GLOBAL MARKETS FOR
Home Water Treatment Products and Services

ALL NEW enhanced & expanded 2018 edition

Do you have the right products in the right markets?
Are you working with the right partners?

BAYTEL ASSOCIATES

45 Countries
Plus Regional & Global Totals
- Argentina
- Australia
- Bangladesh
- Belgium
- Brazil • Canada
- Chile • China
- Colombia •
Costa Rica • Czechia
- Denmark • Egypt
- France • Germany • India
- Indonesia • Israel • Italy • Japan
- Kenya • Laos • Malaysia • Mexico
- Netherlands • Nigeria • Norway • Pakistan • Peru •
Philippines • Poland • Russia • Saudi Arabia • South Africa •
South Korea • Spain • Sweden • Taiwan • Thailand • Turkey
- U.K. • U.S.A. • Ukraine • Venezuela • Vietnam •
Product Overview

Baytel’s 2018 “Global Markets for Home Water Treatment Products” report provides top level information on forty-five countries accounting for 95% of the global market’s value—plus regional and global totals covering the rest of the market.

For each of the 45 country markets individually covered you get:

- Market size in units and dollars (2017)
- Consumables, installation and service spending (2017)
- Weighted average consumer prices by type
- Market segmentation by product type
- Market segmentation by primary technology
- A brief narrative description of each market’s characteristics
- A brief forecast narrative
- Five- and ten-year forecasts in dollars and units
- Market share estimates for the leading players
- Distribution channel analysis by dollar volumes
- Issues and drivers
- Revealing field photos
- Relevant demographics

Provides regional breakdowns with market estimates for countries not individually analyzed in this report.
Features & Benefits

- Built on three decades of Baytel field work analyzing home water treatment markets in over 45 countries.
- Models the entire global market: analyses of forty-five separate countries plus regional and global totals in units and dollars.
- Separate figures for systems vs consumables (replacement cartridges, etc.), installation and service.
- Countries are presented in parallel format (containing comparable data) so comparisons are rapid and easy.
- Company market share estimates for each market.
- Segmentation by the leading product categories and by technology in each country market.
- Average product prices for each major product type, by country.
- Covers all types of home water treatment products including:
  - Housewares (filter pitchers, filtering bottles, embedded refrigerator filters, kettle and coffee maker filters, etc.),
  - Countertop systems (plumbed and non-plumbed),
  - Free-standing systems,
  - Wall-mounted systems,
  - Under-sink systems,
- Inline filters for sinks or appliances,
- Water softeners & scale inhibition products,
- Well water systems,
- Specialty filters and appliance filters,
- Refrigerator and ice-maker filters,
- Whole-house water treatment products,
- Not included: water heaters and water coolers or dispensers that do not include filtration or purification.

Read what industry insiders have to say about Baytel:

For information, insights and strategy in the home water treatment business

45 Countries Plus Regional & Global Totals
- Argentina
- Australia
- Bangladesh
- Belgium
- Brazil
- Canada
- Chile
- China
- Colombia
- Costa Rica
- Czechia
- Denmark
- Egypt
- France
- Germany
- India
- Indonesia
- Israel
- Italy
- Japan
- Kenya
- Laos
- Malaysia
- Mexico
- Netherlands
- Nigeria
- Norway
- Pakistan
- Peru
- Philippines
- Poland
- Russia
- Saudi Arabia
- South Africa
- South Korea
- Spain
- Sweden
- Taiwan
- Thailand
- Turkey
- U.K.
- U.S.A.
- Ukraine
- Venezuela
- Vietnam

Markets covered New coverage

New Markets for 2018
Realistic 5- and 10-year forecasts based on deep knowledge of the individual markets and years of experience.

Issues and drivers for each market, presented in graphical format to facilitate comparisons among markets.

