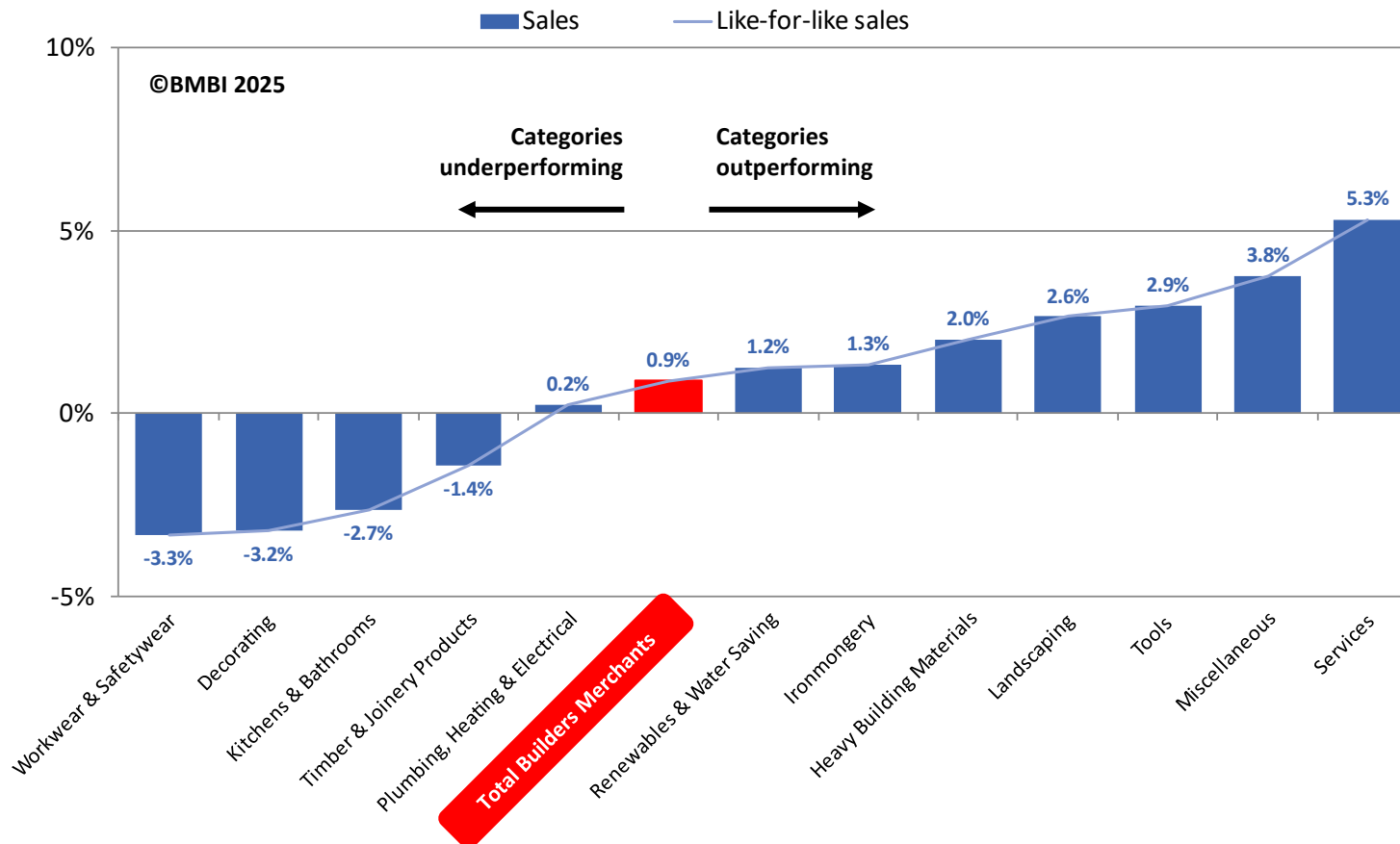
Value sales and like-for-like value sales % change

There was no difference in trading days (63).

Like-for-like sales take trading day differences into account.



Quarter 1 2025 v Quarter 1 2024



NIQ **GfK**

Source: GfK's Builders Merchants
Total Category Report: January
2019 to March 2025

Total value sales in
Quarter 1 were up
+0.9% on the same
quarter last year.

Total volume sales
were +3.9% up and
prices -2.9% down.

Latest quarter v previous quarter

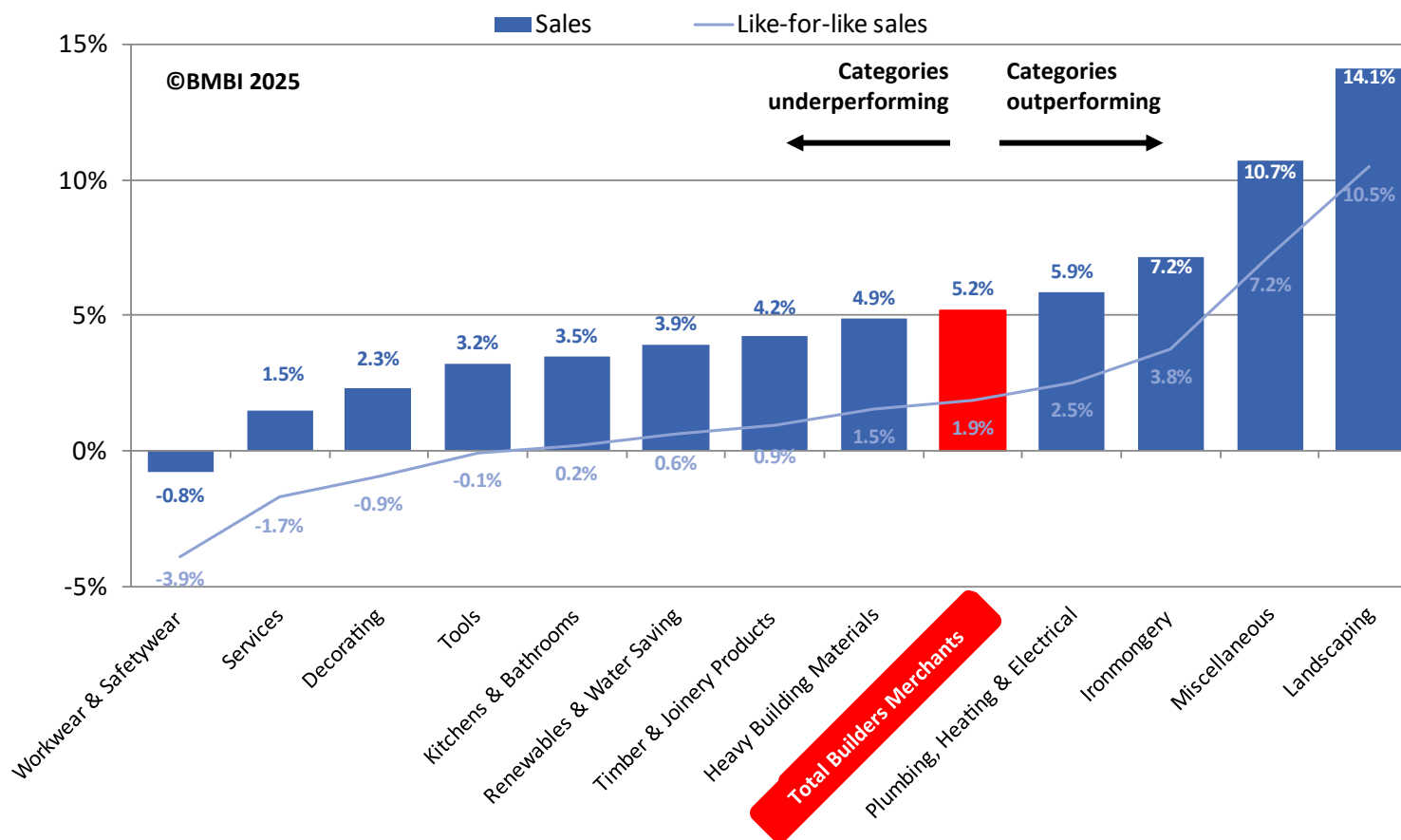
Value sales and like-for-like value sales % change

