PYLON

THE FIRST NATIONAL INSTALLER SURVEY

State of Solar Business 2026

What 345 Australian installation businesses say about growth, rebates, and the discipline that separates thriving from surviving.

345 RESPONDENTS

8 STATES

June 2026 FIELDWORK

Produced by Pylon
getpylon.com

KEY FINDINGS

The industry in twelve numbers

Every figure below is drawn from the 345 completed responses analysed in this report. Where a question allowed more than one selection, totals may exceed 100%.

78%

grew as a direct result of the Cheaper Home Batteries rebate

69%

name the sudden end of rebates as the biggest threat to the industry

47%

regard that same rebate as a net positive for the industry

58%

view the future of the solar industry positively; only 10% negatively

56%

expect their sales to grow over the next twelve months

73%

of businesses with all four discipline factors break $1M — against 20% with none

82%

rely on word of mouth to find customers; just 17% use local listings

83%

say customers choose them for quality and service; only 7% on price

61%

put marketing and new customer acquisition first among priorities

3.16/5

average confidence in geographic expansion — the lowest-rated capability

45%

of owners came up through installation — the largest single background

28%

offer cleaning and maintenance — the clearest recurring-revenue gap

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INTRODUCTION

Putting installers at the centre of the conversation

The solar industry has seen an extraordinary amount of growth, change and disruption over the past few years, yet the people actually doing the work, solar installers, are rarely the ones given any spotlight. They see the customers, the product shifts, the impact of government rebates and the day-to-day realities of running a business up close and first-hand.

In response to speaking with installers every day, Pylon established the first State of Solar Business Report, to put installers at the centre of the conversation.

Rather than focusing on policy or government messaging, it sets out to understand how individual installation businesses are actually performing. The survey asks the questions installers told us mattered: What are the real issues facing the industry? How do you view the future of your business? And do the government rebates actually achieve their goals? This report brings those answers together.

Respondents at a glance

The survey drew 345 completed responses from solar installation businesses across every Australian state and territory, ranging from sole operators to businesses employing hundreds of staff. It is a broad and representative read on the state of the industry as it stands in 2026.

345	8	45%	61%
completed responses	states and territories	owners with an installation background	prioritise marketing and growth

Respondents span the full spectrum of the industry. New South Wales (32%), Victoria (27%) and Queensland (21%) lead the sample, followed by South Australia (10%), Western Australia (9%) and the smaller states and territories. Just under half are micro businesses of one to four full-time staff, reflecting the predominantly small, independent makeup of the industry itself. Most are end-to-end installers (64%), serving residential customers (51%) or a mix of residential and commercial (44%). A full respondent profile appears in About this report at the end of this report.

The industry backdrop: Rebates and regulations in 2026

This report arrives at a pivotal moment for Australian solar. The Cheaper Home Batteries program, which commenced on 1 July 2025, reshaped the market almost overnight by reducing the upfront cost of home battery storage. For most respondents, it has been a strong business driver. 78% say their business has grown as a direct result of the rebate and battery attachment has become a central part of the installation business, not an add-on.

However, installers are acutely aware that their growth has been tied to a policy lever they don’t control and the sudden end of government rebates is the threat they fear most. The longstanding Small-scale Renewable Energy Scheme (and its small-scale technology certificates) continues to underpin rooftop solar economics, but the pace of change across federal and state programs has made keeping up a genuine operational burden, particularly in Victoria.

“Government rebates continue to provide too much instability to the industry through 'sugar high' rushes, and sudden cliff-edge 'busts'.”

SURVEY RESPONDENT

On the regulatory side, installers consistently highlighted three areas:

01 Accreditation and licensing settings

02 Grid-connection and approval processes

03 Evolving battery safety and installation standards

Many experienced operators voiced concern that the speed of the rebate-driven boom has outpaced the industry's ability to maintain consistent quality and standards. The emphasis here is on what these shifts mean for the performance of individual businesses, rather than on the merits of any particular policy.

In a market this fast-paced and dependent on forces outside any business's control, what actually separates the installers who are thriving from those who are merely surviving?

"The rebate incentivised rebate chasers. As a company we aren't going to service existing clients batteries due to the increase in risk. It's a shame, clients went cheap and now I 100% believe many will pay the price."

SURVEY RESPONDENT

SECTION 01

How installers perceive the industry

Installers are cautiously optimistic. Overall sentiment about the future of the solar industry is broadly positive, with more than half of respondents expecting their sales to grow over the next twelve months.

58%

view the industry's future positively

56%

expect sales growth in the next 12 months

10%

hold a negative industry outlook

Only 15% expect considerable growth, while 17% brace for a decline and around a quarter expect to hold steady. This is an industry that believes in its long-term direction but is wary of the near-term ride.

The optimism is not evenly distributed. As later sections show, the businesses with systems and structure in place are consistently more confident about the future than those relying primarily on effort and long hours.

SECTION 02

Priorities and concerns

When asked to name their top priorities for the year ahead, installers are clear: customer acquisition and capability-building come first.

