

State of the Industry

An overview of water quality industry trends & outlooks

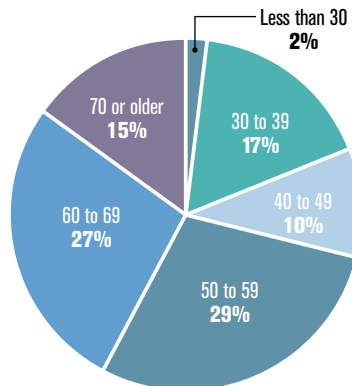
The water treatment industry is an ever-changing sector, with new technologies, regulations and trends always on the horizon. In an effort to remain up to date on these trends, WQP reached out to its readers to bring you the 2017 State of the Industry report.

This fall, WQP surveyed its audience, asking about demographics, budgeting, purchasing and industry resources. Respondents also indicated the topics and challenges that will have the greatest impact on the industry and their businesses in the near future. A total of 56 people participated in this year's survey.

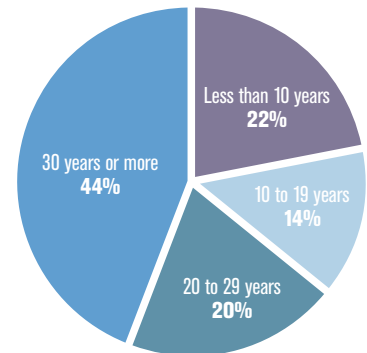
WQP is committed to keeping its readers informed on current industry issues. The editorial staff will continue to research and report on the state of the water quality industry throughout the year. **WQP**

For more information, contact the WQP staff at wqpeditor@sgcmail.com or 847.391.1025.

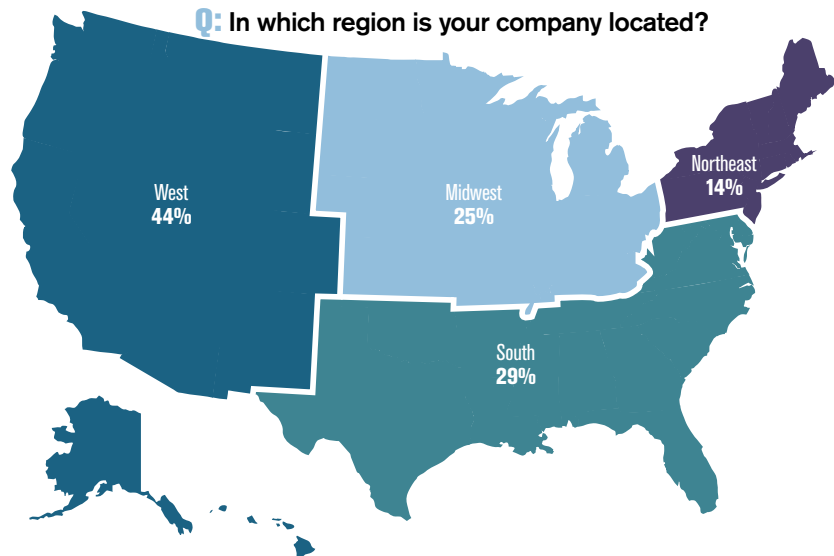
Q: In which of the following ranges does your age fall?



Q: Approximately how many years has your company been in business?

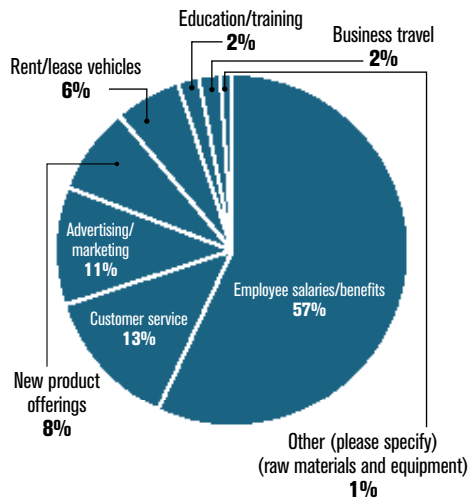


Q: In which region is your company located?

