MUNICH STRATEGY
MANAGEMENT CONSULTING

DUCKER CARLISLE

BUILDING & CONSTRUCTION QUARTERLY REPORT | EUROPE

Q1 2026

June 2026

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Key priorities for this quarter

Q3 2026

For B&C Manufacturers

Prioritize
end-markets with structural demand visibility, including renovation, energy efficiency, grid infrastructure, data centres and labour-saving construction solutions.

Focus commercial resources on
value propositions that improve productivity, reduce labour intensity or support regulatory compliance.

Do not
launch innovation only on technical performance. Validate installer friction, certification, channel economics and insurability before scaling.

For Private Equity

Prioritize
assets exposed to recurring retrofit demand, energy transition, digital infrastructure and labour-saving technologies.

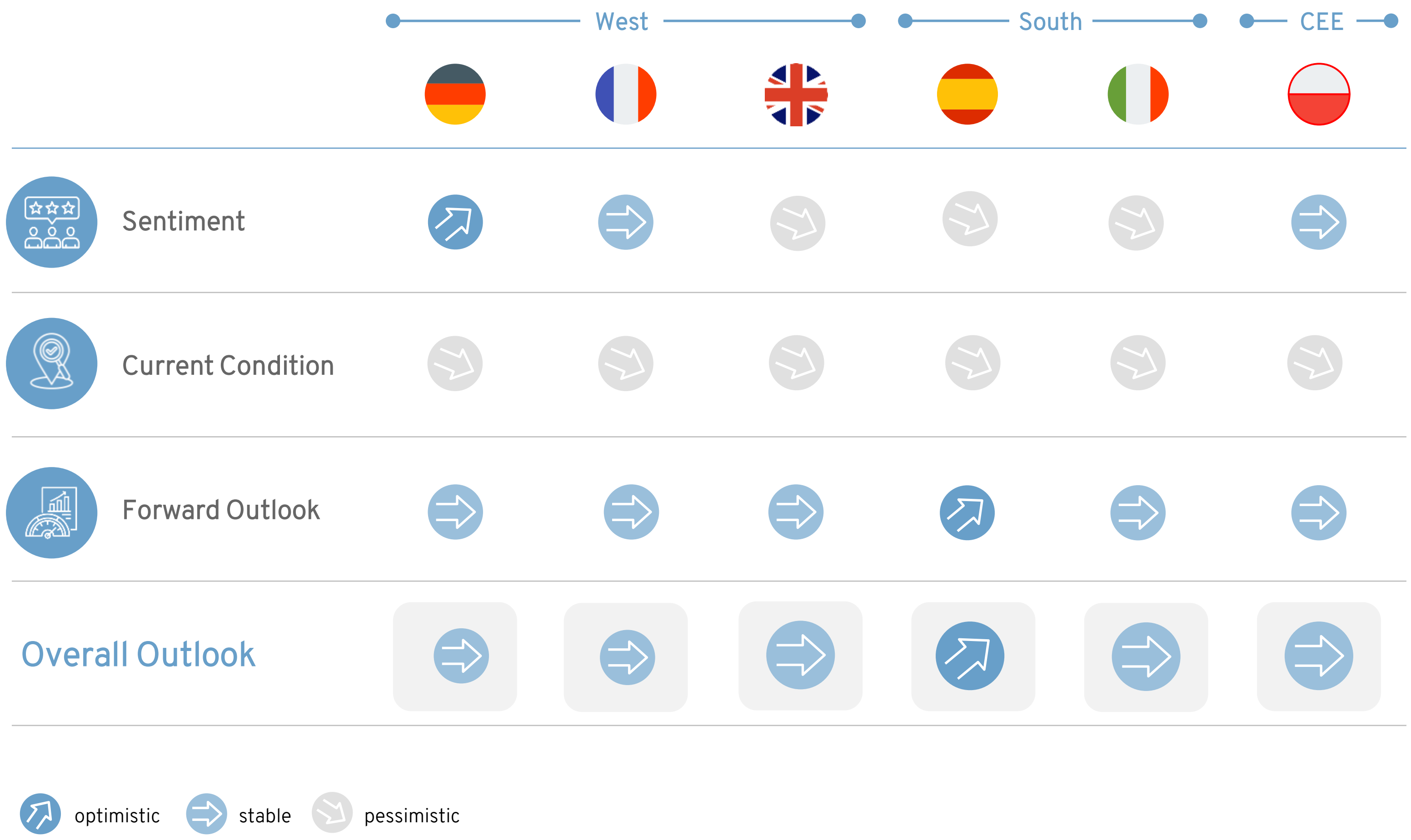
Avoid
commodity-heavy new-build exposure, highly cyclical residential-only businesses, businesses relying on a broad-based volume recovery.

Assess
competitive advantage beyond products, including channel strength, specification position, certification barriers and pricing power.

Business Climate Update

Business Climate: European construction remains subdued heading into 2026, with permits offering limited support.

Business Climate Heatmap across selected EU countries [indicative]



Summary

1. **Sentiment:** Construction confidence remained broadly subdued in Q1 2026, with only limited signs of stabilisation across markets.
2. **Current Condition:** Underlying conditions stayed weak as construction output declined further, hours worked remained soft, labour trends were mixed, and cost pressures persisted.
3. **Forward Outlook:** The near-term outlook is cautiously improving, with permits offering some support while broader activity indicators remain weak.

Overall Outlook: Europe's construction sector remains fragile as it heads further into 2026. While sentiment has not deteriorated sharply and permits provide some early support, weaker output, constrained labour capacity and persistent pricing pressure continue to limit the pace of recovery.

Sources: Munich Strategy & Ducker Carlisle Research

Market Observations: Key trends reshaping the construction industry

Overview of current trends [non-exhaustive]

Carbon compliance is emerging as a new cost driver for steel, cement and aluminium, adding pressure to project budgets.

Government-backed infrastructure and energy programmes are now the clearest source of demand visibility, while private recovery remains gradual and uneven across markets.

Adaptive reuse is gaining momentum as developers repurpose existing buildings to reduce carbon and unlock housing supply.

Grid constraints are becoming a defining factor in construction activity, shaping the timing, location and feasibility of energy, industrial and data centre projects.

Strategic industrial investment is concentrating around **selected projects and clusters** rather than translating into a broad-based European construction wave.

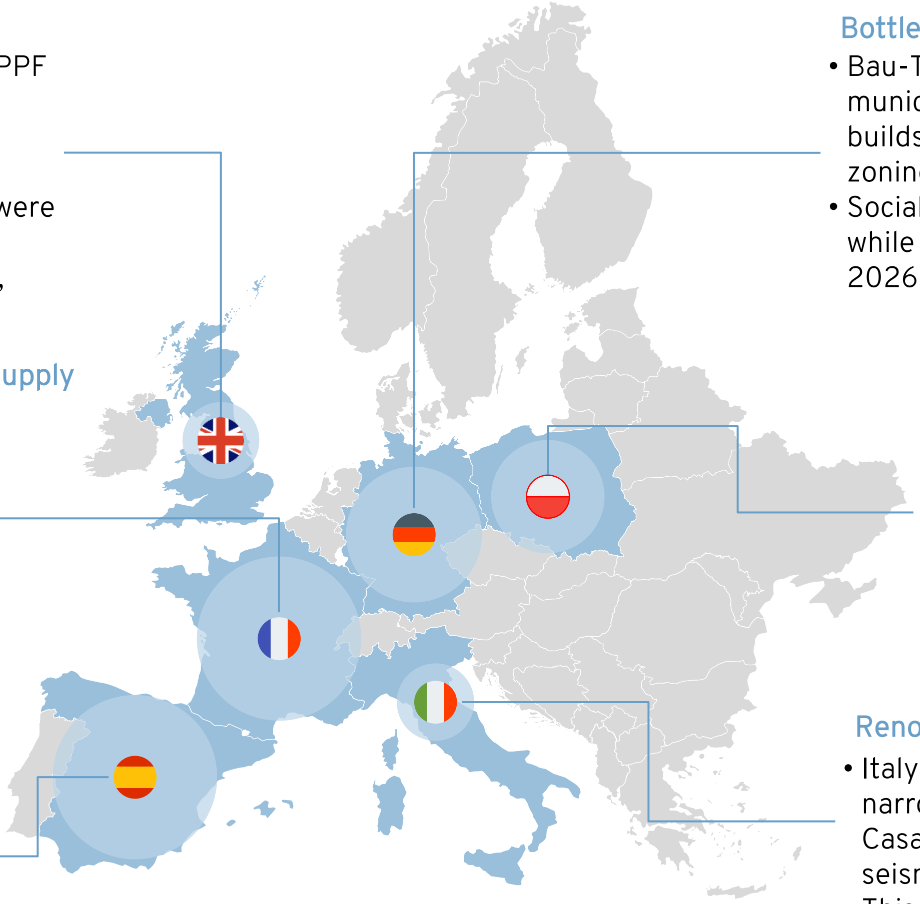
Offsite and modular construction are gaining relevance in Europe as developers look for faster delivery and better cost predictability.

Labour shortages in electrical, HVAC and specialist trades are increasingly constraining project delivery, particularly in energy, digital infrastructure and renovation.

AI-related computing demand is expanding construction beyond the data centre shell, increasing the importance of high-specification power, cooling and electrical infrastructure.

Policy Landscape: Q1 2026 actions focused on accelerating housing delivery, easing planning bottlenecks and sustaining construction activity.

Country-specific measures across Europe [non-exhaustive]



Policy changes and funding aim to unlock housing delivery

- The Planning and Infrastructure Act and the proposed NPPF rewrite aim to remove planning bottlenecks, increase density near transport nodes and prioritise brownfield development.
- Social housing finance and offsite-construction support were expanded as planning activity remained weak, with only 42,000 new permissions granted in England in Q3 2025, down 31% YoY.