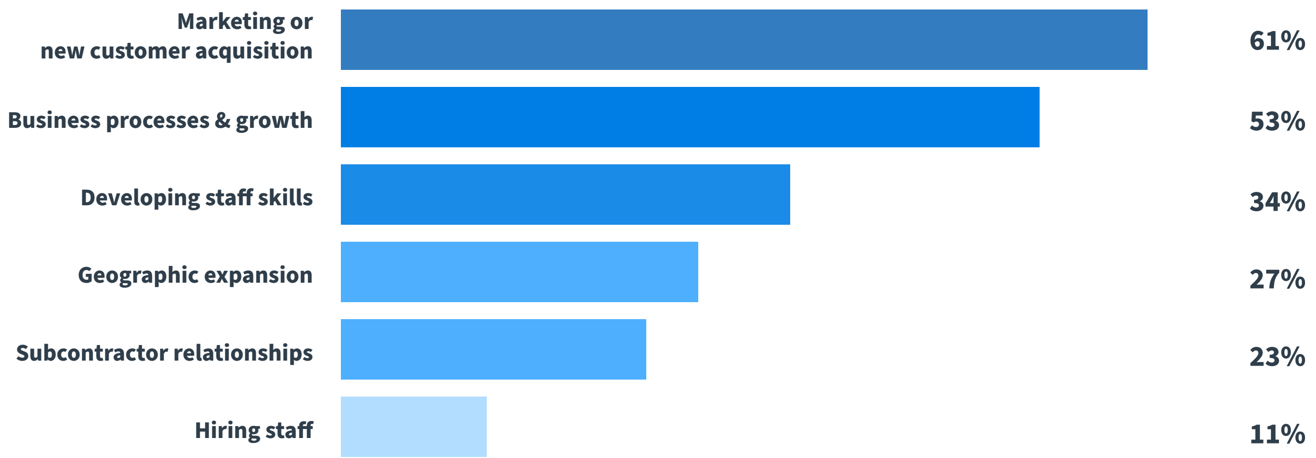

Figure 1. Top business priorities for the next 12 months (% of respondents, multiple selections allowed).

Marketing and new customer acquisition (61%) is the clear number one priority, followed by business processes and growth (53%) and developing staff skills (34%). The order is telling. Installers are focused squarely on capturing demand and the internal machinery needed to meet it. However, there is a striking gap between this stated marketing priority and what installers actually do in practice.

What keeps installers up at night

Installers' concerns span a broad range, but one risk stands apart: the sudden end of government rebates. Beyond this, installers face a diverse set of operational pressures, including cash flow, administration and paperwork, staff retention, customer demands, rising hardware costs and competition, each cited by roughly a quarter to a third of respondents.
But when the lens widens from day-to-day concerns to the biggest threats to the industry, one risk towers over all others.

"As a small business we can not scale up and down at the drop of a hat, hiring then firing because work stops overnight."

SURVEY RESPONDENT

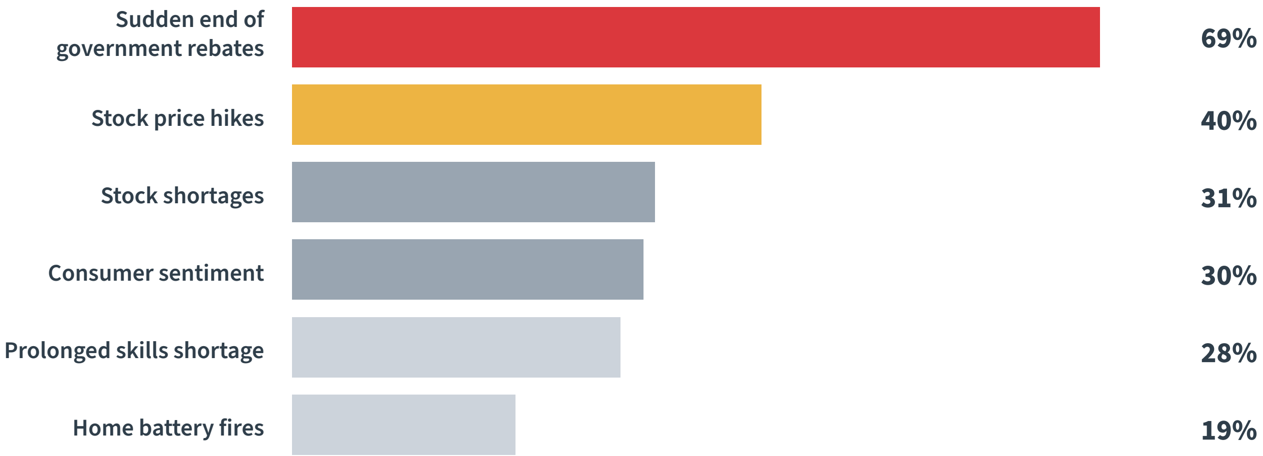

Figure 2. Biggest perceived threats to the industry (% of respondents, multiple selections allowed).

The sudden end of government rebates (69%) is named as a top industry threat almost twice as often as the next most-cited risk, stock price hikes (40%). Stock shortages, consumer sentiment, skills shortages and battery-fire concerns follow. This single result frames much of what follows: the industry knows how much of its current growth rests on policy support, and it is watching that support nervously.

> *"As an educator in the solar industry, I am concerned by the quality of installers and their lack of knowledge about the industry … there are too many low quality installations and electricians."*
>
> SURVEY RESPONDENT

SECTION 03

The business discipline staircase

Beneath the “cowboys”, the rebate anxiety and the confidence gaps, the survey reveals one consistent dividing line between the businesses pulling ahead and those falling behind: whether a business runs on systems or runs on hustle.