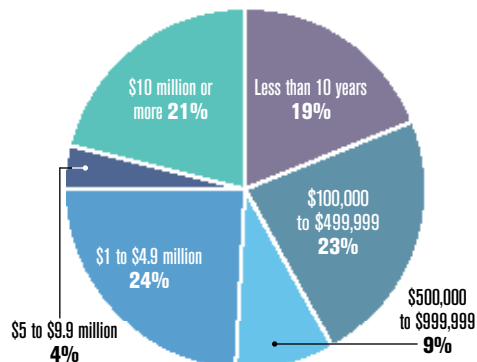


2017

Q: Which of the following will account for the largest portion of your budget in the next 24 months?

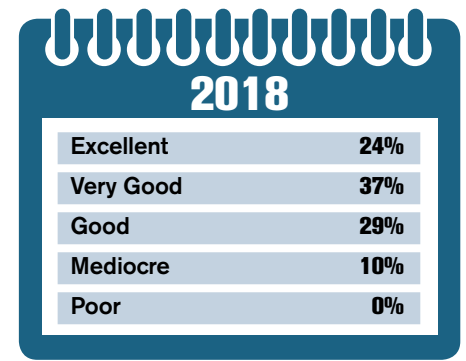
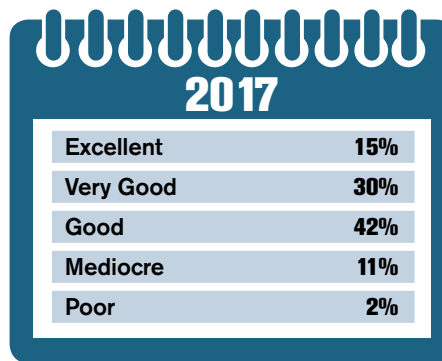


Q: What are your company's estimated gross sales for 2017?



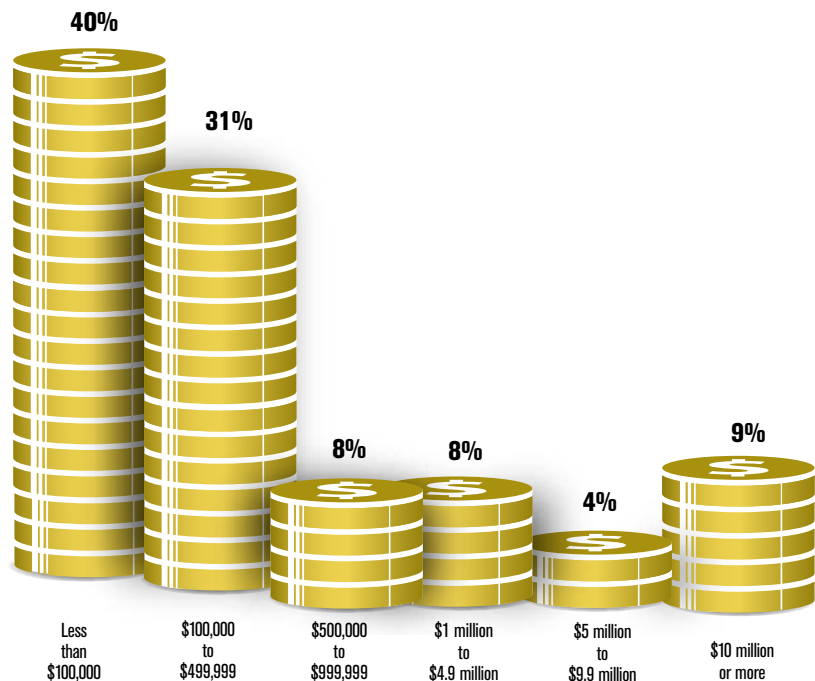
Most respondents have a positive outlook on the industry.

Q: How would you rate this year and what do you expect to rate next year as a business year for your company?



Most respondents (71%) have a yearly budget of less than \$500,000.

Q: What is your company's approximate yearly budget for water quality products and services?



Maintaining growth, planning for retirement and marketing were common challenges listed.

Q: What is the greatest challenge your business will face in the next 24 months?



Reverse osmosis and filtration equipment were the most common product offerings.

Which of the following product/service categories does your business offer?

Filtration equipment	77%
RO systems, components and supplies	73%
Filters and housings	71%
Water conditioning/softening equipment	63%
Media/resins	62%
Service calls	59%
Control valves and tanks	57%
Disinfection	46%
Faucets, tubing, fittings and accessories	45%
Pumps	42%
Testing/laboratory services	38%
Chemicals	27%
Coolers/bottled water equipment	27%
Rental equipment	27%
Instrumentation, controls, monitors and sensors	23%
Soap products	7%
Other (please specify)	11%

Other responses included resin regeneration and product certification.