Planning simplification and conversion measures support supply

- New simplification measures reduced administrative bottlenecks, while housing recovery initiatives supported commercial-to-residential conversions and renovation activity.
- Brownfield and vacant office redevelopment remain key levers to support supply, with government estimates suggesting up to 150,000 units could be unlocked in Île-de-France alone.

Stimulus support and cost reduction measures

- The new State Housing Plan 2026–2030 expands funding for public housing, renovation and emergency support, backed by a €7bn budget.
- The government also tightened rental-market oversight and launched new public mechanisms to improve access to affordable housing.

Bottleneck removal and continued affordability focus

- Bau-Turbo implementation progressed in Q1, giving municipalities more flexibility to approve residential builds, renovations and conversions outside existing zoning plans.
- Social and affordable housing funding remained elevated, while completions are still expected at only ~200,000 in 2026, well below the 400,000-unit target.

Mixed outlook on delivery of affordability measures

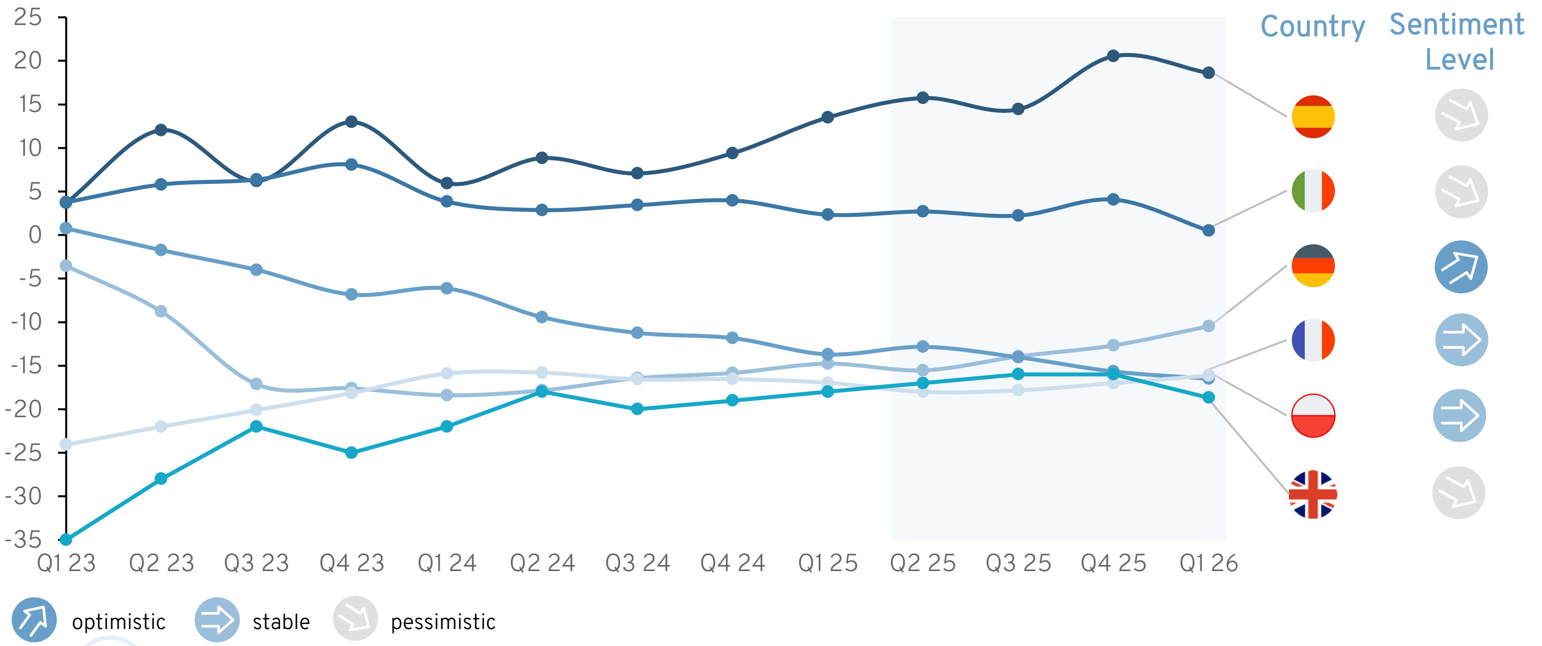
- New technical requirements (safety, acoustic comfort, building equipment standards) and the 'shelter law' are expected to add several hundred PLN/m² to construction costs from 2026.
- 2026 marks the end of 'Lex Developer Act' - replaced from mid-2026 by new spatial planning regulations requiring investments to align with municipal master plans.

Renovation incentives reset to a lower support floor

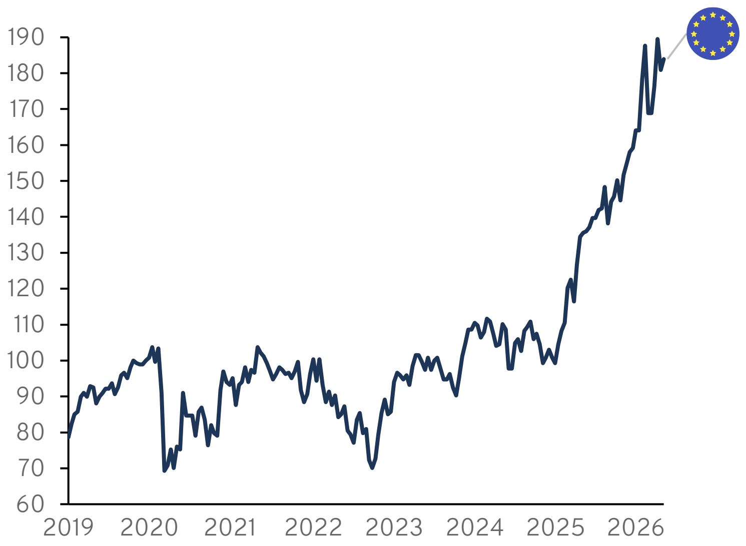
- Italy's 2026 framework shifts from maxi-incentives to narrower deductions, with Ecobonus, Sismabonus and Bonus Casa now providing more limited support for energy and seismic works.
- This step-down is expected to slow renovation activity, while residual RRP spending offers only a partial counterbalance.

Sentiment Dynamics: Construction confidence remained broadly subdued, and momentum softened into Q1 2026.

Construction Confidence & Sentiment Indicator across countries, Q1 2023 – Q1 2026 [Balance points]



MCX[1] Stock Price Performance [Index, 2019=100]



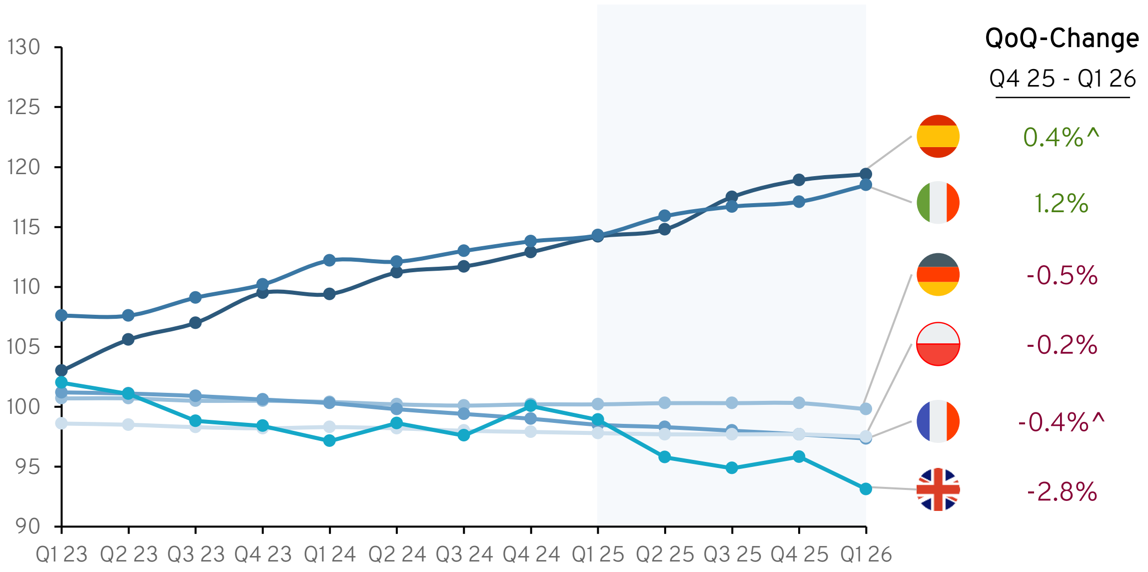
European construction sentiment stayed broadly subdued in Q1 2026, reflecting a fragile operating environment.

Sector confidence remains weak overall, with mixed country trends and restrained overall improvement. While some markets show relative stability, macroeconomic uncertainty continues to pressure the near-term outlook.