There are certain characteristics that are common in larger businesses with >$5m in annual revenue vs their smaller counterparts. They are bigger and older on average. The median ‘big’ installer was founded in 2014, and employs 16 full time workers. Compared to the median sub-$5m installer, which was founded in 2016 and has just 3 FTEs.

MEDIAN BIG INSTALLER — $5M+	
2014	**16**
Founded	Full-time staff

MEDIAN SUB-$5M INSTALLER	
2019	**3**
Founded	Full-time staff

It’s evidence that it can take time to build a reputation and grow into a successful company, and that scale directly correlates with revenue.

Thankfully, for smaller businesses hoping to grow, there are characteristics of successful companies that are easier to adopt. One of the most accessible areas for improvement is marketing. Small businesses are incredibly dependent on word of mouth for new business. They are comparably active on Facebook groups and local listings (eg. White Pages and Google Maps) but they do not have a diversified marketing strategy. Big companies are far more likely to spend on Google search, Google ads, Facebook ads, Instagram ads, radio, and for three-quote lead-generation services.

MARKETING CHANNEL	BIG INSTALLERS	SMALL INSTALLERS	GAP
Facebook / Instagram ads	**63%**	40%	**+23**
Google Search / SEO	**57%**	41%	**+16**
Google Ads	**57%**	29%	**+28**
Three-quote services	**51%**	21%	**+30**
YouTube ads	**11%**	2%	**+9**
Radio	**16%**	5%	**+11**
Local listings (White Pages, Google Maps)	**16%**	17%	−1
Facebook groups	**23%**	24%	−1
Word of mouth	**74%**	84%	**−10**

Marketing channel use by business size (% of respondents). Big installers are those above $5M annual revenue.

Four signals of business discipline

We identified four straightforward signals of business discipline. Each was present among roughly half to three-quarters of respondents.

Formal planning

73%

have a formal business plan

Systematised processes

52%

describe their processes as optimised or automated

Customer feedback

66%

collect and use customer reviews

Diversified marketing

56%

actively use at least three marketing channels

We then counted how many of these four practices each business had in place and compared that with the proportion earning more than $1 million. The relationship was striking: with each additional practice, the share of businesses above $1 million increased in an almost perfectly stepwise pattern.

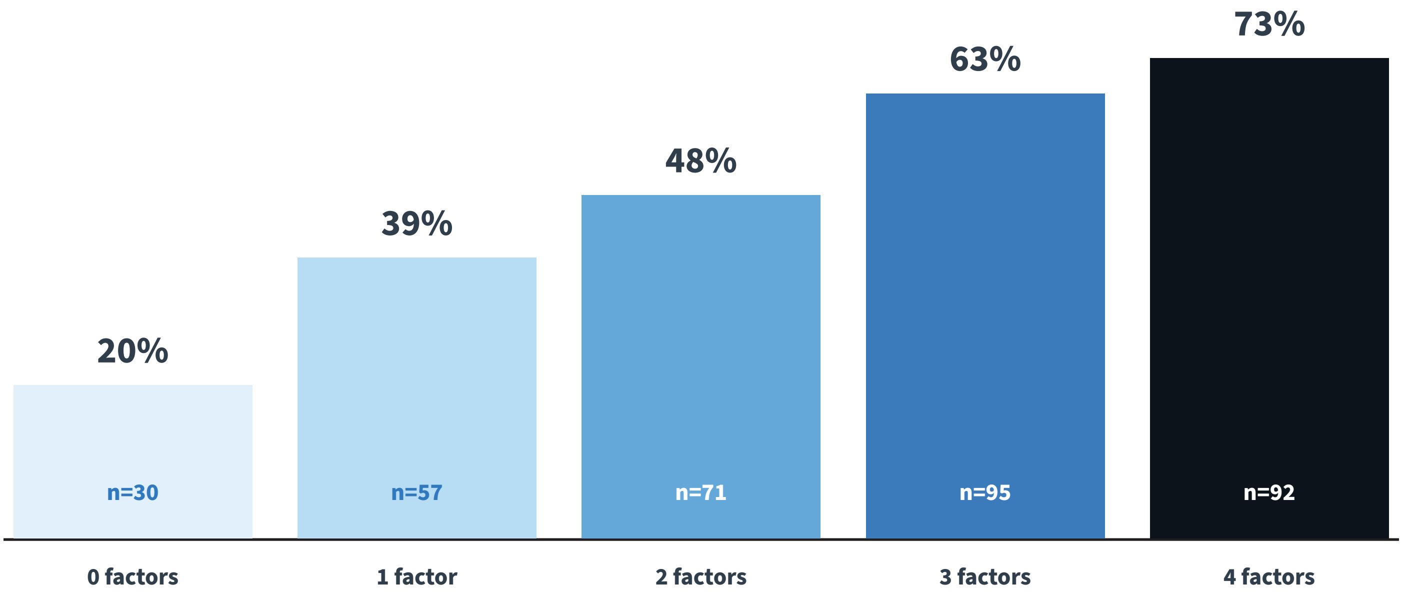

Figure 3. Share of businesses earning over $1M, by number of business-discipline factors in place (n shown in each bar). Based on 345 completed responses.

On average, the proportion of businesses earning more than $1 million rises by around 13 percentage points for each additional business practice in place. It increases from 20% among businesses with none, to 73% with all four.

The disciplined group is also markedly more optimistic, with 61% expecting growth and 63% holding a positive view of the industry.