63 trading days this quarter v 61 trading days last quarter.

Like-for-like sales take trading day differences into account.



Quarter 1 2025 v Quarter 4 2024



Source: GfK's Builders Merchants
Total Category Report: January
2019 to March 2025

Eleven of the twelve categories sold more.

Seasonal category
Landscaping
(+14.1%) grew most
followed by
Miscellaneous
(+10.7%).

Latest 12 months v last year

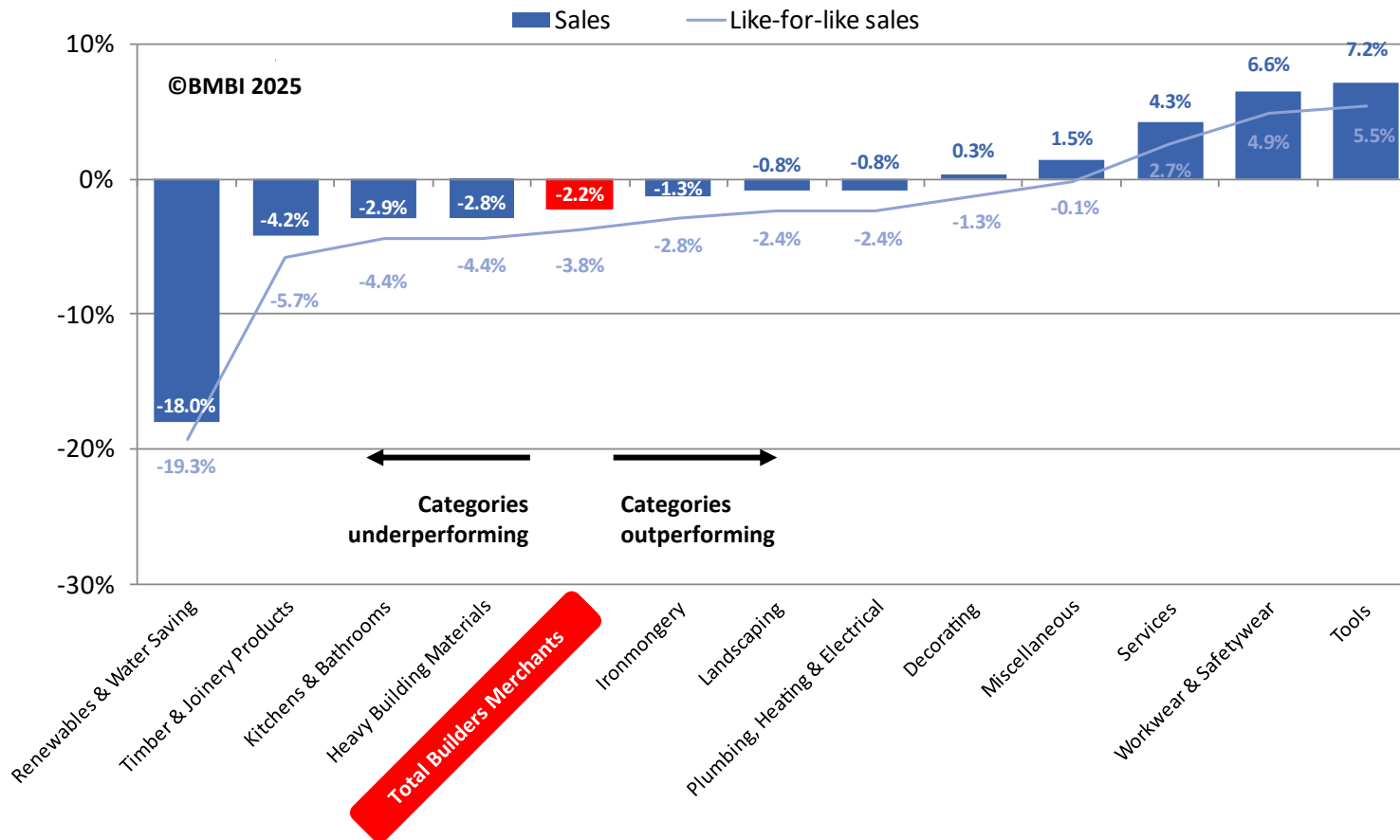
Value sales and like-for-like value sales % change

251 trading days this year v 247 trading days last year.

Like-for-like sales take trading day differences into account.



12 months Apr 24 to Mar 25 v 12 months Apr 23 to Mar 24



NIQ GfK

Source: GfK's Builders Merchants
Total Category Report: January
2019 to March 2025

Five of the twelve categories sold more, led by Tools (+7.2%), Workwear & Safetywear (+6.6%), and Services (+4.3%).