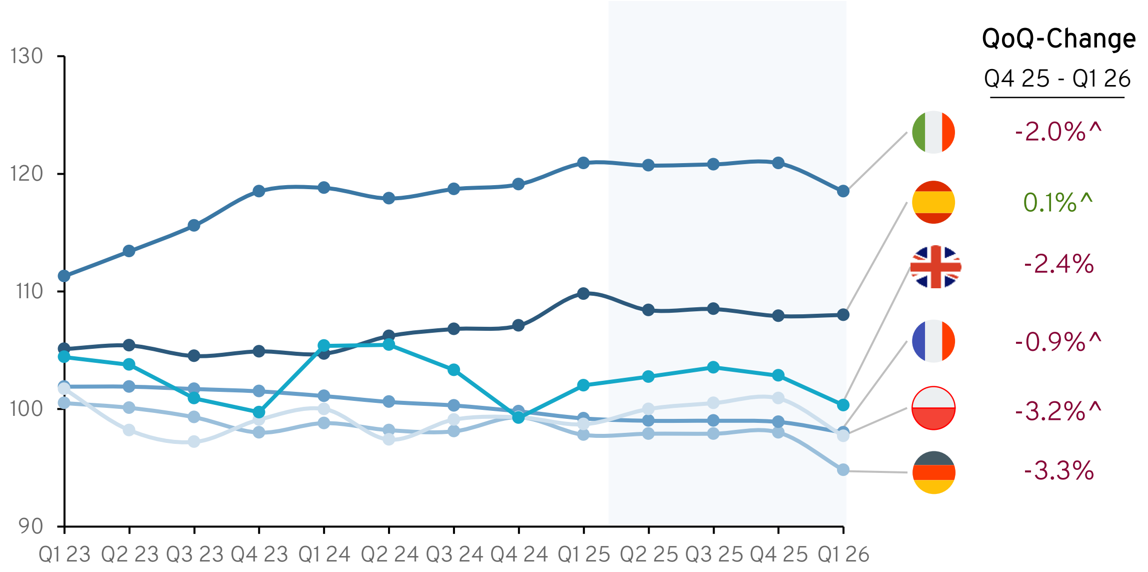
1) Munich Strategy Construction Index of >100 handpicked publicly traded construction companies
Sources: Eurostat, Munich Strategy & Ducker Carlisle Research

Labour Dynamics: Mixed employment trends across Europe, while Spain and Italy showed a positive trend, others weakened. Hours worked continue to constrain effective capacity

Persons employed Q1 2023-Q1 2026 [Index, 2021=100]



Hours worked Q1 2023-Q1 2026 [Index, 2021=100]



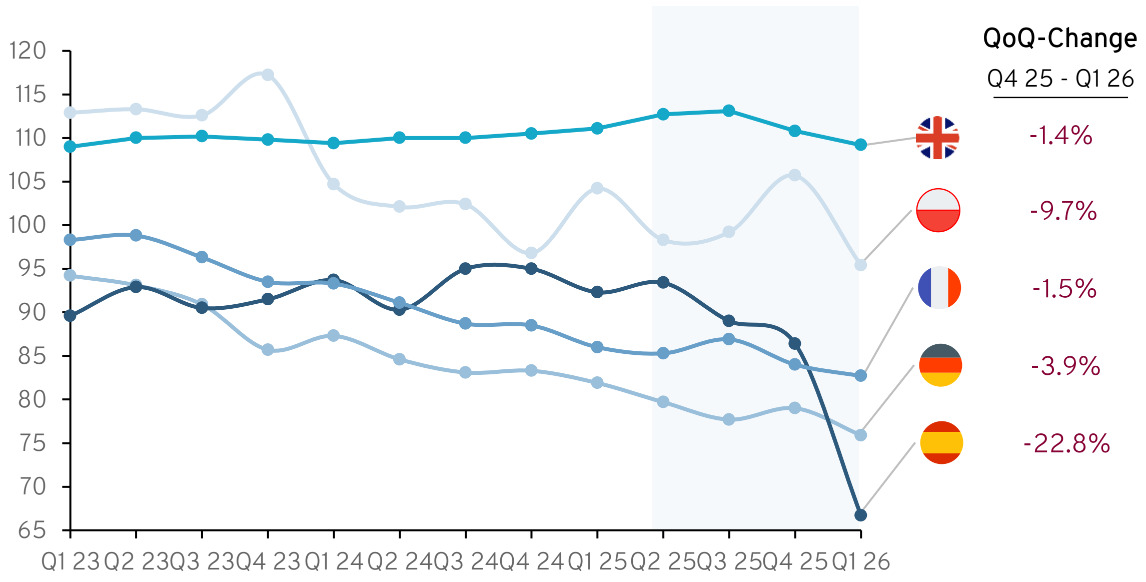
While Italy showed a modest improvement, most other countries, except Spain, saw weaker employment trends.

Spain continued to outperform, supported by public investment and EU-funded infrastructure projects, particularly in renewable energy and transport infrastructure, which have helped sustain sector growth. Hours worked remain weak across markets, except for a modest improvement in Spain, due to the deactivation of the Superbonus in Italy, labour constraints in Poland, reduced construction activity, and a lack of investment in other regions.

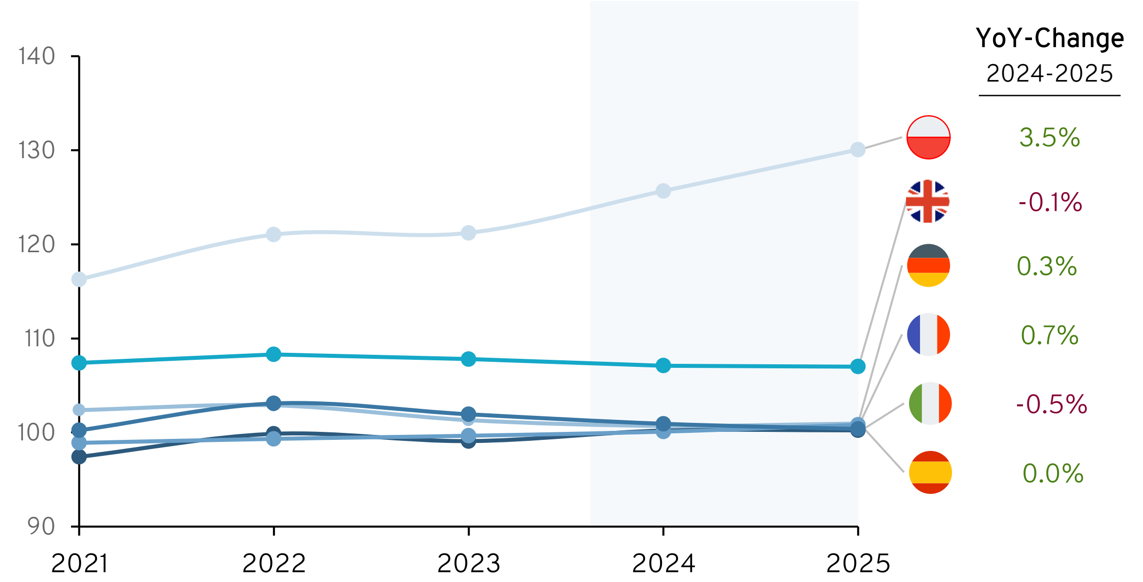
Sources: Eurostat, Munich Strategy & Ducker Carlisle Research
*UK – Data is not seasonally adjusted
^France, Italy, Spain and Poland– Estimated data

Output Dynamics: Construction output weakened further across Europe in Q1 2026, led by a sharp contraction in Spain and Poland.

Production in construction of buildings [Index, 2021=100]



Labour Productivity 2021-2025 [Index, 2015=100]



Output declined across Europe, despite improvement in labour productivity, except in the United Kingdom and Italy.

Output trends worsened across Europe in Q1 2026. Spain saw the largest decline, followed by Poland, while France, Germany and the UK also moved lower, confirming a slowdown in building activity. Spain's weakness reflects limited buildable land, lengthy permitting and development processes, labour shortages, and weak sector profitability.

Sustainability Dynamics: Sustainability certifications continue to increase across Europe, with both LEED and BREEAM registrations rising further.

LEED and BREEAM Adoption across selected European countries

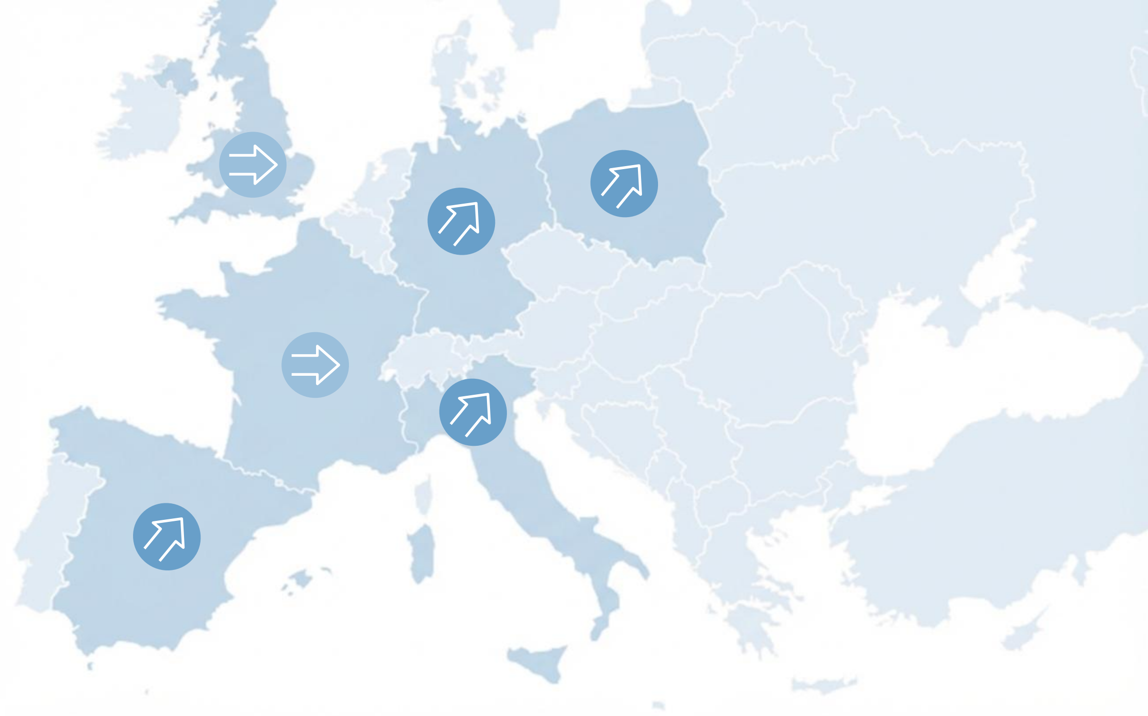
LEED (Leadership in Energy and Environmental Design) is a globally recognized green building rating system and a symbol of sustainability leadership supported by a community driving market change.

