U.S. Southeast Tile and Flooring Installation Market

Market Overview 2025-2026

Prepared by Rospex Holdings LLC

April 2026

Executive Summary Edition

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Market Overview

The U.S. tile and flooring installation market totals approximately $51.0 billion in combined revenue in 2025 - $33.8 billion for flooring installers and $17.2 billion for tile installers, per IBISWorld estimates. No single company holds more than 5% share in either category, confirming deep structural fragmentation throughout the industry. U.S. ceramic tile consumption reached 2.70 billion square feet in 2024, up 4.0% year-over-year per TCNA.

The Southeast is structurally advantaged on demand: the region consistently over-indexes in U.S. housing starts and permits, and IBISWorld specifically identifies warm climates as a driver of elevated tile adoption due to comfort and maintenance preferences. A reasonable estimate for North and South Carolina's combined share of national installation revenue is 4-6%, implying a combined market in the range of $2.0-$3.1 billion. The $1.325 billion acquisition of Artisan Design Group by Lowe's in 2025 is the most prominent recent benchmark, with deal materials framing an approximately $50 billion adjacent market for design, distribution, and installation services for home builders.

Industry Structure and Competitive Dynamics

Both tile and flooring installation are highly fragmented. IBISWorld's explicit finding - no company exceeds 5% share - is consistent with the experience of roll-up operators and strategic buyers who consistently describe the channel as atomized and consolidation-ready. The competitive landscape spans national and regional platforms with program relationships and procurement scale, mid-size regional operators with builder and GC relationships, and a large base of small independents competing on responsiveness and local reputation.

Differentiation in this market is less about material selection and more about the bundled service model: operators who integrate demolition, subfloor prep, waterproofing, installation, and ongoing maintenance generate higher per-project revenue, stronger customer retention, and more defensible margins than labor-only installation businesses.

Demand Drivers and Key Constraints

The primary structural demand drivers are population growth and housing formation in the Southeast, remodeling and replacement cycles, commercial construction in healthcare and multifamily, and the ongoing shift from carpet to hard surfaces. The overriding constraint is labor. Associated Builders and Contractors estimates the construction industry must attract 349,000 net new workers in 2026 and 456,000 in 2027. For flooring and tile contractors, the ability to recruit, train, and retain installers - not the availability of work - is the primary earnings ceiling.

Investment Outlook

The Carolinas tile and flooring market offers a compelling consolidation opportunity for hands-on operators. Key success factors are disciplined labor development, rigorous job-costing especially on commercial bid work, and building program relationships with homebuilders and property managers to generate predictable volume. Priority markets are Charlotte, the Research Triangle, Greenville-Spartanburg, and Charleston.

Market Fragmentation and Competitive Structure - Carolinas

Fragmentation Assessment

Tile and flooring installation is extremely fragmented in both states. IBISWorld explicitly states that no firm exceeds 5% share nationally in either the flooring installer or tile installer category - a finding that is even more pronounced at the state level, where no operator is believed to hold more than 1-2% of the Carolinas market. Census County Business Patterns data for NAICS 238330 (flooring contractors) and 238340 (tile and terrazzo contractors) confirms a dense population of small single-location businesses across NC and SC.

Metric	Estimate
Estimated NC flooring/tile contractor establishments	~1,800-2,400
Estimated SC flooring/tile contractor establishments	~700-950
Combined NC+SC active contractors	~2,500-3,350
Max national market share (any single firm)	<5% per IBISWorld
Estimated max Carolinas market share (any firm)	<1-2%
Fragmentation level	Extreme - no dominant Carolinas operator

Estimated Number of Competitors

Based on Census Bureau establishment counts for NAICS 238330 and 238340, combined with BLS employment data for tile setters (SOC 47-2044) and flooring installers (SOC 47-2042), North Carolina supports an estimated 1,800-2,400 active flooring and tile contractor businesses. South Carolina supports approximately 700-950. These figures include all operator sizes from solo installers to multi-crew commercial contractors. The sub-segment of operators with 5 or more employees - the most relevant for acquisition - numbers approximately 300-500 in NC and 100-175 in SC.

Average Competitor Size

The average flooring or tile installation business in the Carolinas is a 1-3 person operation generating $250,000-$900,000 in annual revenue. BLS data shows median annual wages for flooring installers and tile setters in NC/SC at approximately $40,000-$48,000. Applying typical revenue-per-installer ratios of $120,000-$200,000 suggests average firm revenue of $150,000-$600,000 for single-installer and small-crew businesses. Operators with 5-15 employees and $1-$5 million in revenue - the primary acquisition target tier - represent an estimated 10-15% of the operator count but 40-50% of total Carolinas installation revenue.

Largest Known Regional and National Competitors

Named competitors with scale in or directly relevant to the Carolinas tile and flooring market:

Company / Platform	Notes
Artisan Design Group (Lowe's)	Acquired by Lowe's in 2025 for $1.325B; largest flooring distribution and installation platform serving homebuilders; national reach including Southeast
Diverzify	Largest independent commercial flooring contractor in the U.S.; multi-location; serves Southeast commercial markets
Floor & Decor (retail/installation)	Large-format flooring retailer with installation services; active in NC/SC markets
Flooring America / CCA Global Partners	Retail/dealer cooperative with installation affiliates across the Carolinas
Shaw Industries / Mohawk Industries	Dominant manufacturers with direct installation programs for builder channels; indirect competitors to independents
Regional commercial flooring contractors ($2M-$15M)	Estimated 30-60 in NC+SC; serve healthcare, multifamily, and institutional segments
Builder-program residential installers ($1M-$5M)	Estimated 50-100 in NC+SC; serve homebuilder new construction programs
Owner-operated small independents (<$1M)	~2,000-2,800 in NC+SC; dominant by count, fragmented by revenue

Note: The Carolinas lack a dominant independent multi-trade flooring contractor comparable to what Diverzify represents nationally in commercial. The residential builder-program segment in Charlotte and Raleigh-Durham is served primarily by small dedicated sub-contractors with limited geographic reach, creating a clear consolidation opportunity for a platform operator.

Full research report with detailed segment analysis, profitability benchmarks, competitive profiles by geography, and complete citations available upon request from Rospex Holdings LLC.