Quarterly: Index and Categories

Value Index: Quarter 1 2023* to Quarter 1 2025

Indexed on January 2019 – December 2019



QUARTERLY SALES VALUE INDEX	Index	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Total Builders Merchants	100	115.5	124.8	122.9	103.6	107.4	117.6	119.6	103.0	108.3
Timber & Joinery Products	100	114.5	116.8	117.3	99.6	102.6	108.2	111.7	97.0	101.1
Heavy Building Materials	100	118.5	129.5	126.9	104.8	107.6	118.6	122.5	104.6	109.7
Decorating	100	114.0	117.9	122.0	113.0	117.0	122.1	125.5	110.6	113.2
Tools	100	108.0	105.5	106.8	99.8	108.9	115.1	115.4	108.6	112.1
Workwear & Safetywear	100	127.8	111.2	117.6	137.6	142.7	128.6	137.0	139.1	138.0
Ironmongery	100	107.9	109.7	111.0	100.4	104.2	105.9	109.9	98.5	105.6
Landscaping	100	104.5	155.6	133.5	89.1	102.3	146.6	133.0	92.0	105.0
Plumbing, Heating & Electrical	100	123.0	107.1	110.6	115.6	119.3	106.6	109.9	112.9	119.6
Renewables & Water Saving	100	166.8	163.1	165.9	131.2	122.6	116.7	117.7	119.5	124.1
Kitchens & Bathrooms	100	117.2	115.5	124.1	112.7	115.7	116.6	116.5	108.9	112.6
Miscellaneous	100	101.1	97.2	101.3	99.8	103.4	99.7	102.9	96.9	107.3
Services	100	105.7	112.5	116.9	104.7	105.4	117.0	121.2	109.3	110.9

*Click the web link below to see the complete series of quarterly indices from Q1, 2023.



Source: GfK's Builders Merchants
Total Category Report: January
2019 to March 2025

Quarterly: Index

Value sales and like-for-like value sales index

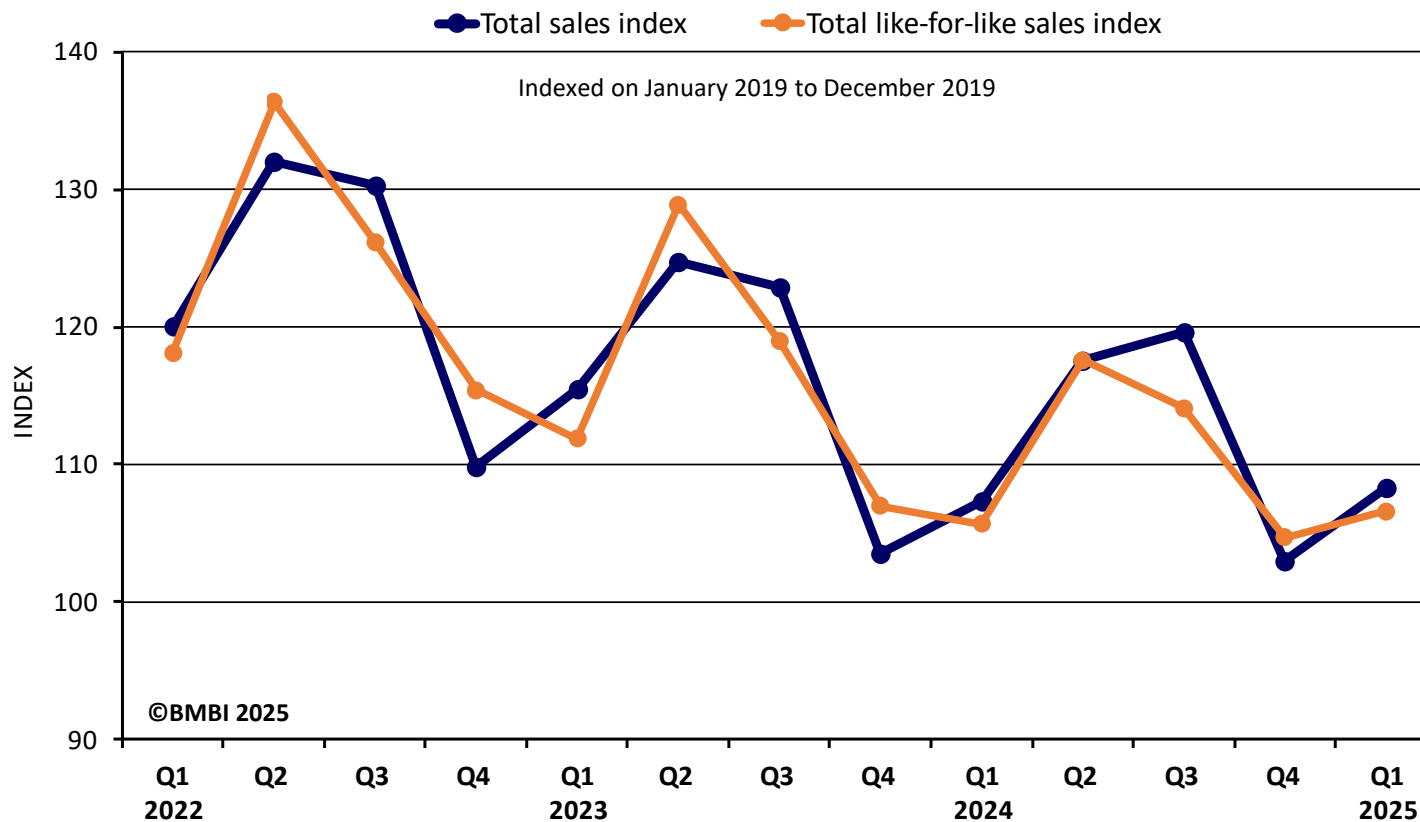
63 trading days in the most recent period v 62 trading days in the Index base period.

Like-for-like sales take trading day differences into account.



Source: GfK's Builders Merchants
Total Category Report: January
2019 to March 2025

Total Builders Merchants sales index v like -for-like sales index



The Quarter 1 BMBI
Index was 108.3.