BREEAM (Building Research Establishment Environmental Assessment Method) is a sustainability assessment system that measures how well buildings meet environmental goals and ensures their performance remains high over time.

	Poland	Germany	France	Spain	Italy	United Kingdom
LEED Projects	298	671	156	1150	831	202
BREEAM Projects	2710	1816	6003	3360	1212	20504
Absolute Growth*	4.23%	5.56%	3.32%	6.04%	4.39%	2.34%

optimistic stable pessimistic

Sentiment Level [Indicative]



EU regulatory pressures and market demand continue to support the adoption of sustainable building standards across Europe.

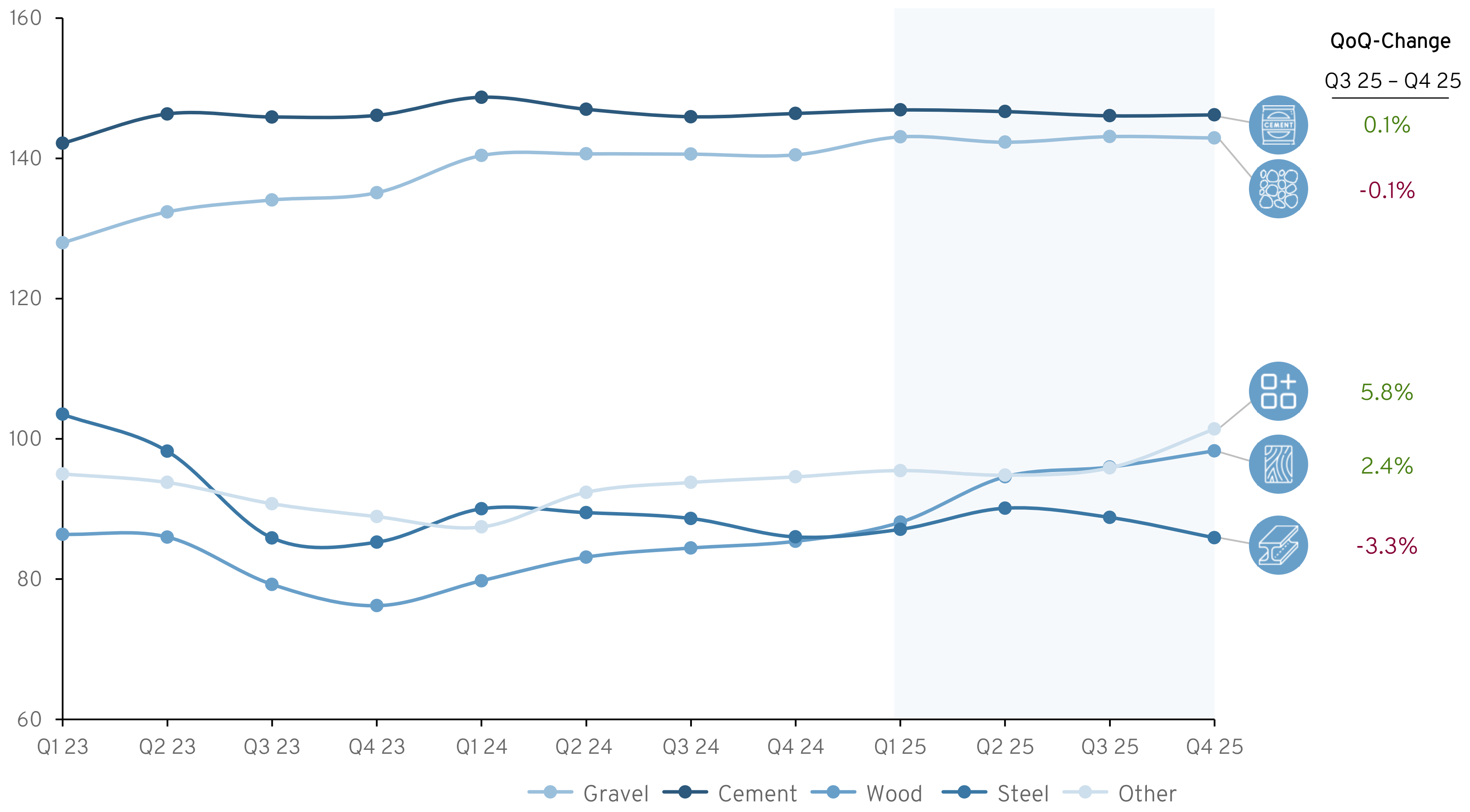
Spain and Italy recorded notable increases in LEED projects, while BREEAM volumes also rose across all countries, with the United Kingdom maintaining by far the largest project base.

Sources: Munich Strategy & Ducker Carlisle Research

*Absolute Growth: Countries showing cumulative growth of >4,0% in absolute numbers for LEED and BREEAM projects are highlighted as Optimistic

Price Dynamics [1/2]: Material prices in Germany remain largely stable in 2025.

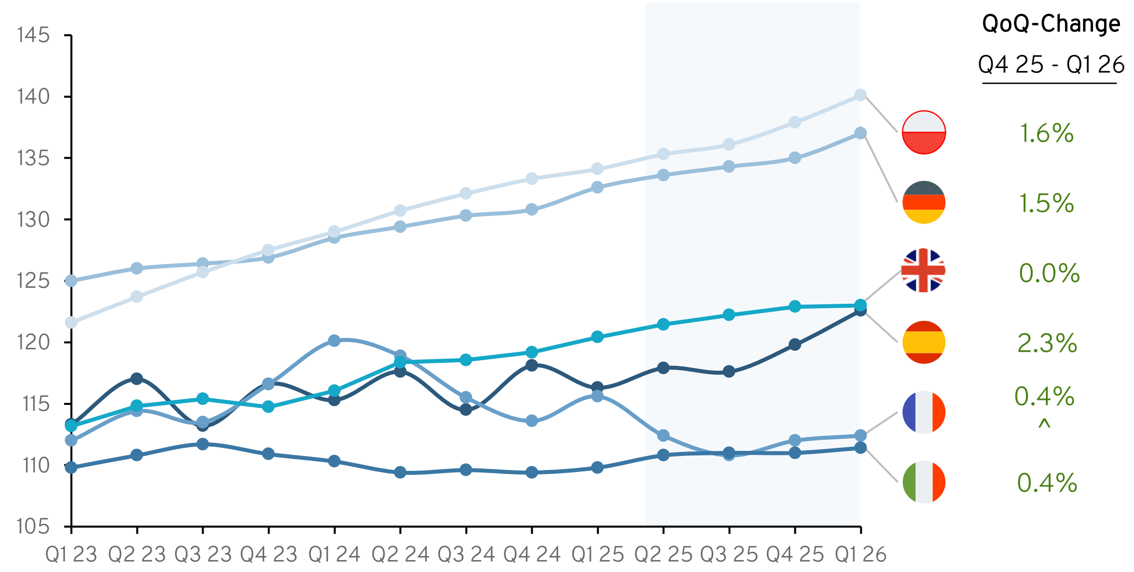
Price Development for Building Materials in Germany [Index, 2021=100]



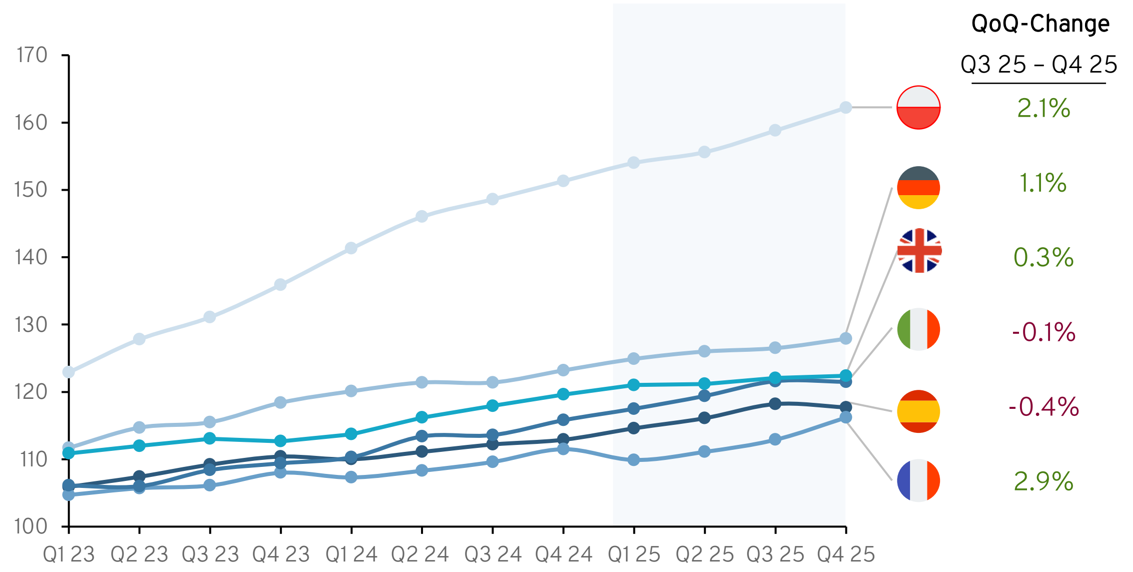
- Building material prices remained broadly stable in 2025, continuing the elevated price trend seen since 2023.
- Gravel and steel prices declined, while wood, cement and other materials have seen only minimal upward movement.

Price Dynamics [2/2]: Construction prices continue to rise across Europe, supported by ongoing labour cost pressures.