+13

percentage points more likely to break $1M, per practice adopted

It holds even at the same business size

The obvious objection is that bigger businesses simply do more (plans, processes, marketing) and also earn more. Controlled for size, the pattern survives most strongly exactly where it matters — amongst micro businesses of one to four staff, which make up just under half the sample.

MICRO BUSINESSES (1–4 FTES)	EXPECTED GROWTH	EARN OVER $1M
High discipline (3–4 factors)	65%	41%
Low discipline (0–1 factors)	44%	19%

At identical headcount, the disciplined micro businesses are more than twice as likely to break $1M (41% versus 19%) and 21 points more likely to expect growth.

SECTION 04

Inside the businesses

Revenue and scale

Respondents span emerging operators turning over less than $250k through to established businesses above $10M. The largest single group sits in the $1M–$5M band.

Figure 4. Annual revenue distribution of respondents.

Services and diversification

Solar and batteries are now effectively universal among respondents. The battery rebate has made storage core business. Beyond that, there is real appetite to diversify, with around one in five planning to add off-grid, heat pumps, cleaning and maintenance, or air-conditioning in the year ahead.

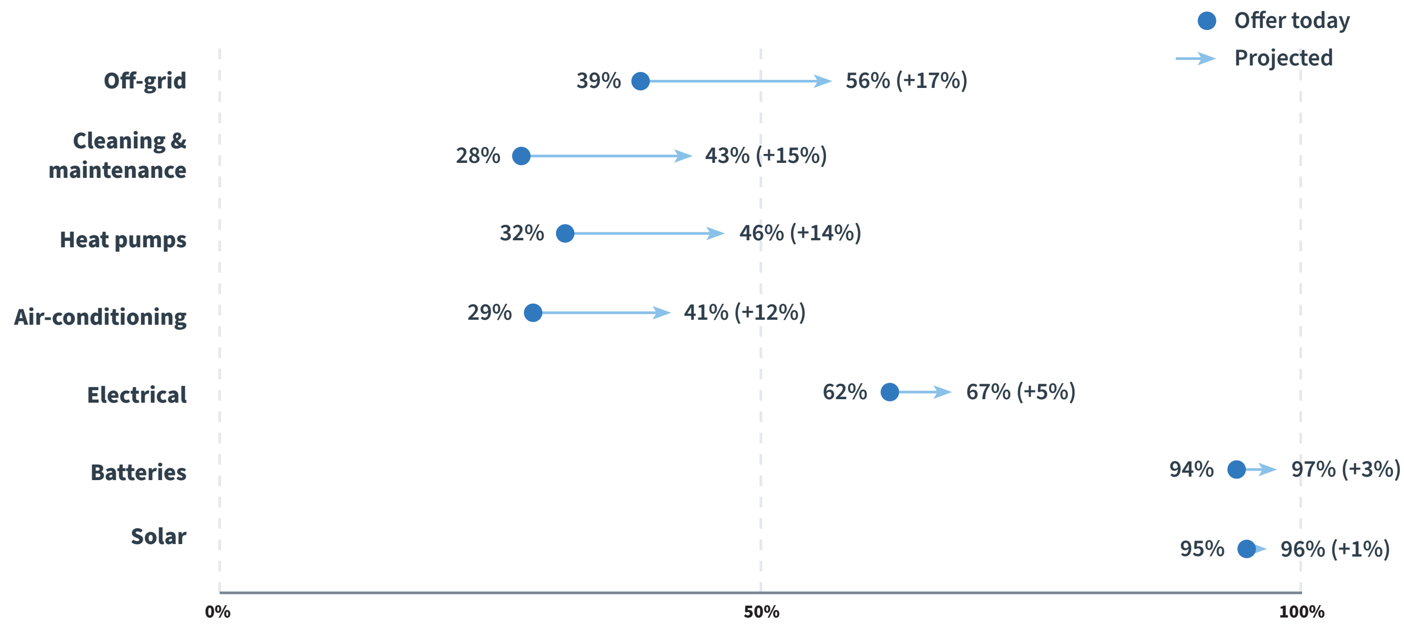

Figure 5. Services currently offered versus planned additions in the next 12 months. Projected means current offerers plus respondents planning to add who don't already offer.

Businesses serving both residential and commercial customers are the most optimistic and the highest-earning with 60% breaking $1M, versus 51% for residential-only.

Wholesalers and product selection

Most installers work with a small, stable group of suppliers. 61% use just one to three wholesalers, managing stock through a mix of same-day pick-up and held inventory.

When selecting components, installers place the greatest weight on product quality, warranty coverage and technical support. The lowest wholesale price is rated as the least important consideration. However, when installers do switch products or suppliers, price and reliability are the most common triggers.

The findings suggest that installers are willing to pay for dependable products and strong support, but remain sensitive to price when reliability or overall value falls short.

61%

use just one to three wholesalers

Quality, warranty and technical support outrank price when choosing components — but price and reliability are what trigger a switch.

SECTION 05

Confidence, skills and the owner-background divide

Installers are confident operators, but that confidence is uneven, and it reveals exactly where the growth opportunities lie.