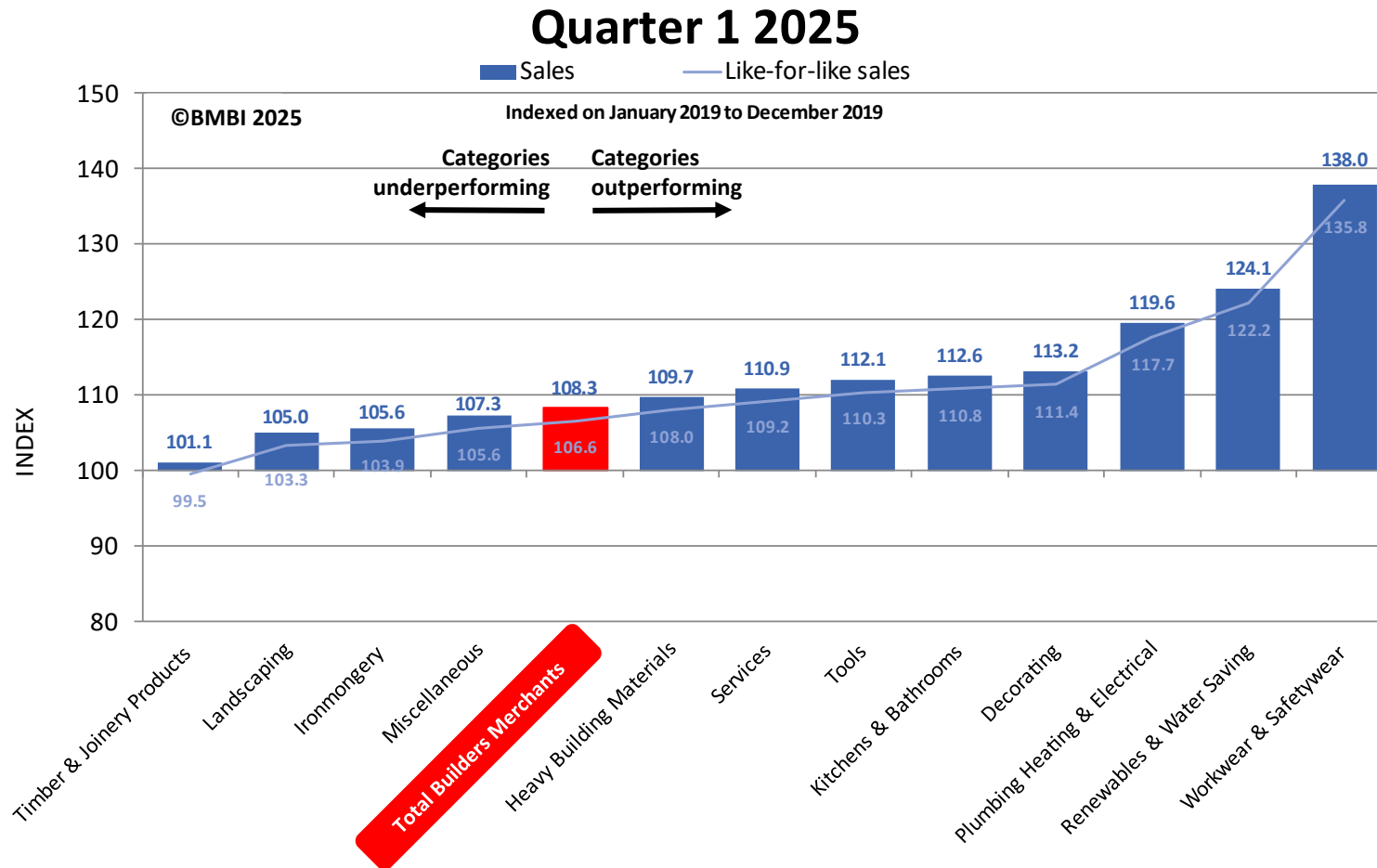
With one more
trading day in the
most recent period
versus the Index
base period, the like-
for-like value sales
index was 106.6.

Latest quarter: Index by category

Value sales and like-for-like value sales index

63 trading days in the most recent period v 62 trading days in the Index base period.

Like-for-like sales take trading day differences into account.



Source: GfK's Builders Merchants
Total Category Report: January
2019 to March 2025

Workwear & Safetywear (138.0),
Renewables & Water Saving (124.1) and
Plumbing Heating & Electrical (119.6)
were strongest.

Timber & Joinery Products (101.1)
indexed the least.

Coverage and data audits

NIQ



As part of its ongoing drive to ensure the most accurate and relevant understanding of market coverage GfK conducts universe studies every couple of years.

These studies aim to understand the number of retailers / merchants and the branches they have in a defined universe - in this case the mainland Great Britain Builders Merchants channel.

The previous iteration of the BMBI used a universe study conducted in 2019, with coverage then estimated at 82% and revised up to 92% in the October 2023 report with the introduction of CMO, Huws Gray and JT Dove.

GfK has completed its latest universe study for the channel and now estimates coverage to sit at 88%.

For any queries around this, please reach out to Emile van der Ryst at emile.vanderryst@nielseniq.com

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Overview and Insights

Emile van der Ryst,

Key Account Manager – Trade & DIY – NiQ GfK

NIQ



The Builders Merchants channel has seen a solid start to 2025, taking into consideration previous years and all the various macroeconomic and political concerns both locally and globally. This could however be a short-lived position, with general expectations for the sector now being more negative compared than views at the start of the year.

Market growth has finally returned, with Q1 overall value up by 0.9% against 2024 Q1. This was the first comparative quarterly growth seen in more than two years and a noticeable improvement to Q1 last year, which was down -7.0% in value compared to 2023 Q1. Volume was up by 3.9% on the back of strong performance by the Heavy Building Materials category, while overall pricing has seen a decline of -2.9% against 2024 Q1.

Blocks and Aggregates, and to a lesser extent Bricks and Roofing Tiles, were main drivers behind the Heavy Building Materials performance, which saw value growth of 2.0%, volume growth of 5.8% and a price decline of -3.6%. Most of the big-ticket items within this category saw a combination of volume increases and price decreases compared to 2024 Q1.

Timber & Joinery has however continued its trend of value decline, with value down -1.4% against 2024 Q1. Volume was up 2.9%, and price down by -4.2%. It's however important to note that value decline is moving in the right direction, as 2024 Q1 was down by -10.4% compared to 2023 Q1. Sheet Materials has been the main driver behind this decline, with Timber volumes relatively in line with overall market performance.

Other categories seeing positive movement in Q1 included Services, Tools and Landscaping, increasing in value by 5.3%, 2.9% and 2.6% respectively. Within Landscaping the subcategories of Garden Walling / Paving and Fencing & Gates have done well, while Tools performance was driven by Hand Tools.

Workwear and Safetywear saw the largest value decline, down by -3.3% against 2024 Q1. Decorating saw similar performance in a decrease of -3.2%, while Kitchens & Bathrooms were down by -2.7%. Decorating performance was influenced by preparation and sundry items, with Fitted Kitchens the main driver behind the declines seen in Kitchens & Bathrooms.

The second quarter results will be influenced by the autumn budget and the realities attached to it, while the US-China trade war has added another significant layer to the continuous global uncertainty. A large amount of UK construction materials is sourced locally and will therefore not be affected by any tariffs, but merchanting sales will likely still be affected by the knock-on effect of the trade war.

The Builders Merchants channel has seen a solid start to 2025, taking into consideration previous years and all the various macroeconomic and political concerns both locally and globally.

Merchants' View

John Newcomb, CEO BMF



A positive view of the first quarter of 2025 may suggest a market poised on the brink of an upturn, yet the outcome for the rest of the year remains uncertain.