Distribution channel analysis covering the channels that are most important in each market:
- Hypermarkets/Supermarkets
- Department & Discount Department Stores
- Home Improvement and DIY Stores
- Hardware and Building Supply Stores
- Kitchen & Bath Stores
- Consumer Electronics Stores
- Home Appliance Stores
- Plumbing Wholesalers
- The Construction Trade
- Specialty Water Treatment Dealerships
- Direct Sales
- e-Commerce

Explores competing and complementary products: bulk bottled water (10- to 20-liter bottles), tap water, and water storage.

Based primarily on field research carried out in person in countries throughout the world by Baytel principals. Both qualitative and quantitative research methodologies were employed, involving interviews with consumers, suppliers of systems, cartridges, and media; with people distributing and selling home water treatment products and services; and with public health and water utility officials, academics, and industry insiders, worldwide. Quantitative audits were carried out in retail, online and direct sales channels. The report’s 320+ data tables reflect Baytel’s proprietary quantitative model of the industry, which has been verified and run through a reality check: direct observations of the markets covered.

WHAT HAS CHANGED?
- Bottled Water In the Home
- Salt-Free Scale Inhibition
- Prices, Channels, Market Shares
- Water Scarcity & RO
- Use of Private Wells
- Electric vs Non-Electric Products
- Tap Water Quality & Reach

ORDER THE FULL REPORT OR ONLY THE COUNTRIES YOU WANT

THE BAYTEL QUALITY YOU EXPECT, AT A PRICE EVERY COMPANY CAN AFFORD!
## WHAT’S NEW THIS YEAR?

Get all the information you’re used to from Baytel’s Global Report, but there have been many market changes:

By country:
- Changes in market share: who’s gaining—who’s losing.
- Relative changes in distribution channel activity
- Trends in product pricing
- Changes in consumer product preferences
- Tap water & bottled water in the home

## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction and Global Overview</td>
<td>1</td>
</tr>
<tr>
<td>Scope</td>
<td>1</td>
</tr>
<tr>
<td>The Global Market</td>
<td>2</td>
</tr>
<tr>
<td>Key Issues and Drivers</td>
<td>2</td>
</tr>
<tr>
<td>Product Use in the Home</td>
<td>4</td>
</tr>
<tr>
<td>Key Global and Regional Competitors</td>
<td>5</td>
</tr>
<tr>
<td>Technologies, Terms, and Jargon</td>
<td>6</td>
</tr>
<tr>
<td>Methodology</td>
<td>8</td>
</tr>
<tr>
<td>Country Market Profiles (Covers 45 Individual Countries)</td>
<td>10–224</td>
</tr>
<tr>
<td>The World Market &amp; Regional Markets in Units and Dollars</td>
<td>225–228</td>
</tr>
</tbody>
</table>
THE MARKET FOR HOME WATER TREATMENT PRODUCTS & SERVICES

in Brazil

Market Overview

Brazil has a strong and well-established market for home water treatment products, yet there remains plenty of opportunity for innovation and growth. Home water treatment products have been part of Brazilian culture for at least two generations and many homes and apartments have specialized (cold) kitchen water lines, usually above the sink, to which traditional faucet filters are attached. Free-standing drip pots are also widely accepted, especially in lower income settings; and finally, Brazilian consumers have been open to a variety of technologies like UV, RO, micro- and ultra-filtration.

Brazil has a large number of domestic firms supplying home water treatment products, including Cerâmica Stéfani, Everest, Filtros Europa, Forusi, Hoken, IBBL, Latina, Lorenzetti, Pozzani, and SAP Filtros. For foreign firms that have entered the market (some more successfully than others) include Whirlpool (which also has two domestic brands), Pentair, Electrolux, Rotoplas and others.