Commercial and residential were the most common market segments.

Q: In which of the following market segments does your company do business?



COMMERCIAL
75%



RESIDENTIAL
73%



INDUSTRIAL
50%



SMALL MUNICIPAL
30%

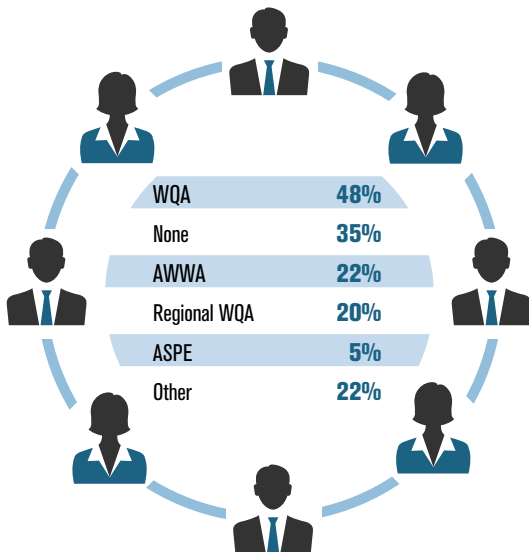


OTHER
14%

Other responses included large municipal, agriculture and desalination.

Association membership and industry events remain popular. Trade magazines and the internet continue to be important resources.

Q: Which of the following industry associations do you belong to?



Other common responses included the Association of Water Technologies and the National Ground Water Assn.

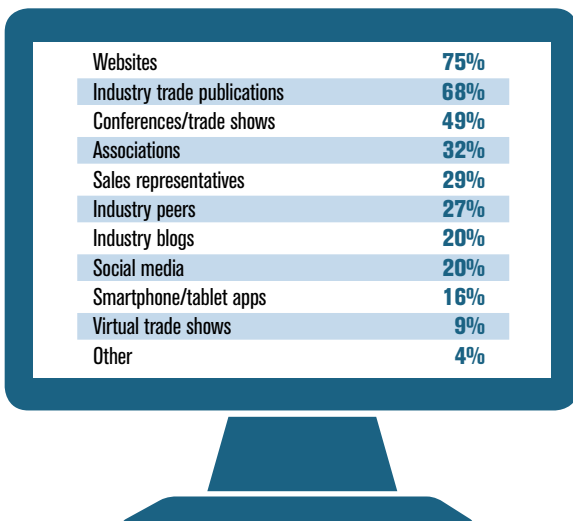


Which of the following industry trade shows and conferences did you attend in the past 24 months?

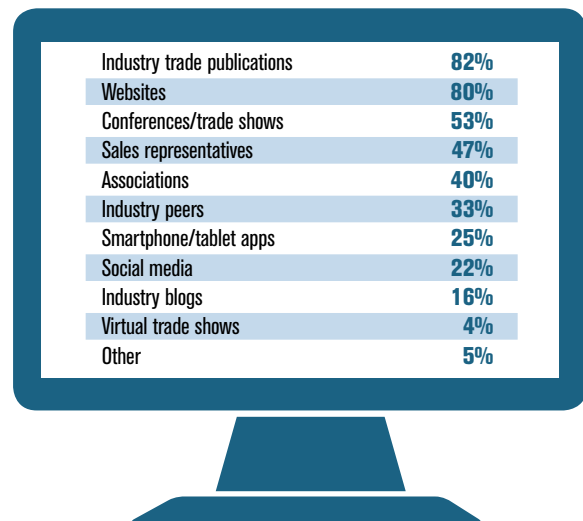
WQA Convention & Exposition	30%
Regional WQA tradeshows	20%
AWWA ACE	13%
Aquatech Amsterdam	9%
WQA Leadership Conference (Mid-Year)	9%
ASPE Convention & Exposition	7%
None	4%
Greenbuild	2%
Other	18%

Other common events included WEFTEC, state groundwater shows, and the AWT Annual Conference & Exposition.