The latest Office for National Statistics (ONS) report indicates no growth in construction output in the first quarter of the year compared with figures for the final quarter of 2024. Output decreased in January (-0.3%), with marginal growth in February (+0.2%). March, however, saw a notable improvement, possibly due to the arrival of milder weather, with overall output increasing by +0.5%. Five of nine sectors experienced growth in March, led by new work in Private Housing (+2.3%) and Infrastructure (+2.5%). In fact, new work recorded the best results throughout Q1 2025, increasing by +0.9% on the previous quarter, whereas repair and maintenance fell by -1.2%.

Positive news for new housing is also evident in Q1 2025 figures released by the National House Building Council (NHBC). 29,356 new homes were registered to be built in Q1 2025, an increase of +36% on Q1 2024 and +17% more than Q4 2024 (25,034 registrations).

However, this positive outlook has yet to feed into new home completion numbers. Savills English Housing Supply Update Q1 2025 cites figures from the Ministry of Housing, Communities and Local Government (MHCLG) which show 204,611 new home completions in the 12 months to March 2025, down by -9% on the previous 12 months and well below the 300,000 new homes required on average each year to meet government policy targets.

Despite government reforms to the planning system in England, limited capacity in many planning departments continues to present challenges. Only c.225,000 homes gained full planning consent in the year to March 2025 according to the latest estimates from Glenigan and the HBF; this is a fall of -8% compared to the previous year.

While we would like to remain optimistic that the brighter picture emerging in March will continue, much will depend on the return of consumer confidence. This may take some time as the latest data from GfK shows UK consumer confidence falling back following multiple increases in household bills in April 2025. It is proving a difficult year to forecast with any accuracy.

A positive view of the first quarter of 2025 may suggest a market poised on the brink of an upturn, yet the outcome for the rest of the year remains uncertain.

The Expert Panel

Speaking for their markets

The Builders Merchant Building Index (BMBI) includes a 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.

Scroll down to read their latest insights.



Expert Panel

Natural Stone & Porcelain Paving

(Part of Landscaping)



Krystal Williams, Managing Director Pavestone UK Ltd, is BMBI's Expert for Natural Stone & Porcelain Paving.

After a flying start to pre-season sales at the end of 2024, the uplift in demand for paving products has continued into Q1, where one of our biggest challenges has been getting the orders on the system fast enough.

As of April, our year-to-date sales were into double digit increases compared to 2024 in a remarkable boom in orders – the like of which we haven't seen since 2020. Most good landscapers are telling us they are booked up until the end of the year too.

What's behind the sudden increase in customer demand is unclear but it certainly feels booming. We are enjoying drier weather than last year, and Easter is later, which would encourage people to spend more time in their gardens, but broader RMI market indicators like the GfK Consumer Confidence Index are telling us that people aren't feeling that positive. April's expectations for the general economy over the next 12 months was -37 which is 8 points down from March, and 16 points worse than a year ago.

The current increase in RMI demand has unfortunately coincided with the return of shipping issues, and getting enough stock on the ground for our Merchant customers is proving to be challenging. The knock-on effect of Trump's tariffs has been major port congestion, as Chinese boats bound for America stop in Europe. This means we can't always guarantee delivery dates as ships are diverting to find a port where they can offload.

Because of the difficulties getting stock into the country, there are some market-wide shortages on mid-high range porcelain and on Indian sandstone. We are getting stock from alternative suppliers to fulfil orders, and we are keeping our pricing stable and prioritising existing customers where possible, but we know some suppliers are capitalising on the shortages with 'force majeure' increases.

Looking ahead, we hope to see an easing in supply chain problems as 2025 looks to be a very promising year for the paving sector. Neutral colours like pale grey, cream and greige are in demand, so update your in-branch displays if you haven't already. Dark grey is out! Accessories like wall cladding and edging sets are also proving popular and are ideal upsell items for outdoor improvement projects.

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Expert Panel

Steel Lintels

(Part of Heavy Building Materials)



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

The first quarter of 2025, while up compared to a very poor Q1 2024, is flat – or steady – compared to the final months of 2024. That's the positive news. On the flip side consumer confidence is extremely low based on concerns about the war in Ukraine, Trump's Tariffs, domestic cost increases, and higher government taxes – a busy first 100 days of 2025.

New house building which rebounded from the Liz Truss era is still reporting around 0.6+ houses per site per week, and the sunshine in March & April has attracted more potential buyers, so maybe not all is as gloomy as the economists would suggest. But housebuilding is still a long way off the government targets, and the planning system remains the biggest blockage. Even if new sites got planning permissions they would not be up and running until 2026. A flat year then.

An interesting column in The Times, recently, compared Covid-19 to Donald-25. "The equivalent uncertainty in 2025 is that no one knows where US tariffs will be tomorrow, much less in three months' time." The report continued "the volume of goods coming into Los Angeles is down steeply. Daily container bookings in the US-China trade route have tumbled by a quarter since the end of March relative to this time last year."

Both European and the UK have anti-dumping levies in place as trade defence measures against steel dumping and have recently agreed to extend them for another five years with levies between 18% and 28%, depending on the grade of steel. In addition, Europe and the UK are also applying carbon taxes on steel through a CBAM (Carbon Border Adjustment Mechanism). This aims to ensure a price is placed on the carbon emissions associated with steel production, whether domestically or internationally.

Despite the recent uncertainties, we're committed to adapting and excelling in this evolving landscape. Our proactive approach ensures that we're well-prepared to navigate the challenges and capitalise on the opportunities that lie ahead in 2025.

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Even if new sites get planning permissions they would not be up and running until 2026.

Expert Panel

Drylining Systems

(Part of Heavy Building Materials)



Gordon Parnell, Sales Director, British Gypsum, part of Saint-Gobain Interior Solutions, is BMBI's Expert for Drylining Systems.

Quarter one delivered no surprises to market performance. Volume levels were in line with forecasts, but there was continued growth in tested systems. It is widely acknowledged that we will see a recovery within the construction industry, weighted towards the second half of the year. While optimism remains, it is a cautious optimism given the wider global macro-economic factors that could again result in more volatility. Tariffs are becoming most people's least favourite word of the year!

Industry forecasts are marginally down from six months ago, but it's hoped we will see a gradual recovery, supported by interest rate cuts to stimulate consumer confidence and confidence in the new build market. However, local planning consents and other barriers to building still need addressing. Against a backdrop of sustainability targets and decarbonisation initiatives, the construction industry is on a journey of evolution. Some current trends and the resulting changes are driving innovation – particularly among manufacturers who must ensure that products and solutions contribute to broader goals.

Even the smallest Innovation can have a notable impact on sustainability and the development of low carbon building materials for new construction projects. By reducing levels of embodied carbon through specified materials, buildings can begin their lifecycles from a sustainable foundation.