Market Size by Configuration (2017)

<table>
<thead>
<tr>
<th>Configuration</th>
<th>Weighted Average Price</th>
<th>New Systems Sold (000)</th>
<th>Systems Market (Millions)</th>
<th>Consumables &amp; Service (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gravity Drip Pot (generally using ceramic candles)</td>
<td>$xx</td>
<td>xxx</td>
<td>$xx.x</td>
<td>$xx.x</td>
</tr>
<tr>
<td>Plumbed Filtering Faucets (using dedicated cold water lines in the kitchen)</td>
<td>$xx</td>
<td>xxx.x</td>
<td>$xx.x</td>
<td>$xxxx.x</td>
</tr>
<tr>
<td>Countertop or Wall-Mounted Filters (with few additional features)</td>
<td>$xxx</td>
<td>xxx.x</td>
<td>$xx.x</td>
<td>$xx.x</td>
</tr>
<tr>
<td>Countertop Systems with Chilling (and perhaps other advanced options)</td>
<td>$xxx</td>
<td>xxx</td>
<td>$xx.x</td>
<td>$xxxx.x</td>
</tr>
<tr>
<td>Undersink Systems, Refrigerator Water Filters, Other.</td>
<td>$xx</td>
<td>xx</td>
<td>$xx</td>
<td>$xx.x</td>
</tr>
<tr>
<td>POE Systems (including those connected to water storage tanks)</td>
<td>$xxx</td>
<td>xx</td>
<td>$xx.x</td>
<td>$xx.x</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>xxx.x</td>
<td>$xxx.x</td>
<td>$xxx.x</td>
</tr>
</tbody>
</table>

A traditional faucet filter using a dedicated water line

A ceramic gravity drip pot

Population .................... 207.4 million
GDP (PPP) .................... $3,218.0 billion
Per Capita GDP ................ $15,496
Urban Population ................ 86.2%
Human Dev. Index* ............ 0.754
Piped-in water .................. 96%
Well or spring water ........... 11%
Bottled water, routine use§ .... 16%
Inadequate Sanitation .......... 40%

* Norway = 0.949; Central African Republic = 0.325
§ Includes only water originally brought to the home.
Market Characteristics

The dominant product types are still ceramic candle drip pots (xx% of new units) and traditional built-in filtering faucets (xx%). Nevertheless, various more modern types of countertops (usually including a chilling function) and, more gradually, undersink and POE systems are gaining market share. While drip pots are popular and inexpensive, consumers dislike cleaning and replacing the ceramic candles; and while the technology itself can be reasonably effective, most of the candles found on the market today are not.

The Brazilian market is one of the few major markets in which the rental model has been successfully offered and Brazilian consumers are coming to expect that as an option.

Residential water is commonly stored in rooftop or attic storage tanks. Although plastic construction is now the norm, many of the older tanks made of asbestos cement are still in use. Contamination—or additional contamination beyond what was already there—is a problem unless water for drinking and food preparation is treated at the point of use.

Brazilian consumers are increasingly aware of industrial and agricultural pollutants, as well as run-offs from municipal sewage and solid waste; salt incursions are also becoming more common. Overall, there is strong awareness of water issues.

Segmentation: New Systems Sold

In units, by configuration:

- Gravity Drip Pots* ........................................ xx%
- Plumbed Filtering Faucets† .......................... xx%
- Simple Countertop Filters‡ .......................... xx%
- Countertops with Chilling, etc.§ .................. xx%
- Undersink and Other ................................. xx%
- POE .................................................................. xx%

* Usually employing ceramic candles
† Using a built-in dedicated cold water line
‡ Filtration only
§ At least chilling, often heating or other functions as well

Consumer spending on new systems by configuration:

- Gravity Drip Pots* ........................................ xx%
- Plumbed Filtering Faucets† .......................... xx%
- Simple Countertop Filters‡ .......................... xx%
- Countertops with Chilling, etc.§ .................. xx%
- Undersink and Other ................................. xx%
- POE .................................................................. xx%

* Usually employing ceramic candles
† Using a built-in dedicated cold water line
‡ Filtration only
§ At least chilling, often heating or other functions as well

By primary technology, in units:

- Filtration only ............................................. xx%
- Other ....................................................... xx%
- Ceramic Filtration ..................................... xx%
- Sediment Filtration (only) ......................... xx%
- Carbon Filtration ........................................ xx%
- Membrane, UV, O3, and Other ............... xx%

Market Forecast

What would under ordinary circumstances be a very positive outlook for the Brazilian market must be tempered with economic realism. High inflation and declining incomes will
curb both purchases of new systems and a prior trend towards trading up in terms of technology and/or features.