Producer Prices for New Residential Building [Index, 2021=100]



Labour Costs [Index, 2020=100]



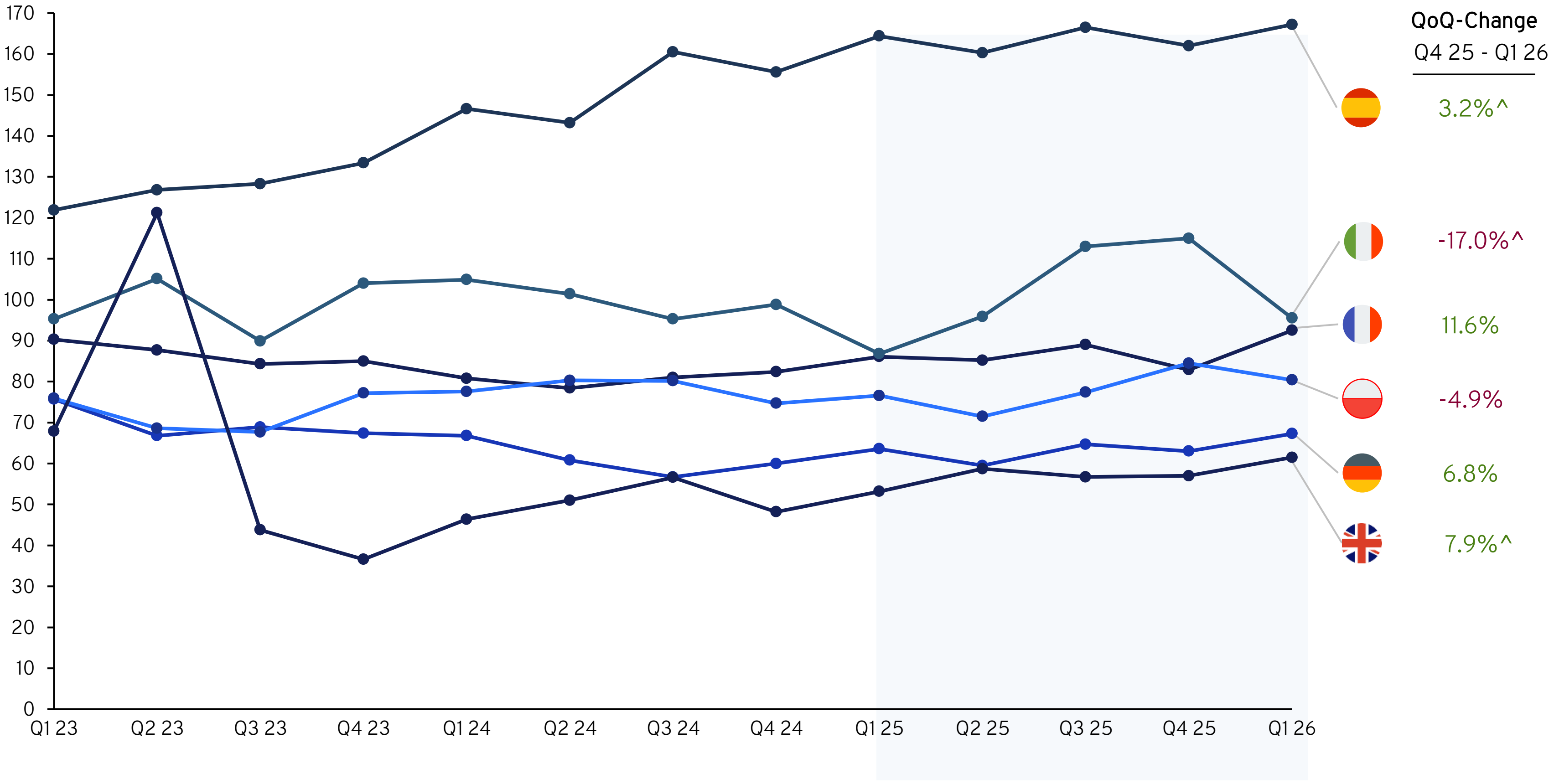
Elevated labour costs continue to sustain producer price growth for new buildings across most of Europe.

Spain saw a strengthening in producer price momentum, while prices stabilized in the UK, suggesting that price pressures remain widespread and differentiated across countries. Labour cost inflation remains a key driver of construction pricing across Europe.

Sources: Eurostat, Munich Strategy & Ducker Carlisle Research
^France: Estimated Data

Permit Dynamics: A cautious recovery is emerging amid mixed market trends.

Building Permits for both Residential and Non-Residential by country [Index, 2021=100]



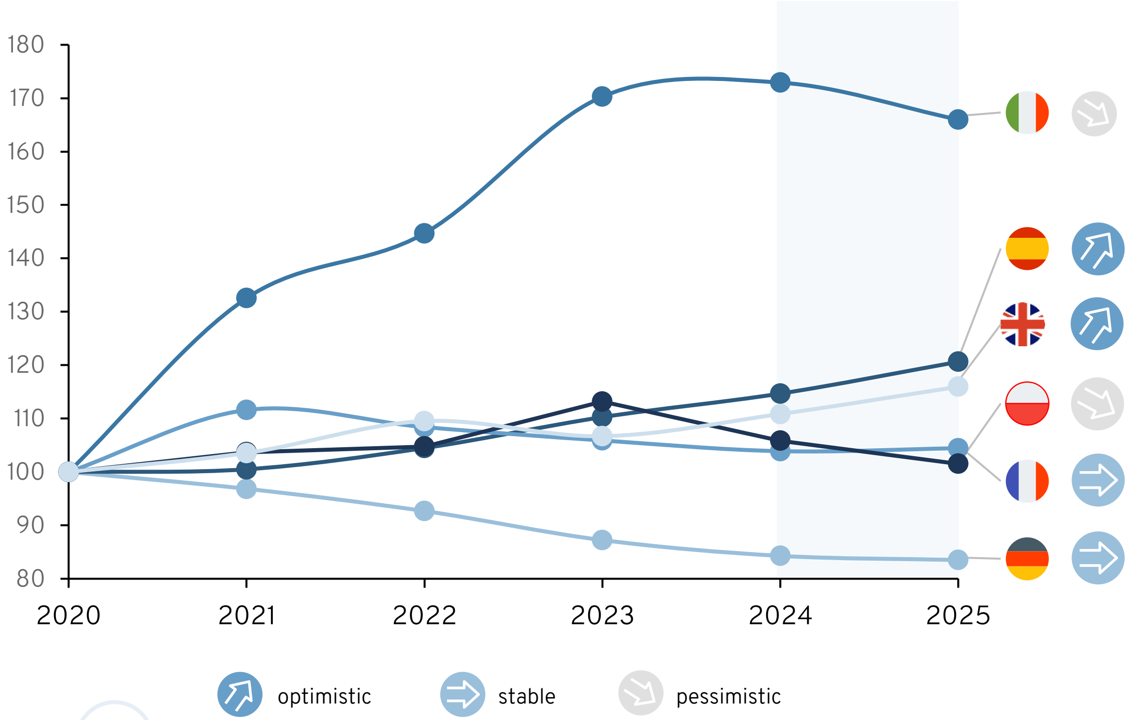
Across the new construction sector, permits continue to signal a modest overall improvement, though momentum remains weak for select countries.

- France and the UK are showing visible improvement, indicating a gradual strengthening in permit activity.
- Poland and Italy are currently experiencing a decline, indicating renewed softness in permit momentum.
- Germany and Spain observed improvement, with permit activity moving sideways at moderate levels.

Sources: Eurostat, Munich Strategy & Ducker Carlisle Research
*UK – Value has been indexed to Q2 2022
^Spain, Italy, United Kingdom: Estimated Data

Investment activity: Uneven growth in investments across Europe

Gross Fixed Capital in Construction 2020 – 2025 [Index, 2020=100]



Key Market Insights

Country	Total % Change (2020-2025)	Explanation
Italy	65.99%	Trend reversal in 2025, as index value contracts ~4% year-on-year.
Spain	20.63%	Consistent annual gains, reaching ~20% above 2020; continual gains heading into 2025 as fixed capital in construction grows ~5% year-on-year.
UK	15.95%	Fluctuations post pandemic move to stable growth post 2023, posting a ~4.5% year-on-year gain in 2025.
Poland	1.52%	Rising through 2023, then dropping 7 points in 2024, decline of ~4% year-on-year in 2025
France	4.45%	Peaked in 2021 (+11.6%) but has since retreated, now only ~4% above baseline, modest growth of 0.5% in 2025
Germany	-16.49%	Only country below its 2020 baseline, declining ~15% cumulatively, slower decline in 2025 of ~1%

