



SEEKING *the*

Survey of 2020's lighting trends

THE ELECTRICAL CONTRACTING COMMUNITY experienced significant economic impacts from the COVID-19 pandemic but is somewhat optimistic about 2021. That is one key finding from the 2020 Commercial/Industrial/Institutional (CII) Lighting Trends Survey, conducted by **ELECTRICAL CONTRACTOR** in October among the magazine's Subscriber Research Panel.

The survey was designed to capture electrical contractors' awareness and attitudes about the lighting market and cutting-edge trends, such as networked lighting controls (systems that network lights for programming and data collection), color-tunable LED

lighting (lights that change color or shade of white light), wireless lighting controls (communicating using radio-frequency signals), IoT (lighting with additional sensors to capture building operating data) and germicidal light sources such as UV-C. The 144 respondents

were filtered to 93 to concentrate on ECs working with CII lighting.

Key findings:

- For 60% of respondents, revenue from new construction and major renovations stayed the same or increased in 2020 compared to 2019. Almost 70% of revenue from lighting retrofits and 77% from maintenance/service/repair stayed the same or increased.
- A majority of respondents said the COVID-19 pandemic impacted their 2020 business revenues, with the majority of these respondents saying their overall revenues decreased not just for lighting.
- Overall, respondents are optimistic about 2021, with more saying they expect their revenues related to lighting in all three markets will increase in 2021 than those saying it will decrease. About 30%–40%,



By Craig DiLouie

SPOTLIGHT

however, believe their revenues will remain unchanged.

- A majority of respondents are familiar with major lighting trends, with the greatest familiarity or actual work experience being with wireless lighting controls (73%), color-tunable lighting (63%) and networked lighting controls (61%). Three-fourths of respondents are least familiar with germicidal lighting and the IoT, which is not surprising, because these are relatively new trends. However, upward of three-quarters of respondents who are aware of the technologies are comfortable specifying and installing each of them, with the least comfort for germicidal lighting, IoT and networked lighting controls.
- More than 60% of respondents have discussed lighting quality and color-tunable LED lighting as lighting product features/trends with customers. Nearly half have

discussed networked lighting controls. Customers were most interested in lighting quality, followed by color tuning and networked control. However, more than three-quarters were somewhat or very interested in all five technologies.

- The average respondent considers ECs as having a somewhat high degree of influence in selecting lighting equipment for new construction and major renovation CII projects and the highest degree of influence in lighting retrofits.

Lighting and the contractor

The average respondent's CII lighting revenues in 2020 were divided this way: 36% new construction/renovations, 38% retrofits in existing buildings, and 26% maintenance/service/repair.

For the average respondent, the most popular CII lighting-related services included

installation (90%), maintenance/service/repair (85%), recommending lighting (85%) and purchasing lighting (82%). More than half (57%) specify lighting and one-third (33%) commission lighting controls.

Respondents were asked to rate themselves and potential project participants on their relative influence in ultimately deciding what lighting is installed in the average CII new construction/major renovation project. This was on a scale of 1–5, with 1 being “not influential” and 5 being “very influential.”

On average, respondents perceive themselves as fairly influential (3.6), behind only lighting designers (if attached to the project) (4.3), the owner and electrical engineer (4.0) and architect (3.9).

When asked the same question regarding CII lighting retrofit projects, the average respondent perceives themselves as the most

Continued on page 26 →

← Continued from page 23

influential project participant (4.0), on par with the owner (3.9).

The COVID-19 pandemic

About three-fourths (74%) of respondents reported that the COVID-19 pandemic impacted their business revenues in 2020. Among these respondents, the majority said it caused a “very significant” (14%) or “somewhat significant” (45%) decrease in business revenues in 2020.

About four out of 10 respondents (38%) anticipate there will be a backlog of work orders once the crisis abates. About one-fourth (27%) do not, while about one-third (35%) believe it is too soon to develop any firm expectation. About 40% said they were already working through a backlog.

Lighting market outlook

A majority of respondents reported 2020 as a challenging year in terms of overall revenue but are relatively optimistic about lighting prospects in 2021.