On the brighter side, the CSI component will continue to grow. Brazilian consumers have for at least two generations relied on water filtration and replacement cartridges are now a way of life.

In the second half of our forecast period, sales of new systems will jump quickly as existing consumers replace older units which they had been continuing to use up to or even beyond normal lifetime expectancies, but also as younger householders strike out on their own and purchase new systems.

We expect the trend towards more capable products to resume during the second half of our forecast period as consumers demand more features or higher technological capability.

Prices should remain relatively stable except in the “Undersink and Other” and the “POE” categories where they will rise slowly to reflect more sophisticated product offerings.

Consumer expenditures in constant 2017 U.S. dollars.

### Market Shares
Current supplier major market shares (in dollar volume) are as follows:

<table>
<thead>
<tr>
<th>Supplier/Brand</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company 1</td>
<td>x%</td>
</tr>
<tr>
<td>Company 2</td>
<td>x%</td>
</tr>
<tr>
<td>Company 3</td>
<td>x%</td>
</tr>
<tr>
<td>Company 4</td>
<td>x%</td>
</tr>
<tr>
<td>Company 5</td>
<td>x%</td>
</tr>
<tr>
<td>Others</td>
<td>x%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Distribution Channels

<table>
<thead>
<tr>
<th>Channel</th>
<th>Percent of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Channel 1</td>
<td>x%</td>
</tr>
<tr>
<td>Channel 2</td>
<td>x%</td>
</tr>
<tr>
<td>Channel 3</td>
<td>x%</td>
</tr>
<tr>
<td>Channel 4</td>
<td>x%</td>
</tr>
<tr>
<td>Channel 5</td>
<td>x%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Tap Water & Bottled Water

Some xx% of Brazilian households are hooked up to a municipal water supply; another xx% have indoor plumbed water, but source it from a private well or spring. The country has very high renewable freshwater reserves, although much of this water is far distant from the main population centers. Consequently, severe droughts can occur in the large cities and urbanized areas of the southeast. These lead to the construction of often illegal private wells in coastal regions, which in turn have led to salt incursions into groundwater.

Bottled water is not nearly as popular in Brazil as it is in some other Latin American markets (such as Argentina or Mexico). It appears that about xx% (and perhaps as high as xx%) of households routinely use bulk bottled water as a major source of domestic drinking water, with those in the upper income brackets more than six times as likely to
use it as those in the lower income level group. The price of bottled water has fallen significantly in Brazil over the last 10-15 years due mainly to greater increases in production than in consumption.

Issues and Drivers

The domestic players in Brazil are strong and have created high barriers to companies wishing to export product to Brazil. (These are in addition to the more general barriers effecting the economy and Mercusol as a whole.) As such, manufacturing in Brazil is almost a requirement if profits are to be reason-

able or high. This is yet another reason why those companies interested in tapping the market in Brazil should take careful note of any acquisition opportunities that arise. Partnerships are also a way forward, but may present other problems.

