



## PRESS RELEASE

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### **Underfloor Heating Market Report UK 2012 – 2016 Analysis**

New AMA report addresses the current issues in this developing market

“Traditionally UFH has been perceived as an exclusive commodity; however recent technological advances have led to a steady increase in its availability and popularity in the UK, making it one of the fastest growing markets in the heating industry. UFH is growing in popularity with new build developers and self builders who are increasingly using UFH systems to add value to properties. Self builders in particular are willing to invest more in initial costs in order to appreciate longer term benefits.”

A brief summary of the report is included on the following page.

Priced at £675, the report is currently available from AMA Research Ltd,  
Telephone 01242 235724 or e-mail at [sales@amaresearch.co.uk](mailto:sales@amaresearch.co.uk).

#### **Editors Note:**

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

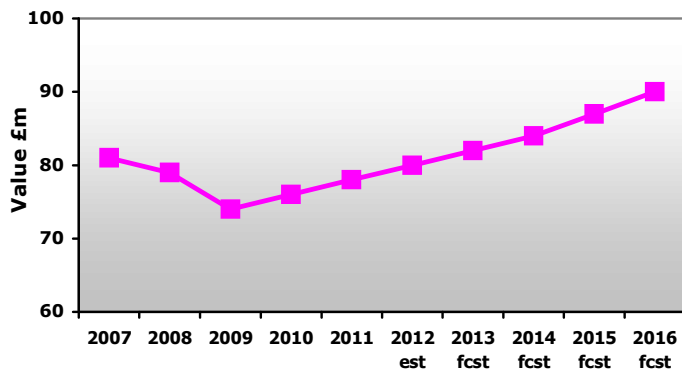
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Chris Moore or Keith Taylor on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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## Underfloor Heating Market Report – UK 2012-2016 Analysis

### UK Underfloor Heating Market by Value (£MSP)



The UK underfloor heating market accounts for around 5% of the total UK heating market, with an estimated value of around £78 million at manufacturers selling prices (MSP) in 2011. This market is broadly classified into two product types; water-based UFH systems and electric UFH systems. All market estimates relate to materials only and exclude installation work. Traditionally UFH has been perceived as an exclusive commodity; however recent technological advances have led to a steady increase in its availability and popularity in the UK, making it one of the fastest growing markets in the heating industry.

UFH is growing in popularity with new build developers and self builders who are increasingly using UFH systems to add value to properties. Self builders in particular are willing to invest more in initial costs in order to appreciate longer term benefits.

Like other products in the building and construction industry, the market for underfloor heating has been impacted by the global financial crisis. Recent market performance in the domestic sector has proved to be particularly difficult, with the decline in the housing market and fall in consumer spending negatively impacting on demand.

The short term outlook for the UK underfloor heating market remains fragile. Confidence remains weak and neither housebuilding nor housemoving have seen any substantial recovery in 2011, and are unlikely to recover strongly in 2012. This will continue to impact on a wide range of products, including UFH. However, in the medium to longer term, the UK underfloor heating market is expected to return to steady growth as the economy stabilises and confidence improves. It is also expected that UFH will start to be adopted in the wider market as systems become easier to install and the benefits become more widely known.

The non-domestic sector continues to dominate the UK underfloor heating market with 51% share by value. This sector is starting to feel the impact of the public sector spending cuts. The domestic sector accounts for the remaining 49% of the market and includes self build installations, new build activity and RMI / DIY retrofit projects.

Imports continue to account for a significant proportion of UFH products sold in the UK, exposing the market to a high level of price competition. This will affect value growth in the medium to long term. Distribution remains dominated by direct supply with manufacturers and other specialists often offering a 'supply and fit' service. However, there has been a shift towards indirect distribution, particularly in the domestic sector, with merchants, DIY multiples, and other retailers becoming more involved in the distribution of UFH systems.

Penetration levels of UFH remain low and there is still ample room for good market growth in the future, with wider adoption by the new build sector likely. Tightening legislation is likely to encourage housebuilders to use UFH as a means of meeting the more stringent energy efficiency targets. In the short to medium term it is likely there will be an increase in the number of companies involved in UFH distribution as the market grows and organisations spot opportunities to exploit different positions. However, in the longer term there is likely to be some consolidation within the supply sector, easing price competition and thus aiding value growth.

By 2016 the market value is forecast to be around £90m at MSP, which would represent an increase of around 13% compared to the market size in 2012.

AMA Research's report "**Underfloor Heating Market Report - UK 2012-2016 Analysis**" is available in hard copy or electronic format for £675 and can be ordered online at [www.amaresearch.co.uk](http://www.amaresearch.co.uk) or by calling 01242 235724.