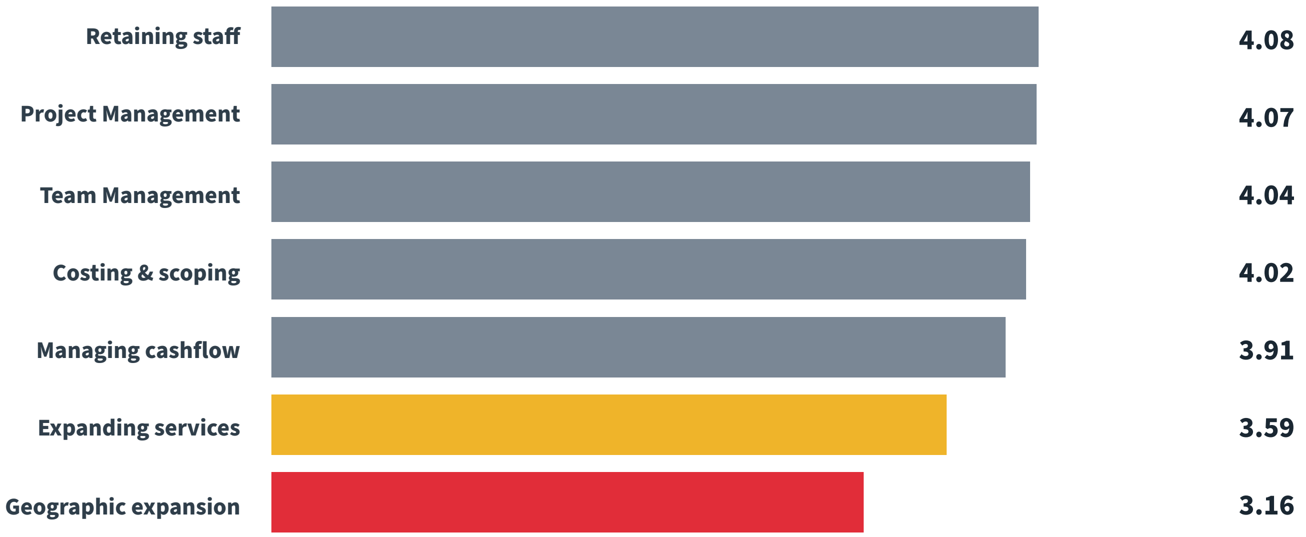

Figure 6. Average self-rated confidence by area (out of 5).

Installers rate themselves highly on the craft and operational side of the business. Retaining staff, project management, team management, costing and scoping, and cashflow all score around 4 out of 5. Confidence falls away, however, on the levers that drive growth: Expanding into new service offerings (3.59) and geographic expansion (3.16) are the lowest-scoring areas by a clear margin. Installers know how to do the work and run the day-to-day, but they are less confident of scaling beyond their existing patch.

The owner-background divide

A quiet divide is revealed when evaluating the career background of the owners of installation businesses.