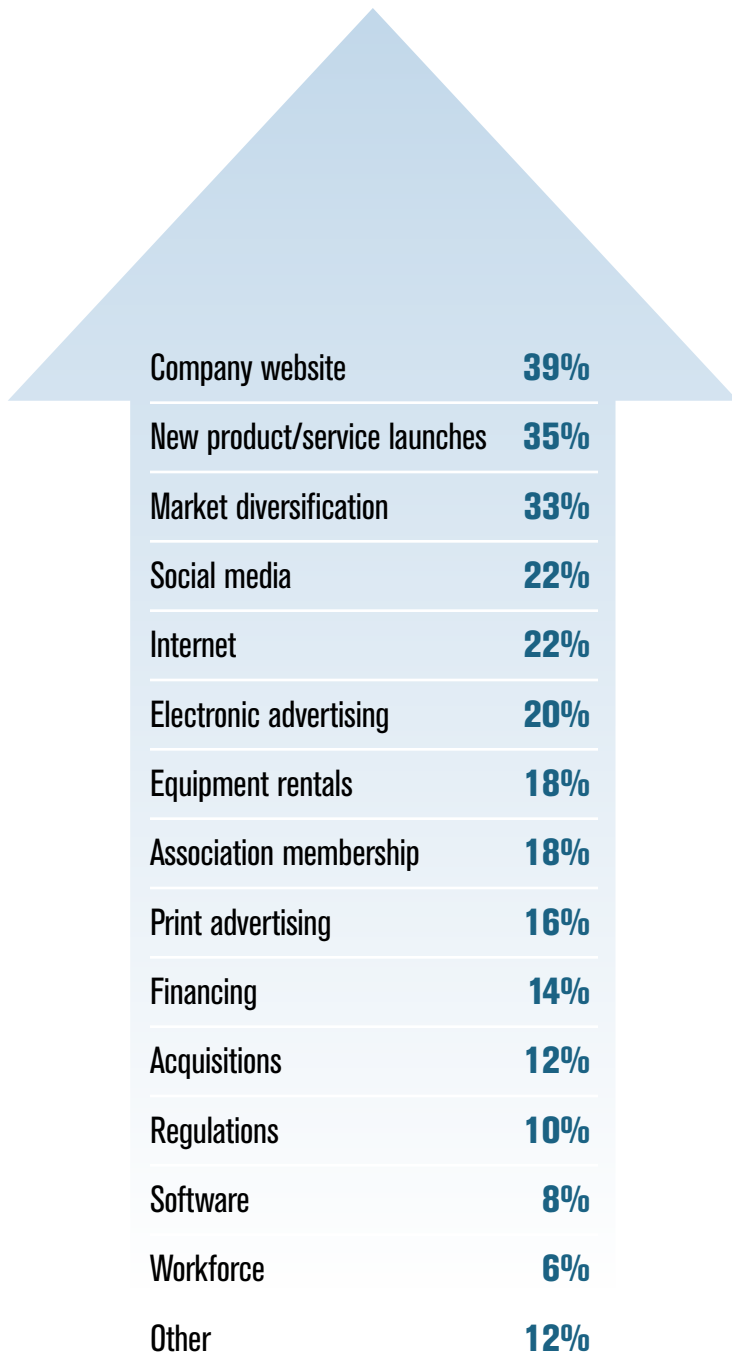
Q: What resources do you use for continuing education and certification?



Q: What sources of information do you use for your business?