But innovation is more than unlocking opportunities in material reuse and the circular economy. Construction professionals are more frequently using digital tools to maximise sustainability, efficiency and data integrity, and maximise the potential of building products.

For example, our BIMlocker digital construction tool actively helps architects and specifiers mitigate risks from the design process - helping to preserve the quality and accuracy of system performance data and strengthen the golden thread. We've also launched a self-serve thermal calculator that builds on its predecessor, which offers enhanced functionality by integrating U-value calculations with condensation risk analysis in a single tool. It provides fast and accurate thermal performance measurements for floor, roof, and wall elements.

As a leading supplier to the industry, we'll continue to support customers to drive through innovation in the delivery of new and improved buildings with high-quality products, systems and services.

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Expert Panel

Mineral Wool Insulation

(Part of Heavy Building Materials)



Neil Hargreaves, Managing Director Knauf Insulation is BMBI's Expert for Mineral Wool Insulation.

It's been a quarter defined by global market volatility and escalating trade disruption.

The impact remains difficult to predict. Decisions being taken outside our industry, and beyond these shores, will shape the prognosis for the rest of the year. The longer uncertainty continues, the more damaging for construction confidence.

Look beyond the macro context and the fundamentals for mineral wool insulation demand remain sound. It still sits at the heart of several national priorities – boosting housebuilding, improving health, reducing carbon emissions and increasing energy independence. Britain will build on mineral wool.

In unsure times, we look for certainties. Here's one for 2025: recommending the right product for the application will be more important than ever this year.

Construction scrutiny is increasing, with accountability more readily assigned across the supply chain. And thanks to advances in technology, it's never been easier for building owners (or regulators) to detect when a product isn't performing, or the wrong solution has been used.

At the same time, the industry is asking more from construction products, and in new ways. What makes 'the right product' is changing as regulations and market expectations shift. For example, insulation specifiers now consider not just thermal performance, but how it contributes to fire safety, noise reduction, durability, and building sustainability. Add product availability and secure and stable supply chains into the mix too. The right product is on site at the right time to maintain the project schedule.

For merchants, this trend means two things. Being ready to offer more detailed advice on product suitability, and stocking the right mix of specialist solutions and reliable staples to meet a wider range of customer needs.

For our part, we'll continue to invest in tools and resources to help with the former, and product development and manufacturing capacity to enable the latter. Merchants can rely on mineral wool insulation.

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Expert Panel

Cement & Aggregates

(Part of Heavy Building Materials)



Andrew Simpson, Packed Products Director at Heidelberg Materials, is BMBI's Expert for Cement & Aggregates

It's been a robust start to the year, with bagged cement products for RMI in high demand, and bulk aggregate sales also starting well. The forecast was gloomy, but Q1 is performing better than anticipated – for us at least.

First quarter market figures, from the Mineral Products Association, showed a gradual recovery in housebuilding pushed mortar sales up +3.8% quarter-on-quarter, and primary aggregates increased +0.5% compared to Q4 2024. However, both ready-mixed concrete and asphalt declined -6.3%. Ready-mixed concrete is at its lowest sales volumes for 60 years.

However, the MPA is still expecting growth this year of around +2% across most market, driven in part by infrastructure. With the Thames lower crossing, Sizewell C, extensions to Heathrow, Gatwick and Luton airports, a 'Silicon Valley' corridor of development between Oxford and Cambridge and the redevelopment of Old Trafford, there's a healthy pipeline of projects in the offing.

The big talking point for us this year will not be Trump's tariffs, as we make and sell products domestically, but sustainability. As I write, we're waiting to hear whether we have planning permission for a carbon capture plant (CCP) at our Padeswood cement works in north Wales.

If it's a green light, it will be a first for UK cement, allowing us to produce zero carbon cement – something we thought could never be done. It will be a game changer for British construction, capturing 800,000 tonnes of carbon dioxide a year. The CCP project will boost the local economy and create 500 jobs in the area during construction, plus a further 50 new full-time roles once it's operational.

Zero carbon cement will become very important to Merchants. We were swamped at FutureBuild with visitors wanting to know more about low and zero carbon aggregates. Merchants knowing there is a market for sustainable products is one thing, but what about the impact of trading with us as a partner? In time Merchants will almost certainly need to record scope 3 emissions – those produced by up and downstream suppliers - so stocking sustainably produced product lines will be a must. It is time for construction and its supply chains to make good on climate commitments.

We're excited to see what's next on our sustainability journey in 2025.

...we're waiting to hear whether we have planning permission for a carbon capture plant (CCP) at our Padeswood cement works in North Wales.

Expert Panel

Fasteners and Fixings

(Part of Ironmongery)



Ian Doherty, Non-Executive Director of Hexstone, and the Owlett-Jaton brand is BMBI's Expert for Fasteners & Fixings

Demand in the fastener and fixings sector has continued to follow the general trends across merchants, with continuing soft demand driven by the sluggish levels of construction and RM&I activity. Supplies continue to be stable both in terms of availability and pricing.

The government's much vaunted commitment to build 1.5m new homes by 2029 continues to make headline news, but the reality on the ground is yet to see a step change in the rate of new build construction.

The fastener and fixings sector supply chain is heavily driven by Far East sourcing and, as a result, can be slow to respond to sudden and dramatic upturns in demand. However, the sector generally carries many months of stock and it is anticipated that the expected upturn can be accommodated by suppliers. A return to Far East shipping using the Suez Canal rather than the Cape of Good Hope route would further improve resilience in the event of a surge in demand.

The US tariff situation continues to change almost daily. At the time of writing, the impacts of US tariffs on Chinese products have yet to result in any noticeable knock-on effects on the UK supply chain. The situation continues to be closely monitored.

Government consultation is continuing on the planned Carbon Border Adjustment Measure (CBAM) for the UK. Legislation is now being prepared and the planned introduction date of January 2027 now seems fairly certain.

This measure, while positive from an environmental perspective, will result in higher costs for fasteners and fixings imported from the Far East. How large the impact will be is uncertain, and will only become clear once the legislation is published, but double-digit increases seem likely.

The government's much vaunted commitment to build 1.5m new homes by 2029 continues to make headline news, but the reality on the ground is yet to see a step change in the rate of new build construction.

Expert Panel

Paint

(Part of Decorating)



Paul Edworthy, Commercial Lead: Builders Merchant Group; Dulux Trade is BMBI's Expert for Paint

The paint industry was initially optimistic about the prospects for 2025, but it has been an uncertain start to the year, with global turmoil overshadowing what was predicted to be a year of recovery for UK construction and housebuilding, in particular.