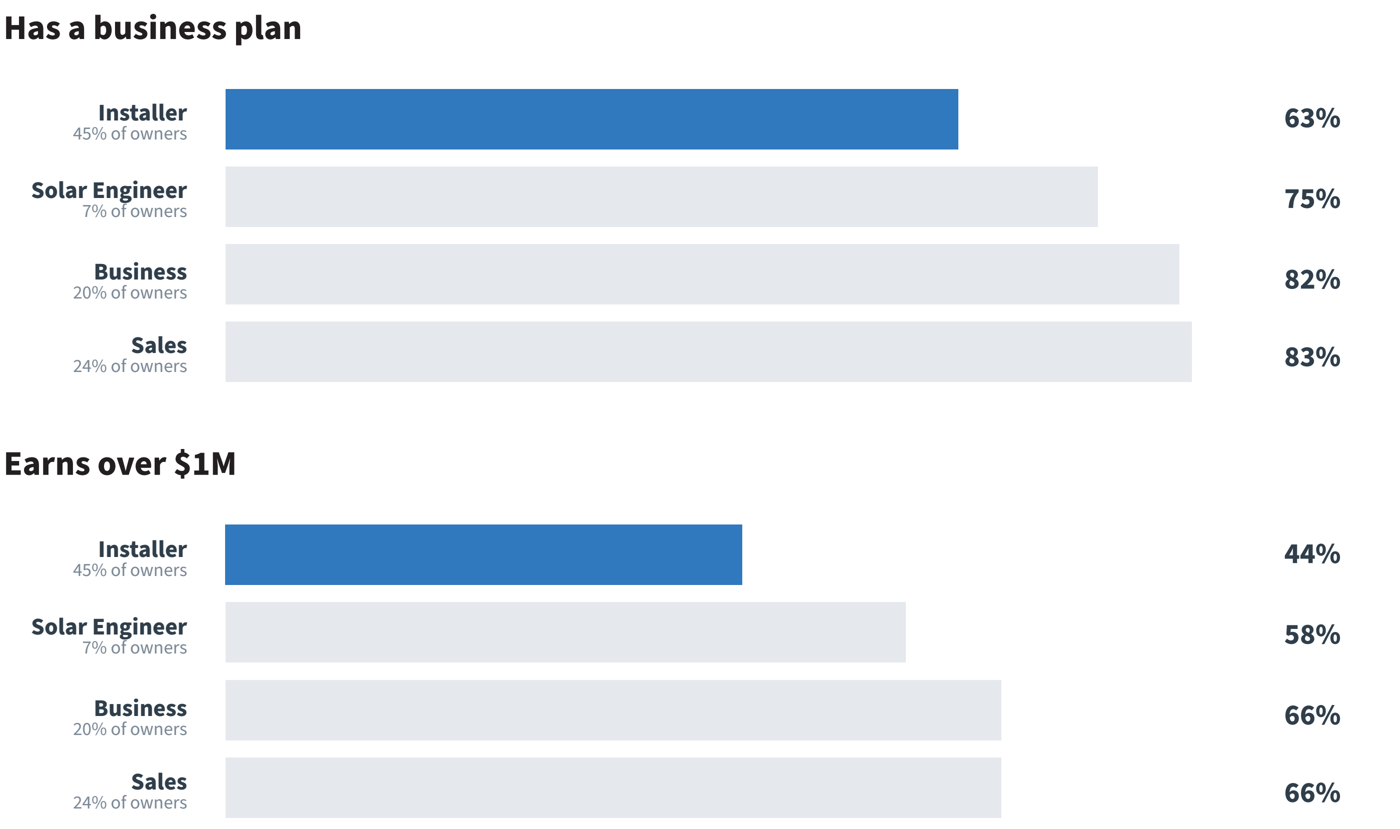

Figure 7. Business-planning prevalence and revenue scale, by owner's professional background.

Installer-background owners — the single largest group at 45% of the industry — are the least likely to have a formal plan (63%) and the least likely to break $1M (44%), trailing sales- and business-background owners by around 20 points on both measures. For the most hands-on operators, the installers, deliberately investing in business capability is among the highest-leverage moves available for them to grow their businesses.

SECTION 06

Marketing and customer experience

Marketing is the number one stated priority. But most customers are coming from word of mouth, an uncontrollable marketing channel.

Businesses that name marketing as a top priority use barely more channels on average than those who don't, and nearly one in five installers rely on word of mouth as their only channel. The thing installers most want to improve is the thing they are doing least deliberately.

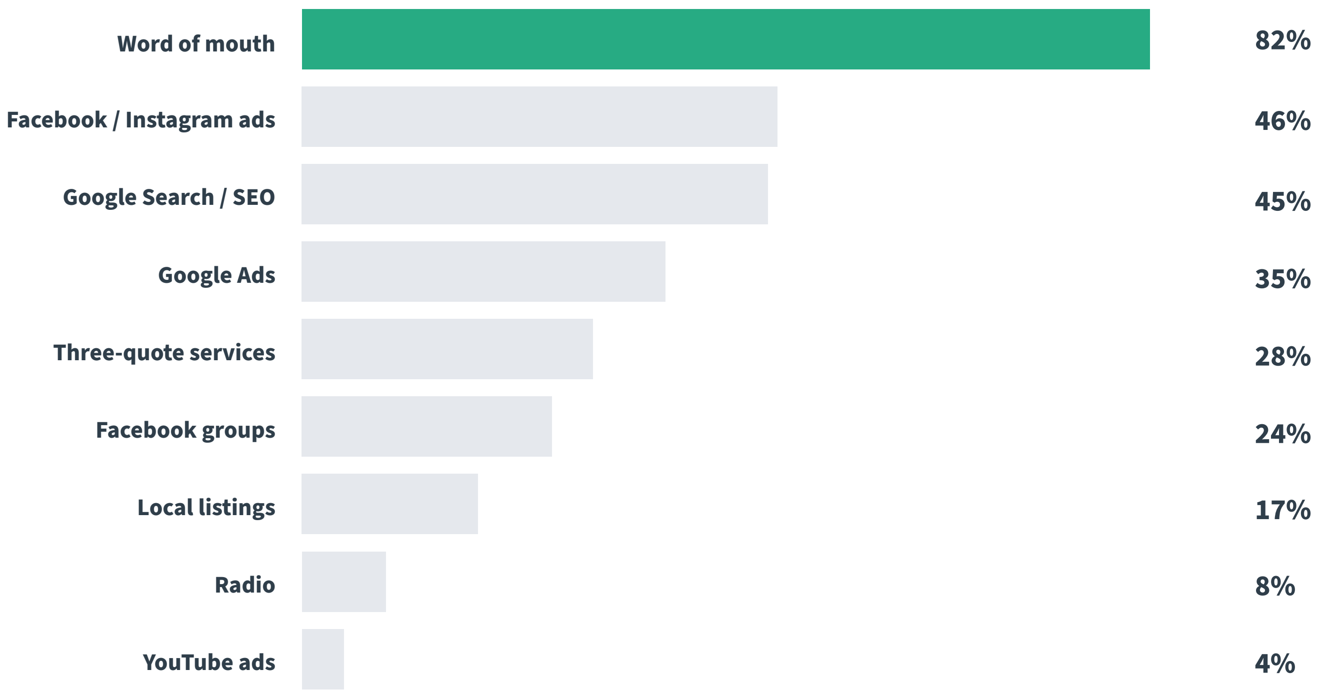

Figure 8. Marketing channels used to find new customers (% of respondents).

Reputation is the real product

When asked why customers choose them, installers are emphatic: 83% point to quality of install or high-quality customer service, and just 7% to competitive price.

Yet that edge is under-leveraged. A third of these quality-led businesses have no process for collecting customer reviews, leaving their strongest asset uncaptured and unseen by prospective customers. The businesses that do collect reviews are 23 points more likely to earn over $1M — 63% versus 40%.

83%

win on quality of install or service

7%

win on competitive price

SECTION 07

Rebates and regulations

No topic in the survey is more charged, or more revealing, than government rebates.

78%

grew due to the rebate

69%

name its end as their top industry threat

47%

see the rebate as a net positive

While 78% of businesses grew because of the Cheaper Home Batteries rebate, only 47% regard it as a net positive for the industry, and a third view it negatively. Strikingly, more than 50% of respondents both grew from the rebate and named its sudden end as their a top industry threat.