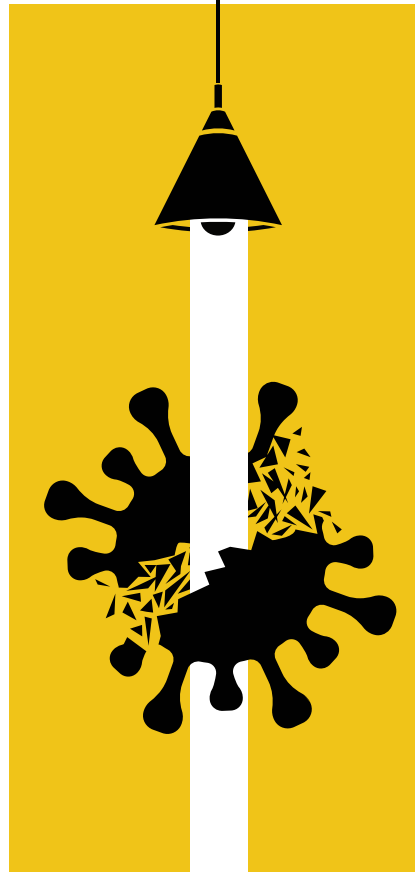
Starting with 2020, in the CII new construction and major renovations market, about one-fourth of respondents said they expected their lighting revenues to “increase a lot” (5%) or “increase a little” (18%). About one-third said they expected their revenues to “decrease a lot” (9%) or “decrease a little” (27%). The rest (37%) said they expected their revenue to stay at the same level as 2019.

In the CII lighting retrofits market, about one-third of respondents said they expected their revenues to “increase a lot” (7%) or “increase a little” (22%) by the end of the year. About the same portion said they expected their revenues to “decrease a lot” (9%) or “decrease a little” (21%). The remainder (40%) said their revenue would stay the same.

Maintenance/service/repair was the strongest market in 2020, with 6% of respondents saying they expected their revenues to “increase a lot” and 29% saying they would “increase a little.” In contrast, 4% said they expected revenues to “decrease a lot” and 18% “decrease a little,” with 42% saying they expected their lighting revenues in this market segment to remain unchanged from 2019.

Looking ahead to 2021, a majority of respondents expected their CII lighting revenues to remain the same or increase.

In the CII new construction and major renovations market, nearly one-half of



respondents said they expected their lighting revenues to “increase a lot” (6%) or “increase a little” (41%). Less than one-fourth said they expected their revenues to “decrease a lot” (3%) or “decrease a little” (18%). The rest (29%) said they expected their revenue to stay at the same level as 2020.

In the CII lighting retrofits market, more than four out of 10 respondents said they expected their revenues to “increase a lot” (7%) or “increase a little” (39%) in 2021. In contrast, 14% said they expected their revenues to “decrease a little.” The remainder (39%) said their revenue would stay the same.

Maintenance/service/repair looks to be the strongest market segment for respondents in 2021, with 10% expecting their revenues to “increase a lot” and 37% expecting them to “increase a little.” In contrast, 10% said they expected revenues to “decrease a little,” with 42% saying they expected their lighting revenues in this market segment to remain unchanged from 2020.

Lighting trends

Respondents were presented with a list of trends and asked their level of awareness

of and comfort level with each: networked lighting controls, color-tunable LED lighting, wireless lighting controls, IoT and germicidal light sources such as UV-C.

Wireless lighting controls is the most familiar trend, with about seven out of 10 respondents (73%) being either “familiar” with it (41%) or having worked on a project involving it (32%). About one-fourth (24%) of respondents are “somewhat familiar” with it, and only 3% said they were “not aware” of it. This is also the technology with the highest comfort level among those aware, with 48% saying they are “very comfortable” recommending, specifying and installing it and 42% saying they are “somewhat comfortable.”

Color-tunable LED lighting and networked lighting controls are the next most familiar trends, with nearly two-thirds (64%) of respondents being familiar with or having worked with these technologies. Four out of five of those aware are comfortable recommending, specifying and installing color-tunable LED lighting (81%) and networked lighting controls (80%).

The IoT and germicidal lighting are the least familiar trends, with the least amount of experience and comfort recommending, specifying or installing.

Respondents were also asked whether they had discussed these and other product features and trends with customers, including lighting quality (visual comfort, lighting patterns, etc.) and “healthy” lighting (lighting designed to promote occupant wellbeing or healthy circadian rhythms). Of these, a majority have discussed lighting quality (73%) and color-tunable LED lighting (62%), and nearly one-half (47%) discussed networked lighting controls.

Finally, respondents that had discussed these topics with their customers were then asked to indicate level of customer interest. All topics received a significant level of interest, with majorities being very or somewhat interested. Customers were most interested in lighting quality (39% being “very interested”), followed by color-tunable LED lighting (28%), networked lighting control (27%) and “healthy” lighting (26%).

DILLOUIE, L.C., is a journalist and educator specializing in the lighting industry. Learn more at ZINGinc.com and LightNOWblog.com.