The Construction Products Association Spring Forecast noted that any uplift in overall construction outputs this year will now be very gradual – just +1.9% growth is predicted from a low base. Private housing output, still challenged by affordability constraints and weak demand, is forecast to increase by just +4.0%. The industry had hoped for better in 2025, given Government commitments to housebuilding, and RMI has also had a sluggish start.

But the year is not a write off. According to Aviva's How We Live report, almost seven million homeowners plan to renovate their home in 2025. Wages are rising faster than inflation, and further rate cuts are expected. However, politics at home and abroad weighed heavy on consumer sentiment. GfK's Consumer Confidence Index decreased by four points to -23 in April. All measures were down compared to March, and expectations for the general economic situation over the next 12 months fell to -37, sixteen points worse than April 2024. However, the Major Purchase Index component of the Consumer Confidence Index which correlates with larger domestic purchases and RMI projects is down two points at -19, six points better than April last year.

Market conditions are changeable, but there are still opportunities for merchants to increase sales. Paint for example, is an easy upsell which merchants often leave on the table. Regular customers are already buying building and renovating materials from a branch, but then head off to a paint specialist, or even B&Q to complete their project list of materials. Securing more of an existing customer's basket is a cost-effective (and easy) way of boosting sales, and many merchants do well out of paint – so why don't more?

Taking paint seriously as a product line can provide potential for both new build and RMI sales, from trade and DIY customers, making it a universally appealing offer that could pay dividends for merchants who fill in the gaps in their sales strategy this year.

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Expert Panel

Roof Windows

(Part of Timber & Joinery Products)



Jim Blanthorne Managing Director of Keylite Roof Windows is BMBI's Expert for Roof Windows.

In a mixed market, Keylite came strongly out of the blocks with excellent sales growth over the prior year. January & February were good, but March was over 30% up on 2024 putting Q1 into double digit growth.

Most lenders have priced in expectations of bank base rate cuts, making mortgages relatively affordable compared to the past few years. It's expected this will stimulate growth during 2025, only constrained by consumer confidence and the chaos from the US, with the near-daily introduction, reversal and dilution of customs tariffs. However, we're seeing increased activity in the new build sector at or above industry forecasts.

There's an acknowledged national skills shortage in construction, so we continue to invest heavily in our sales team, and we're delighted to exceed our market share growth expectations.

In every area, we've increased the number of Area Sales Managers responsible for looking after valued merchant stockists and working with local builders and specifiers to share and follow up leads, generate quotes, demonstrate award winning products and together win orders. This team was further strengthened last year by the addition of Sales Graduates. Their training and induction completed, they've been appointed as Area Sales Executives, tasked with doing more of the above, getting in front of more people, more quickly, which means more orders.

A tougher market puts pressure on customers, which raises the bar for their suppliers, which is why merchants value suppliers that are responsive and easy to deal with. Last year's investments followed a review that included internal sales support. Whether quoting, order processing, despatch, supply chain, technical advice or after sales support, our team is stronger than ever, deploying simplified processes and motivated to support field-based colleagues to respond quickly and accurately to customer queries. An OTIF measure of 99.5% for the quarter is an indicator of the care we put into fulfilling every customer order. And next quarter, we will have an exciting announcement about additional investment.

As a challenger brand, we focus on providing quality, innovative products, strive for service excellence and offer the market a choice in flat and pitched roof windows, loft ladders and accessories. We welcome customer feedback on what can still be better.

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Expert Panel

Website & Product Data Management Solutions



Chris Fisher, Vice President of the EMEA lumber, building material and hardware (LBMH) division, at ECI Software Solutions is BMBI's Expert for Website & Product Data Management Solutions.

The recent U.S. tariff changes are creating significant ripple effects across global supply chains, placing additional pressures on UK merchants who already contend with managing steady sales and maintaining margins. Purchasing and pricing strategies have become critical decisions. While stockpiling or delaying procurement may seem like immediate solutions, such reactive tactics often pose greater long-term commercial risks. More than ever, merchant resilience relies on proactive planning and data-driven decision-making. Businesses that strategically refine their pricing based on customer price sensitivity, accurately forecast demand patterns, and optimise stock levels can effectively mitigate margin pressures while maintaining customer confidence. Additionally, leveraging strategic EDI integrations with suppliers and ecommerce platforms significantly enhances operational agility, creating a virtual "endless aisle" that extends product availability without the burden of increased physical inventory.

Diversifying product offerings has become essential. Expanding into new product categories, partnering with alternative suppliers, or introducing private-label products can lessen dependence on tariff-sensitive goods, thus safeguarding profitability. The urgency of these measures is underscored by current global trade conditions. A recent analysis by Grant Thornton (April 14, 2025) highlights that the new tariff environment is prompting businesses to re-examine supply chains and explore alternative sourcing, particularly in sectors like lumber and wood products, which face potential new levies. Such diversification is more than defensive. Driven by real-time market data and customer purchasing trends, it can shield against risk and unlock new sales opportunities, enhancing merchants' overall value propositions. S&P Global (April 4, 2025) notes that some European building material firms might initially manage tariff impacts, but strategic considerations, including "redirecting sales to other regions" or even altering production footprints permanently, underline the industry's move towards diversification as a means of resilience.

By fully utilising their ERP and eCommerce solutions - especially those equipped with industry-focused AI tools - merchants can effectively manage increasing complexity. These tools enable customised pricing strategies tailored to loyal and price-sensitive customers by analysing inventory data, market price sensitivity, and employing targeted pricing and bundling tactics that enhance margins without sacrificing sales volumes. As we move into summer, merchants focusing on adaptability, strategic data collection, and long-term planning rather than short-term fixes will position themselves best. Those embracing these strategies will be better equipped to navigate ongoing market volatility and secure a lasting competitive advantage.

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Expert Panel

Plumbing & Drainage



Chris Dawson, Sales Director at Brett Martin is BMBI's Expert for Plumbing & Drainage

The second half of 2024 was marked by some unexpected changes in the manufacturing supply chain. As a result, some sizeable shifts in merchant distribution partners for the UK building plastics market unexpectedly became available. The net effect for Brett Martin as we moved into 2025 was to mitigate negative macro market trends, helping us post growth in quarter one.

However, we are fully aware of the situation on the ground which saw the first quarter failing to break away from any of the negative trends exhibited during the previous year. All eyes were on the new build house market in the hope that consumer confidence might recover and spark a turnaround from the low house starts which are in turn linked directly to the lowest planning approval numbers on record in England. That trend has not yet turned and the Q1 market for drainage products reflects this.

We are pleased that our process of continual service enhancement has built confidence among our core independent merchant sector, enabling us to secure and retain so many high-quality partners, focused on service excellence. Being positive brings multiple benefits to any organisation and is further enhanced by great teamwork and in-depth market knowledge.