The discontent is not about the support itself so much as its volatility. Installers describe a boom-and-bust “solar coaster” that makes sustainable planning difficult; it is hard to hire, train and scale around demand that can shift sharply with a policy announcement.

> *“My concern is how hard it is to forecast due to the nature of how unpredictable the industry is. I like to have all the information before moving forward on large decisions. This has resulted in missed opportunities numerous times throughout the life of our business.”*
>
> SURVEY RESPONDENT

Who actually benefited

Not every business benefitted from the rebate, which disproportionately helped retailers and larger businesses. Indeed, the size, location and type of business surveyed all had a significant bearing on rebate results.

Respondents from small and medium sized businesses, those with a revenue under $1m, were twice as likely to report that they did not financially benefit from the rebate. Retailers with sub-contractors were more likely to benefit (89%) vs installers (74%). These businesses may have found it easier to scale their operations to meet increased demand, and reap the financial rewards of the rebate. For smaller teams, and for people who have to physically be at every installation, it's much harder to scale up quickly to meet new demand.

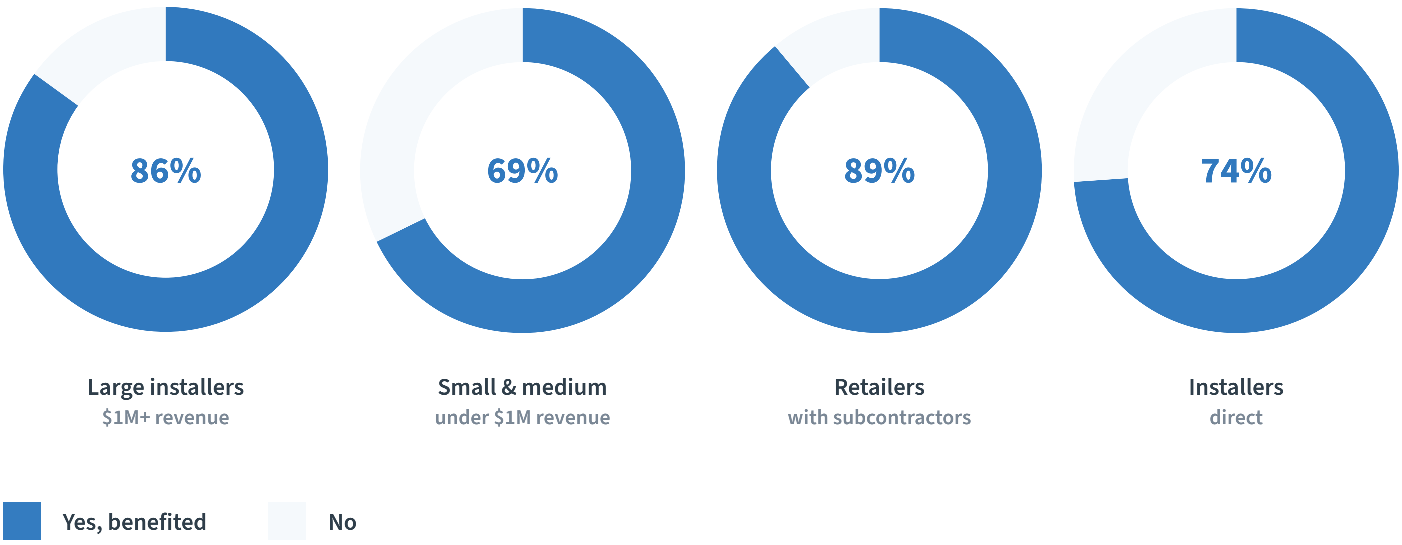

Figure 9. Share reporting a financial benefit from the Cheaper Home Batteries rebate, by business size and model.

Dedicated solar installation specialists, (businesses that have always delivered solar) also fared better since the rebate was introduced than diversified businesses that entered solar from another trade. Among installers that began as electrical, plumbing or other service businesses, only 39% think the rebate was a net positive, only 67% report making a profit — both well below the overall average.

Business location also had a noticeable influence on rebate success. Businesses in NSW were more likely to make a profit from the scheme than those in Victoria. 82% vs 73%. It is possible that the additional administrative burden in Victoria impacted success among installers, or soured respondents' view of the rebate and whether it helped their business. This was certainly a key theme among our installers in Victoria.

Keeping up with the rules

When it comes to regulations, installers are reasonably confident in keeping up with change, averaging 3.9 out of 5, with a meaningful minority finding it a struggle. Paperwork and approvals were a recurring frustration, and notably concentrated in Victoria, where 41% cited admin burden as a concern — well above the 20–29% seen elsewhere. For these operators, the regulatory load is a real friction cost on growth, even where it hasn't dented their overall optimism.

In Victoria, installers faced a stricter pre-approval process through the Solar Homes Program portal before work could begin. They also reported additional administrative work when commissioning systems for the state's Emergency Backstop mechanism. In NSW, paperwork was comparatively faster for accredited installers.

> *"In Victoria, we have had to hire another 2 staff to keep up with the paperwork."*
>
> SURVEY RESPONDENT

SECTION 08

How installers can use this information

The survey results highlighted easy wins that installation businesses can use to boost their business. Each recommendation below is based on tactics that are associated with stronger business performance.