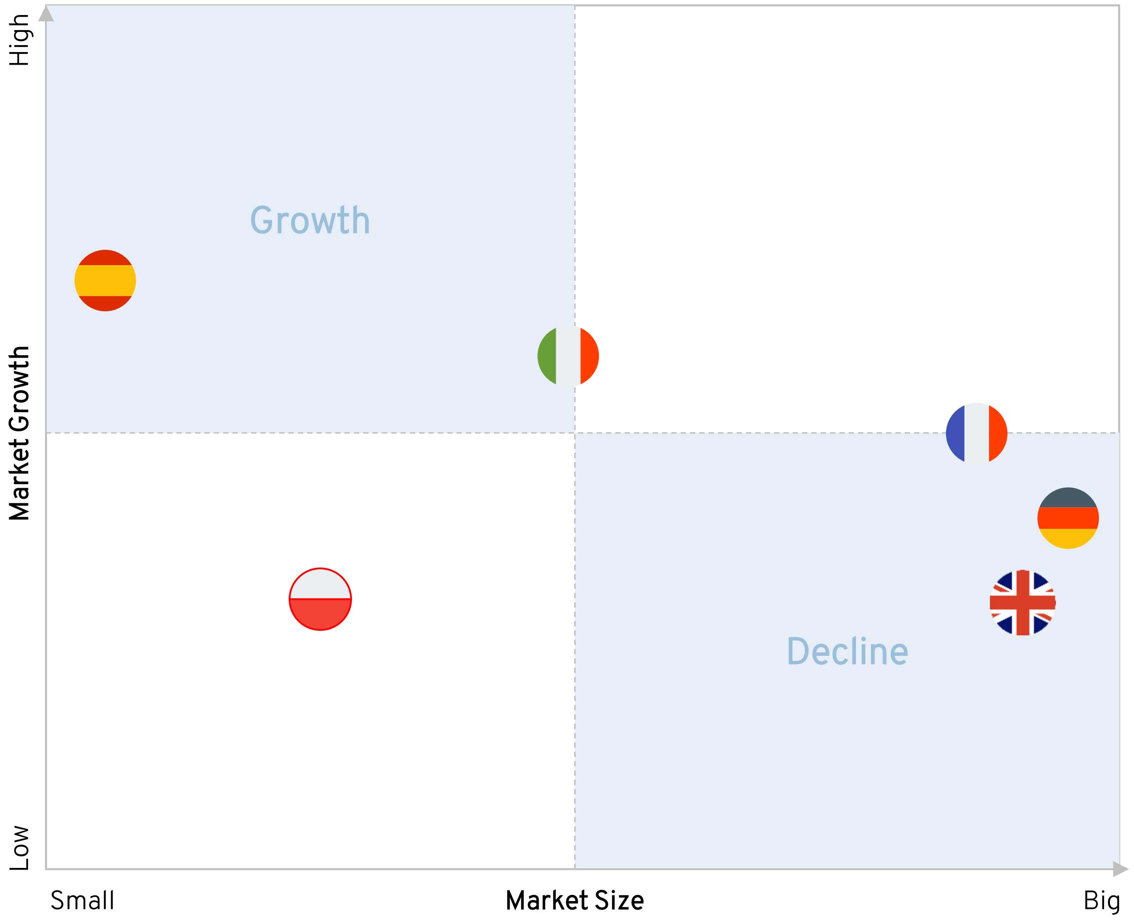
Mixed outlook on investment growth as growth of 4-5% is counterbalanced by declines and trend reversals.

Investment patterns remain uneven, while Spain, UK and Poland see minor growth, Germany continues to see declines, France shows signs of stabilizing, and Italy tracks a trend reversal.

Sources: Eurostat, Munich Strategy & Ducker Carlisle Research
Note: No change from the previous quarter; data is updated on an annual basis.

Growth Matrix: Large markets remain under pressure, while selective recovery is visible in some regions.

Construction Growth Matrix: Market size & Market Growth [Indicative]



Spain

Permits are improving, but this has not yet translated into construction output; pricing remains firm, supported by EU-funded projects. However, weak output trends, even as headcount holds up, suggest that the recovery remains uneven.

Italy

Growth momentum softened as investment reversed in 2025.
Still, stable sentiment and improving permits suggest a more balanced near-term outlook.

UK

Investment and permits remain stable, but construction activity weakened further in Q1. Weaker output and hours worked point to a cautious outlook for the next quarter of 2026.

France

Costs and weak labour trends continue to weigh on activity.
Permits show visible improvement, pointing to a near-term recovery.

Germany

Construction activity remains under pressure despite some stabilisation in permits.
Weak output, soft labour trends and low investment still constrain recovery.

Poland

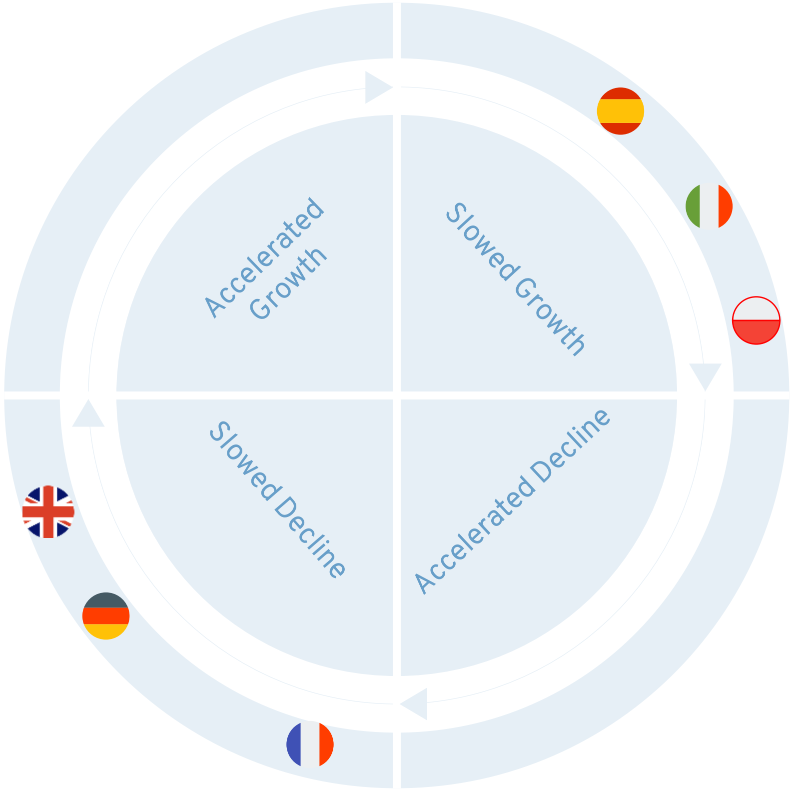
Output and investment remain weak despite improving permits.
Growth prospects are still fragile and dependent on a broader market recovery.

Sources: Munich Strategy & Ducker Carlisle Research
Note: The above analysis is based on the observation of the last quarter's data and not a forecast

Construction Clock: European markets remain in different phases of the cycle, with no major upward trend visible.

European Construction Clock [Schematic]

By comparing core drivers – costs, labour, permits & investment – European countries can be positioned within four corridors of the Construction Clock.



Strategic Implications

Country-specific strategies remain essential as market conditions diverge. Recovery opportunities are emerging where permits and sentiment are stabilising, but output remains weak, and labour constraints exist. Markets with stronger momentum should be prioritised, while weaker markets demand tighter risk management and sharper segment focus.

Success Factors

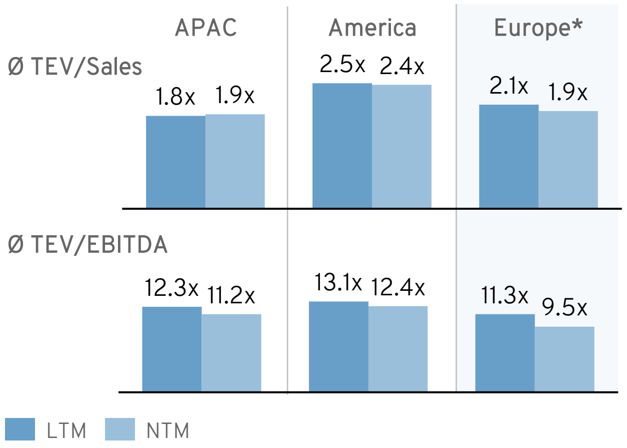
The Q1 2026 picture reinforces the need to distinguish between early-cycle improvement and durable recovery. Permits are improving faster than output, and policy support remains an important differentiator across markets. Winning strategies will depend on targeting sub-segments with clearer demand visibility while managing labour and cost inflation.

Europe shows a mixed picture.

European construction remained fragile in Q1 2026, with weaker output, labour constraints and elevated costs outweighing the early improvement seen in permits. Recovery signals are emerging in some markets, but momentum remains selective and insufficient to support a broad-based upturn.

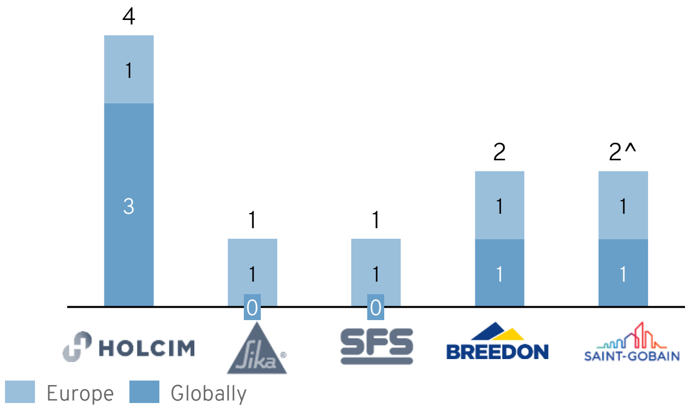
M&A Activity: Lower valuations continue to provide a strategic window to capitalise on growth potential through geographic expansion and strengthening positions in the existing market.

Building and Construction Peer-Group valuations by region [LTM vs. NTM][1]



In 2026, the European B&C sector presents an attractive entry point, with current market valuations continuing to appeal strongly to strategic investors.

Number of Transactions from Highly Active Acquirers in 2026



Strategic M&A remains a selective but well-supported path for strengthening market presence in high-growth market outside Europe.