Consumer confidence has been hit again and again by many national and international events over the past few years, and it fell to new lows in January. Nothing emerged in early 2025 to break the negative sentiment, despite more promising trends in inflation. It appears the RMI market is more buoyant than new build however big ticket spends such as home extensions require enhanced confidence based on affordability and the direction of the economy and job security.

It was Aristotle who first expressed the thinking attributed to the saying "One Swallow doesn't make a summer". It's not too much of a stretch to take the philosopher's view and say that, despite being welcome, even anticipated interest rate cuts will not be enough on their own to jump start this lazy market. More imagination and positive action will be required from government to finally break this cycle.

The second half of 2024 was marked by some unexpected changes in the manufacturing supply chain. As a result, some sizeable shifts in merchant distribution partners for the UK building plastics market unexpectedly became available.

Expert Panel

Heating & Cooling



Matt Williams, Managing Director Polypipe Building Products is BMBI's Expert for Heating & Cooling

Quarter 1 2025 has been another UK residential construction quarter best described as 'in recovery' rather than recovered. Most green shoots of recovery we have experienced in the last two years have been disrupted by geopolitical events. This quarter it has largely been international tariffs which have caused further economic uncertainty.

UK Housing starts, as well as brick deliveries and other market metrics, which as often used as barometers for housing growth, are positive year-to-date compared with the same period in 2024. However, the start of 2024 was still in a trough of construction activity after the spike in foundations put in around the Part L Building Regulations change in the summer of 2023. But, despite many individual market measures showing strong growth, actual activity levels generally are subdued, although tracking slowly in the right direction.

Since the COVID pandemic in 2020, most reliable market metrics have become detached from previous correlations, and data analysis has become more of an artform than a science to generate insight.

Polypipe Building Products has therefore started collaborating and sharing data with our strategic partners to provide them and us with greater insight, including more qualitative information to drive the voice of the customer within our businesses.

The Construction Products Reform Green Paper ([Construction Products Reform Green Paper - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115444/construction_products_reform_green_paper.pdf)) was released in February 2025, with data fundamentally at the heart of all recommendations for improvements and ultimately safety. Polypipe has the most comprehensive range of third-party approvals in the UK plastic plumbing and drainage market. Quality and transparency of both physical products, and the related data to support this, is at the core of our business and will continue to be. House builders and homeowners are rightly becoming more demanding in terms of proving that quality, sustainability and safety standards not only meet today's requirements, but are futureproofed. Polypipe fully supports the industry's transition to data-based construction product requirements (www.polypipe.com/housing) and we will be at the forefront of this collective industry effort.

Most green shoots of recovery in the last two years have been disrupted by geopolitical events. This quarter international tariffs caused further economic uncertainty.

Appendix

Trading Days

Monthly												Quarterly				Half Year		Full Year
Index: 20.7												Index: 62						
2023												2023				2023		2023
Jan 21	Feb 20	Mar 23	Apr 18	May 20	Jun 22	Jul 21	Aug 22	Sep 21	Oct 22	Nov 22	Dec 16	Q1 64	Q2 60	Q3 64	Q4 60	H1 124	H2 124	248
2024												2024				2024		2024
Jan 22	Feb 21	Mar 20	Apr 21	May 21	Jun 20	Jul 23	Aug 21	Sep 21	Oct 23	Nov 21	Dec 17	Q1 63	Q2 62	Q3 65	Q4 61	H1 125	H2 126	251
2025												2025				2025		2025
Jan 22	Feb 20	Mar 21	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1 63	Q2	Q3	Q4	H1	H2	

GfK's Definition of Builders Merchant Panel



Generalist Builders Merchants definition:

- 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. Only multiple merchants are considered; they are defined as having more than 3 outlets or a turnover of greater than £3m p.a.
- This excludes branches that generate all their sales from specialized areas such as Civils, Tiles and Tools. Estimated coverage of this channel sits at 88%.

Examples include:



INDEPENDENT BUILDERS MERCHANT GROUP



GfK's Product Categories

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

NIQ



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

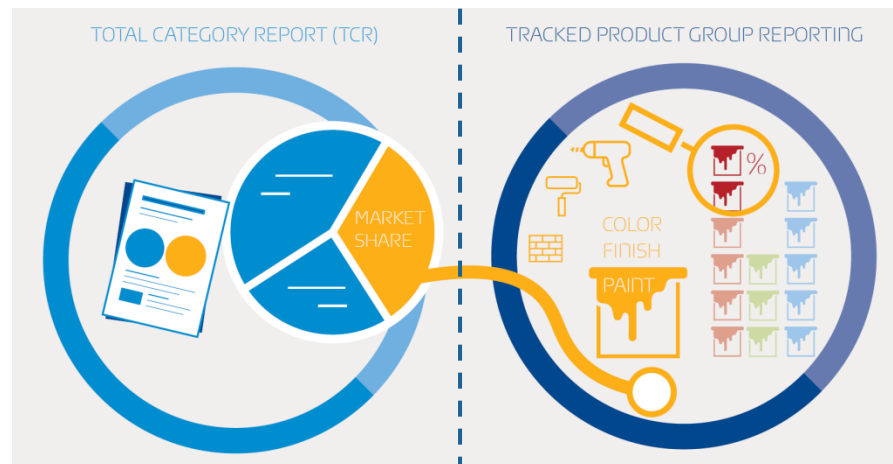
Bathroom (Including Showering)
Fitted Kitchens
Major Appliances

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 Emile van der Ryst at GfK

emile.vanderryst@nielseniq.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)

Building the Industry & Building Brands from Knowledge



Excellence in building materials supply



BMF (Builders Merchant Federation) Forecast Report

BMF Forecast Report

Spring 2025 Edition

Builders Merchants Industry Forecast Report

The latest forecast report of the BMF's Builders Merchants Industry Forecast, covering Spring 2025 onwards, is available.

While Builders Merchants Building Index (BMBI) data, which is provided by GfK and is based on actual sales category performance, has enabled users to see which products and regions are currently growing, the forecast report takes this one stage further to meet the industry's need for accurate forecasting.

The BMF forecast model incorporates several lead indicators to signal future events that will impact our markets.

Using BMBI data coupled with advanced modelling techniques the BMF has developed a channel-specific forecasting model to show what is likely to happen in the next 12 months, making it possible for merchants and suppliers to forecast their customers' requirements more accurately.

The forecast report and its previous editions can be downloaded by BMF members free of charge – once logged in – [here](#).

Non-members can purchase the report by contacting Thomas Lowe on 024 7685 4994 or email: thomas.lowe@bmf.org.uk



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