01 Set up a process to collect customer reviews

83% of installers win on quality and service, not price, yet a third of them collect no customer reviews, and nearly one in five rely solely on word of mouth. Capturing reviews systematically at handover, and putting them where prospective customers look, converts a passive asset into an active growth engine. Review-collecting businesses are 23 points more likely to earn over $1M.

02 Local listings are an easy marketing channel

Installers pour effort into paid social and search ads, but only 17% use local listings. Capturing high intent “solar installer near me” searches with a strong Google Maps listing or local directory, combined with website SEO, is low-cost and durable.

03 Build a recurring-revenue layer to break rebate dependency

With 78% reliant on rebate-driven growth and its end the number one fear, income that doesn’t switch off with policy is the structural fix. Maintenance and cleaning, offered by only 28%, is recurring, relationship-based, cheap to deliver for a business that already did the install, and a natural reason to stay in contact with past customers.

04 Consider commercial as a serious business expansion opportunity

Businesses serving both residential and commercial are the most bullish and highest-earning (60% break $1M versus 51% for residential-only.) Adding even modest commercial capability hedges exposure to rebate-sensitive, cost-of-living-driven residential demand swings.

05 Write the plan and systematise the back office

Business discipline tracks revenue at every size, most powerfully among the smallest operators. Disciplined micro businesses are more than twice as likely to break $1M as their peers, at identical headcount.

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06 If you came up through the tools, invest in business capability

Installer-background owners (45% of the industry) trail sales- and business-background owners by around 20 points on both planning and revenue. Technical mastery and business mastery are different, learnable skills.

APPENDIX

About this report

State of Solar Business 2026 is the first national survey of Australian solar installation businesses produced by Pylon. It was designed to give installers a platform to share what they're seeing on the ground, and to provide pragmatic insights into the performance of individual installation businesses.

The survey was conducted in June 2026 and drew 345 completed responses from solar installation businesses across Australia. All figures in this report are based on those 345 completed responses; 57 partial responses were excluded from the analysis. Where questions allowed more than one selection, totals may exceed 100%.

Respondent profile

PROFILE	BREAKDOWN
Location	NSW 32% · VIC 27% · QLD 21% · SA 10% · WA 9% · ACT 4% · TAS 3% · NT 1%
Business size	1–4 FTE 47% · 5–14 FTE 27% · 15–49 FTE 16% · 50+ FTE 5% · owner-only 5% (median 4)
Business type	End-to-end installer 64% · Retailer with subcontractors 25% · Installer only 6% · Other 5%
Customer base	Residential 51% · Both residential & commercial 44% · Commercial 5%
Owner background	Installer 45% · Sales 24% · Business 20% · Solar engineer 7% · Other 4%
Annual revenue	<$250k 15% · $250–500k 12% · $500k–$1M 18% · $1–5M 31% · $5–10M 15% · >$10M 9%
Business journey	Started in solar/batteries 61% · transitioned from another trade 39%

Methodology and disclosure

> In the interest of transparency, the respondents to this survey are drawn from Pylon's customer base of solar installation businesses. As a result, the sample skews toward more digitally engaged and operationally established installers than the industry as a whole. This has two implications worth stating plainly: the report likely understates the share of less-systematised operators in the broader market, and findings should be read as representative of engaged, working installers rather than a perfect cross-section of every business in the industry.

COLOPHON

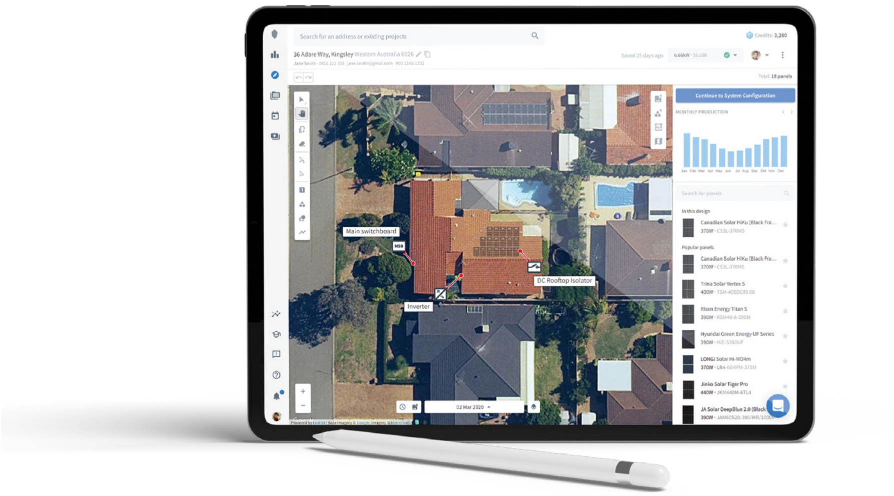
About Pylon

Pylon is solar design software built for fast-growing solar businesses, used by more than 3,500 solar businesses to produce high-resolution solar and battery proposals in minutes. From 3D shading simulations and high-resolution aerial imagery to single-line diagrams, proposals, e-signatures and a built-in sales CRM, Pylon helps installers design with confidence and run a tighter business.

Voted the most popular solar design software by Australian installers. In the Solar Nerds 2024 Annual Awards, Pylon was the most popular solar design tool among the installers surveyed, receiving 38.3% of the vote.

3,500+
solar businesses using Pylon

38.3%
of the vote, Solar Nerds 2024 Awards



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