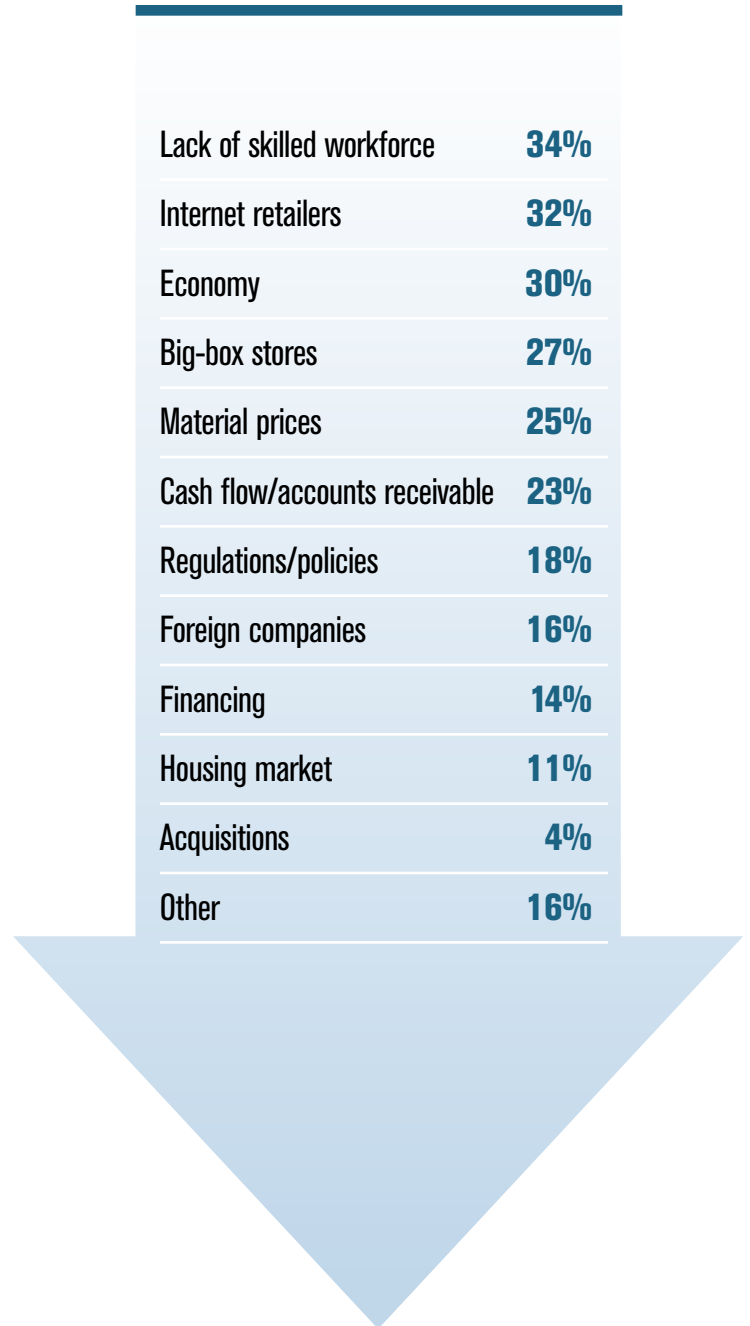


Q: Which of the following factors have had a **POSITIVE impact on your sales in the past 12 months?**



Other responses included brand awareness and referrals.

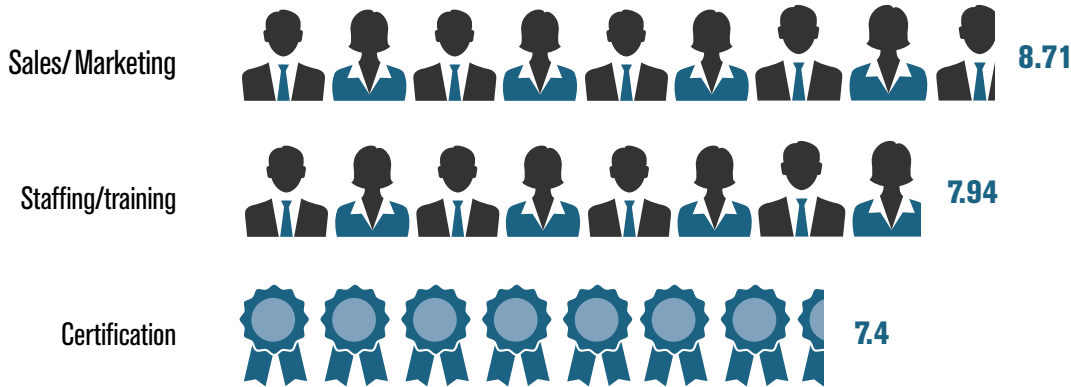
Q: Which of the following factors have had a **NEGATIVE impact on your sales in the past 12 months?**



Respondents also indicated shipping costs as negatively impacting their sales.

Sales/marketing, staffing/training and certification were the top three most important industry topics. The international market was the least important.

Q: On a scale of 1 to 10, with “1” being not important and “10” being very important, please rate how important each of the following topics will be in the coming year.



Contaminants	7.18
New product introductions	7.08
Well/groundwater	7.02
Filtration media	6.96
State regulations	6.77
Commercial water treatment	6.66
Accounting/office management	6.62
Membrane filtration	6.49
Industry news	6.41
Disinfection	6.41
National regulations	6.37
Financing	6.13
Water reuse	5.73
International market	4.48

Regulations, contaminants and the economy were among the important industry topics respondents expect to impact their businesses.

Q: What are the most important industry topics that will affect your business?