See the introductory chapter of this report for an explanation of these graphs summarizing the Issues and Drivers of each individual country market.
NEW ENLARGED AND EXPANDED 2018 EDITION INCLUDES:

- Enhanced country coverage—36% more countries covered individually
- Increased coverage of competing solutions
  - bulk bottle water
  - municipal tap water
- More emphasis on hard water, well water and problem water
  - Traditional & improved salt-based systems
  - Salt-free “environmentally friendly” alternatives
  - Scale inhibition and reduction products
- Enhanced coverage of household water availability
  - Drought-prone areas
  - Home water storage
  - Sensitivity to water wastage (membrane based processing efficiency, etc.)
- Non-electric products and electric power reliability
- Enhanced market segmentation
  - More slices by technology, configuration
  - More distribution channels

Covers individual countries totalling 79% of the world’s population and 95% of the world’s market for home water treatment products—Plus regional and global totals covering the rest
We cover all products and technologies—both POU and POE:

- From fridge filters to salt-free water "softeners",
- From filtering sports bottles to filtering children’s bottles,
- From faucet-mounted hollow fiber purifiers to those using media from KX, Ahlstrom, or Claire-Tech,
- From rainwater harvesting filters to systems for recycling graywater,
- From filtering pitchers to heating, chilling & carbonating carbon block countertops,
- From tanked and tank-less ROs to filters for rooftop tanks,
- From Lixil systems hidden under the sink dispensing through 3-way Grohe faucets to stand-alone multi-media 2-chamber gravity drip pots from Unilever and others,
- From “inline” chlorine and scale reducing “pipe bombs” to “offline” taste and health enhancing mineralizers from BWT and others,
- From electric magnetic magicians to computerized alkalizers and “pi-water,”
- From Haier-Strauss Water’s MAZE technology to Philips or Aquasense’s LED UV-c modules,
- From Tupperware’s Halosourced bromine beads to Amway’s smart chip and induction coupling technology,
- From POE iron and manganese filters to POU ozonators,
- From alkalyzers to hydrogen water systems,
- From ceramic pores to nano-pores, with MF and UF in between…

We also cover all business models:

- Direct sales, dealer networks, rental service contracts, all different types of retail stores, plumbing wholesalers, home builders/contractors…

"I can't imagine bringing a new member of the team up to speed without giving them this!"

About the previous edition:
“Very, very interesting and well set up report!!”
- Head of Market Research, Brita GmbH

DON’T DELAY: ACT TODAY!

ORDER NOW—

Find New Opportunities Worldwide

For more information call Matt Moes:
Tel: +1-732-988-6792
TRUSTED ADVISORS TO LEADING ORGANIZATIONS INVOLVED WITH WATER IN HOMES & COMMERCIAL ESTABLISHMENTS

STATEMENT OF CAPABILITIES

For more than 30 years—and in over 50 countries—Baytel's research, insights, and strategies have helped companies and organizations define, launch, promote, distribute, and maintain existing new products that treat, store, purify, heat, chill, and dispense water in homes and commercial establishments.

The clients that Baytel has worked with constitute a “Who’s Who” of the leading global players involved with bulk bottled water or products and appliances used to treat and store water in the home.

We Monitor Industry & Technology Developments and Consumer Behavior

Baytel's team of principals, consultants, industry experts, and analysts continually monitors and evaluates the relevant industries and their suppliers, the technical developments, and consumers. We conduct surveys, we interview consumers and key industry participants, we do retail and direct sales audits, and we track companies, patents, and a variety of other relevant things online. We supply information and insights that our clients value. We show them how best to take 2 x 2 to make 5.

Information, Insights & Strategy; Innovative, Seasoned Expert Advice

Baytel supplies the information and insights that companies and organizations need to succeed in the global markets for residential and commercial water treatment and storage products. We have extensive experience understanding how consumers think and behave when making choices between tap water, bulk (home-and-office-delivered) bottled water, and home water treatment and storage products: filters, purifiers, storage containers, dispensers, and sports bottles for people “on the go.”

Baytel’s residential water treatment reports have been valuable in our market assessment activities, particularly due to the detail provided from having experienced people on the ground actually investigating the market dynamics."

--- Dain Water & Process Solutions

Click or tap here to download our Capabilities Brochure as a pdf.

Want a custom project carried out?

Contact Baytel today.

We can also provide you with more detailed capabilities brochures for specific regions of the world.

Just call or email.