Selected Transactions in Q1 2026

Date	Target	Buyer	Buyer Group	Strategic Rationale
Mar-26	TRAÇİM	TITAN	Strategic	Strengthening presence in the Marmara region of Western Türkiye
Mar-26	JACOBS	HOLCIM	Strategic	Expansion under their Strategy 2025 - Accelerating Green Growth plan
Mar-26	Pacasmayo	HOLCIM	Strategic	Geographical expansion in Latin American geography
Mar-26	HENTECH FABRICATION	Hill & Smith PLC	PE	Expansion in Data Centre and Power Generation markets in Europe
Mar-26	hickton. quality control	CERTANIA	Strategic	Portfolio Expansion
Jan-26	Kelvion	APOLLO	PE	Increasing Sectoral (Energy-efficient cooling solutions) demand
Jan-26	towerlink	VAUBAN INFRASTRUCTURE PARTNERS	PE	Expansion in digital infrastructure across France

1) LTM = Last Twelve Months; NTM = Next Twelve Months; Note: Valuation based on handpicked publicly listed companies in the regions
Sources: Capital IQ as of 9th June 2026, Company annual reports
*Europe: Includes the UK
Divestments aren't included in Number of Transaction from Highly Active Acquirers in 2026
Saint Gobain: Transactions signed, pending completion

Spotlight Topic

Scaling innovation in B&C: Why some concepts take off and others stall

Innovation pressure: B&C is under increasing pressure to innovate…

Market pressure is rising

€403bn

EU R&D Spend

Up from €312bn in 2019 –
a sustained investment

~30%

Global Final Energy Use

Buildings account for ~ 30% of
global energy consumption

26%

Energy Emissions

Buildings responsible for ~26% of all global
energy-related CO_2 emissions

Productivity Gap

Construction productivity consistently lags
manufacturing and the wider economy

Five compounding pressures reshaping the sector

Decarbonisation & embodied carbon: Whole-life carbon assessment is increasing demand for new materials, methods and certification approaches.

Energy efficiency & renovation: European renovation targets are driving demand for retrofit solutions at unprecedented scale.

Labour shortages & productivity gap: Ageing workforces and skills shortages are accelerating interest in automation, prefabrication and off-site solutions.

Cost pressure & faster delivery: Margins remain constrained, while customers increasingly expect faster delivery without compromising quality or compliance.

Digitalisation, BIM, EPDs & product data: Connected workflows, traceable product data and environmental documentation are becoming baseline requirements.

Sources: Munich Strategy & Ducker Carlisle Research

… yet a fragmented, regulated, and risk-averse value chain slows the pace of uptake and makes adoption difficult.

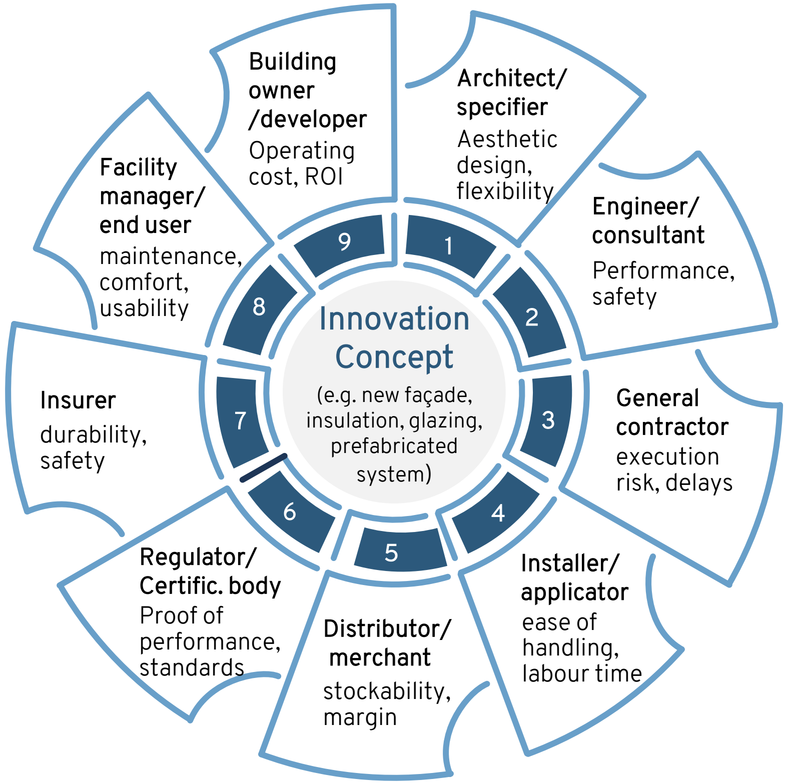
Multiple stakeholders and fragmented decision-making	Construction projects involve many stakeholders with different priorities, making alignment and innovation adoption slow.
Strict regulation and certification requirements	New building materials, products and methods must meet extensive regulatory and certification requirements before they can be deployed.
Risk aversion and liability concerns	Long asset lifecycles and liability risks encourage the use of proven solutions over new technologies.
Long project cycles and procurement processes	Lengthy planning, tendering and construction cycles delay the adoption of new products and ways of working.
Legacy systems and limited interoperability	Fragmented digital tools, legacy systems and inconsistent data standards make it difficult to integrate innovations across the value chain.

Key takeaway

The central challenge is not only to invent. It is to make innovation adoptable, certifiable, installable and scalable across a complex, multi-stakeholder value chain.

Stakeholder complexity: In B&C, the buyer is rarely the only decision-maker.

Stakeholder Map



How stakeholders perceive the same innovation

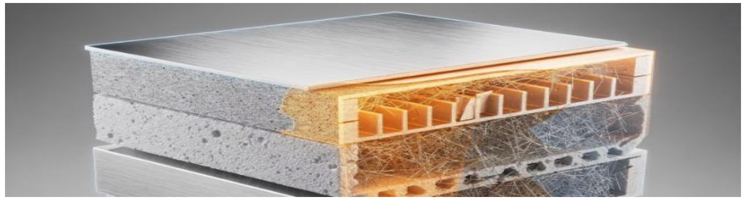
Innovation	Benefit	Adoption Pain
High-performance insulation system	***Owner*** ✓ Lower energy bills ✓ Better thermal performance	***Installer*** ✗ Heavier material ✗ Slower installation
Dynamic glazing	***Architect/Owner*** ✓ Improved comfort, solar control ✓ Premium building perception	***Contractor/Developer*** ✗ Higher cost & complexity ✗ Uncertain payback
Direct-to-installer solution	***Manufacturer*** ✓ Better specification control ✓ Higher margins	***Distributor*** ✗ Channel conflict ✗ Reduced distributor incentives to support adoption

Key takeaway

Innovation fails when the stakeholder who carries the adoption pain is not the one who captures the benefit.

Innovation Scope: B&C innovation can shift value through materials, processes and business models. Different innovation types create different adoption barriers.

Material innovation



New or improved materials that enhance product performance.

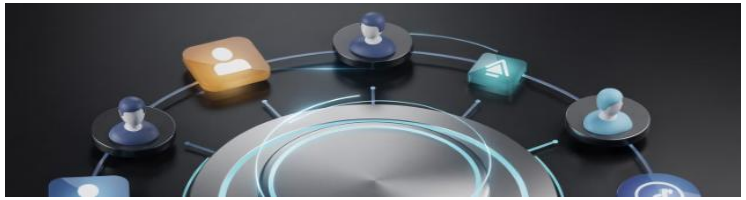
- Prefabricated façade systems
- Bathroom pods
- Pre-assembled MEP racks
- Offsite timber-frame / panelised systems
- Integrated roof or envelope systems
- 3D concrete printing
- Digital progress monitoring and AI-based site management

System / process innovation

Innovations that combine components differently or change how construction is executed.

- Prefabricated façade systems
- Bathroom pods
- Pre-assembled MEP racks
- Offsite timber-frame / panelised systems
- Integrated roof or envelope systems
- 3D concrete printing
- Digital progress monitoring and AI-based site management

Business model innovation



Innovations that change the route-to-market, customer relationship or value capture logic.

- Direct-to-installer models
- Manufacturer-led specification support
- Digital platforms for product selection, ordering or BIM objects
- Product-as-a-service / performance-based models
- Circularity / take-back models
- Bypassing traditional distribution in selected applications

A strong material innovation may fail because of business model friction

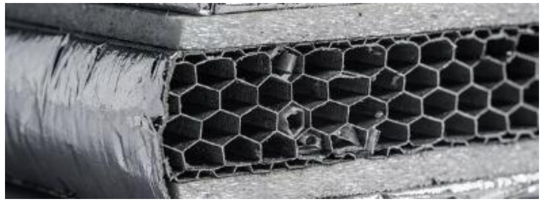
A strong business model innovation may fail because it disrupts the value chain too much

Key takeaway

Innovation is not only about new products – it can also come from combining systems differently, simplifying execution or reinventing the route-to-market.

Scalable innovation: Successful B&C innovations improve performance while remaining adoptable.

Reflective / Alveolar Insulation



Example
- ACTIS HYBRIS

Why it scaled
- Certified reflective insulation addressing renovation and space constraints.

Adoption logic
- Delivers familiar job-to-be-done benefits - thermal performance, comfort and space efficiency - without requiring major workflow change.

"We understand where it fits: it is still insulation, but it helps us deal with thickness and renovation constraints."

Low-Carbon Concrete / Cement

Example
- Holcim ECOPact, Cemex Vertua

Why it scaled
- Offers meaningful CO_2 reduction while maintaining performance.

Adoption logic
- Scaled because public procurement, regulation and customer demand made lower-carbon concrete increasingly specifiable and commercially relevant.

"We do not need to change the building concept; we need a lower-carbon version that still performs and can be specified."

Mass Timber / CLT / Hybrid Timber

Example
- Stora Enso, Metsä Wood

Why it scaled
- Combines lower embodied carbon & prefab, speed and a strong architectural narrative.

Adoption logic
- Works when integrated with system design, code acceptance, engineering confidence and project economics.

"It is not just a material substitution; it changes the structural concept, the design process and the assembly logic."

Targeted Prefabrication

Example:
- Bathroom pods, MEP racks, Saint-Gobain Off-Site Solutions

Why it scaled
- Addresses specific pain points such as labour shortages, quality control and site coordination.

Adoption logic
- Scales when benefits are clear in repetition, logistics and overall project economics - without requiring full modular construction

"We do not need to industrialise the whole building; we need to remove the most painful parts of the jobsite."

Common denominators

Clear market need → Familiar category or use case → Measurable performance improvement → Certification / proof of performance → Limited installation friction → Scalable economics

Key takeaway

In B&C, the winning innovation is often not the most disruptive one – it is the one the value chain can actually adopt.

Adoption friction: Some innovations remain limited despite strong technical appeal.

3D Concrete Printing

Technical promise
- Design freedom and customisation
- Reduced manual labour on-site
- Faster prototyping and selected automation benefits

Why adoption has been difficult
- High equipment and setup costs
- Site adaptation and material constraints
- Difficult scaling beyond pilot projects

Core lesson
- Technical excitement does not guarantee scalable economics.

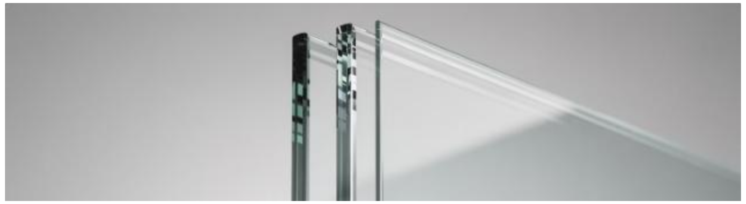
Dynamic Glass / Smart Glazing

Technical promise
- Better solar control and occupant comfort
- Reduced glare and cooling demand
- Premium positioning in selected building types

Why adoption has been difficult
- High upfront cost vs. standard glazing
- Complex integration with building controls
- Unclear payback for many owners

Core lesson
- A strong value proposition can fail if cost, payback and value capture are misaligned.

Vacuum Insulated Glazing



Technical promise
- Very high thermal performance in a thin profile
- Attractive for renovation and heritage applications
- Better performance without major frame changes

Why adoption has been difficult
- Higher manufacturing complexity and cost
- Need for long-term durability proof
- Market caution on economics and warranty risk

Core lesson
- Superior performance is not enough if the market does not yet trust the economics and durability.

Common barriers

- High upfront cost, uncertain ROI
- Certification, standards, insurance uncertainty
- Installation or integration complexity for value chain partners
- Project-specific economics, hindering standardisation
- Limited value-chain alignment & willingness to adopt
- Difficulty scaling beyond pilots or premium niche applications

Key takeaway

A B&C innovation can be technically superior and still commercially fragile.

Adoption Formula: Successful B&C innovations solve a need and reduce adoption friction.

Adoptable innovation = Market need + Value-chain alignment + Pain point solved + Trust + Compatibility + Scalable economics

1 Clear Market Need

- Energy efficiency
- Faster installation
- Labour shortage
- Cost reduction

2 Multi-Stakeholder Alignment

- Owner sees ROI
- Contractor reduces risk
- Installer saves time
- Distributor can stock

3 Concrete Pain Point Solved

- Less installation time
- Easier handling
- Lower project risk
- Reduced skilled-labour dependency

4 Certification and Trust

- Tested performance
- EPD / LCA documentation
- Fire, acoustic, structural proof
- Insurable and warrantied

5 Compatibility with Existing Practices

- Familiar tools
- Existing specification logic
- Limited retraining
- Fits current procurement route

6 Scalable Economics

- Repeatable beyond pilots
- Viable logistics
- Acceptable cost premium
- Standardisable production

Key takeaway

Successful innovation in B&C is not only product development – it is adoption engineering.

Pressure Testing: Can the concept move from pilot to scalable adoption?

1 Need Clarity
- What market need does it address?
- Is the need urgent and measurable?
- Is it a must-have or nice-to-have?

2 Stakeholder Alignment
- Who benefits? Who pays?
- Who specifies? Who installs?
- Who carries the risk?

3 Installation Friction
- Does it simplify or complicate the jobsite?
- New tools, training or certifications required?
- Does it reduce or increase execution risk?

4 Certification & Proof
- Can performance be documented?
- Is there a clear certification path?
- Can insurers & specifiers trust it?
- Fire, acoustic, structural issues addressed?

5 Route-to-Market & Risk
- Can it be sold through existing channels?
- Does it require direct-to-installer support?
- Could it create channel conflict?
- Does the manufacturer have the capabilities?

6 Scalability Economics
- Can it scale beyond one pilot region?
- Are transport, storage, installation viable?
- Enough repetition to industrialise?
- Can it work at normal market prices?

Key takeaway

Before launch, B&C manufacturers should pressure-test the full adoption chain – not only whether buyers like the concept, but whether the solution can be specified, certified, installed, sold, insured and scaled profitably.

Manufacturer Implication: For B&C manufacturers, innovation testing must go beyond concept attractiveness.

Old vs. required approach

Old approach: **Concept attractiveness test**	Is the product interesting? Does the buyer like the idea?
Required approach: **Full adoption-chain pressure test**	Can it be specified? Can it be certified? Can it be installed easily? Can it scale economically? Can it be sold through the right channels? Can it be insured and warrantied?

Key implications for manufacturers

Test the full value chain: Engage specifiers, contractors, installers, distributors, regulators, insurers, and end-users early in the process.

Identify who wins and who loses: Ensure value capture is balanced across stakeholders; if one benefits but another bears the friction, adoption will stall.

Validate the business model early: Assess route-to-market fit, potential channel conflict, and required service capabilities from the outset.

Use pilots to test adoption, not only performance: Pilots should prove repeatability, economics, and value-chain acceptance, not just technical feasibility.

Design the launch model around adoption barriers: Address training, certification, documentation, installer support, distribution strategies, and pricing upfront.

Key takeaway

In B&C, innovation success depends less on being the most disruptive – and more on being adoptable, scalable and value-chain compatible.

About us

Who we are

60+
Years of Experience

8
Global Offices

350+
Annual Projects

225+
Team members

A valued Partner for our Clients.

Munich Strategy & Ducker Carlisle build long-term relationships with their clients - based on trust, expertise and measurable results.

We serve corporate executives, business owners and private equity professionals as well as industry associations across industries and regions. Our work combines deep industry insight with strategic rigor – creating clarity, confidence and impact for our clients.

Our Industries

Thought Leadership and End-Market Expertise.

We are dedicated to shaping the future of our clients.
Our analytical approach and entrepreneurial mindset enable clients to outperform in complex, technically driven markets – and to secure lasting competitive advantage.

With deep Industry expertise, decades of consulting experience and hands-on collaboration, we design growth strategies, transformation programs and M&A initiatives that deliver measurable impact.

Building, Construction & Infrastructure

Industrial Automation

Automotive & Motor Vehicle

Principal Investors & Private Equity

Our Services

Lasting Impact at every Stage.

We guide our clients through every stage of their journey – with insights to action. Our integrated consulting approach combines market intelligence, strategic insight and hands-on implementation to unlock opportunities – whether you're looking to **grow**, **optimize**, **transform**, **buy** or **sell**.

- Organic Growth
- Business Improvement
- Inorganic Growth

Strategy & Market Intelligence

We define growth strategies and identify new market opportunities through deep industry insight, analytics and strategic frameworks.

Insights & Benchmarks

We turn data into direction – using proprietary benchmarks and performance analytics to drive better business decisions.

Business Performance & Transformation

We help clients optimize structures, supply chains and commercial processes to achieve measurable performance gains.

Mergers & Acquisitions

We guide clients through the full deal cycle – from target screening and diligence to post-merger integration and value creation.

Our business model

Tailored to your needs.

We listen to our clients' needs and challenges. Together, we design solutions that foster competitiveness and strategic dominance. We create market leaders!

Clients
- Mgmt. and board of directors
- Shareholders & owners
- Investors

Business Needs
- Organic growth
- Business improvement
- Inorganic growth

Service Portfolio
- Strategy & market intelligence
  - Corporate strategy
  - Market research
- Business performance & transformation
  - Supply chain optimization
  - Inventory management
- Insights & benchmarks
  - Sales & service excellence
  - Performance benchmark /VoC
- Mergers & acquisitions
  - Value creation
  - Commercial DD / VDD

Database
- Primary data research (>2.000 expert interviews p.a.)
- Secondary data research
- „Hidden Champion Mittelstand“ database (>12.000 companies)
- MCX (Munich Strategy Construction Index)
- 50.000 datapoints of worldwide proprietary benchmark data

Industry Deep-Dive

Sectors

- Building Envelope
- Structural Building Systems
- Technical Equipment
- Interior & Fit-out
- Building Services
- Construction Chemicals
- Construction Tools
- Light Infrastructure & Civil Components
- Heavy Infrastructure

Selected Application Experience

Access Controls	Door glass	Infra. composites	Precast construction	Roofing services
Adhesives and sealants	Doors/hardware	Insulation contractors	Precast enclosures	RTA cabinets
Asphalt, Aggregates,	Drywall/Gypsum	Interior glazing	Precast products	Sanitary Ware
Architectural coatings	Electrical housings	Landscape stone	Prefab glass	Self-storage doors
Architectural glass	Electrochromic glazing	Large format glass	PVC trim	Surfaces
Brick, block, masonry	Fiberglass door	Locksets and security	Residential paint	Skylights
Building coatings	Flat glass	Lumber distribution	Residential trim	Smart glass
Commercial ceilings	Gate operators	Manufactured housing	Residential windows	Structural Steel
Commercial doors	Hardwood products	Metal roofing	Roof coatings	Spray foam insulation
Commercial interiors	Hollow metal doors	Office furniture	Rental Communities	Stone veneer
Framing systems	HPL panels	Pipe distribution	Road Construction	Stormwater products
Commercial glazing	HVAC components	Pipe fittings	Roofing materials	Trim products
Concrete accessories	HVAC contractors	Precast accessories	Roofing membranes	Water Infrastructure

Building, Construction & Infrastructure Team

Experts Shaping the Future.

Our international Building, Construction & Infrastructure team unites deep industry expertise with strategic and operational excellence. We support manufacturers, suppliers and investors across the entire construction value chain – from materials and systems to building technology and equipment.

With a proven track record in strategy development, transformation and M&A, our team combines analytical precision, entrepreneurial mindset and hands-on collaboration to help our clients achieve measurable growth and lasting market leadership.

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