



# Why did you buy that tractor?

A study of buyer behaviour

Per Frankelius (Editor) and Students

MED SVENSK SAMMANFATTNING

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Why did you buy that tractor? – A study of consumer behaviour

Per Frankelius (Editor) and Students

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# Svensk sammanfattning

*Per Frankelius*

Den här rapporten sammanfattar ett experiment som kan benämnas “innovativ organisering” av en kunskapsutvecklings- och kunskapsspridningsprocess. Experimentet genomfördes januari-mars 2016 vid Linköpings universitet. Idén var att knyta samman studenter med ett forskningsprojekt och med praktiker från näringslivet, med stöd av en aktivitetsarena i form av Vreta Kluster.

Studenterna genomförde projektet inom ramen för kursen Marketing and Consumer Behaviour. De kom från flera länder, t.ex. Australien, Frankrike, Spanien, USA, Tyskland, Schweiz, Storbritannien, Kina, Peru, Taiwan och Sverige.

Projektet inleddes med en instruktion om att göra fallstudier av traktorköpare. Ett antal frågor sattes upp i denna instruktion. Arbetet som sedan följde och skedde i team om ca 5 personer ledde till ett resultat som presenterades vid en konferens på Vreta Kluster den 22 februari 2016 med ca 100 deltagare. Det intressanta här var inte minst blandningen av personer från näringslivet.

Rapporten innehåller teorier och modeller om kundbeteende, men det centrala är fallstudier av lantbrukare. Vid en genomgång av de fallstudier som gjorts inom ramen för detta projekt framgår både det som skiljer och förenar olika lantbrukare i deras sätt att tänka kring traktorköp. Här följer några slutsatser.

## 10 bevekelsegrunder för traktorköp

### *1. I olika länder köper lantbrukare olika traktorer*

När man gör en internationell studie som den vi gjort inser man snabbt att preferenser kring traktorer skiljer sig mellan olika länder. I Italien är traktorn Antonio Carraro vanlig. I England kan det t.ex. vara vanligt att köpa en JCB-traktor. I Frankrike kan det vara naturligt att köpa en Baudry, Bobard eller Renault. Dessa märken är relativt okända för de flesta lantbrukare i exempelvis Sverige. Kort sagt finns olika traktorkulturer i olika länder och dessa hänger samman med inriktningen på lantbruket, olika traktortillverkares koppling till länder och traditioner.

Nationalismen spelar in för många lantbrukare. En tysk lantbrukare köper gärna en Deutch Fahr, Fendt eller Claas. Ett av författarteamet i rapporten – Camille Clerc, Ina Annick Schall, Olof Persson och Martial Müller – skrev: ”Farmer Gunther confirmed, that these brands go along with the German philosophy of quality.” I USA gillar man Case och John Deere. En fransk lantbrukare sa att han ”gillar idén att köpa franskt” (han köpte en Renault). I Sverige gillar vi kanske Volvo BM, men vad hjälper det då Volvoledningen sålt ut det för länge sedan...

## *2. Orderkvalificerande och ordervinnande kriterier*

Vi ser ett mönster i studien där köp av traktorer sker i två steg. Först väljer köparen ut de traktormärken som ska övervägas mer noga. Dessa märken uppfyller köparens grundläggande krav. Märkena har kvalificerat sig för order och dessa krav kallas ofta i forskningen för ”orderkvalificerande krav”. Exempel på grundläggande krav kan vara bra bränsleekonomi och viss kvalitet. I litteraturen talas om ett ”consideration set” eller ”evoked set” för att beskriva de varumärken som är föremål för det slutliga urvalet.

I det slutgiltiga valet av traktor vägs andra saker in som inte är grundläggande men som gör att en traktor slutligen vinner kundens gunst. Vi kallar det ”ordervinnande kriterier” och det kan t.ex. handla om viss imageaspekt, visst tillbehör, bekvämlighet i hytten eller ett rabattförslag i rätt ögonblick.

Så här skrev t.ex. Iosune Bas Tomás, Amélie Dollé, Xuan Lu, Lydia Tolliner: ”This allowed him to narrow his consideration set [...] to three brands: Massey Ferguson, Case IH and New Holland. In order to make a decision, Lenfant took different evaluative criteria into account.” Valet föll denna gång på Case IH.

## *3. Större och större traktorer, men inte alltid*

De flesta lantbrukare vill ha större traktor än den förra de hade. Så här skrev Camille Clerc, Ina Annick Schall, Olof Persson and Martial Müller i sin analys: ”He went through the same process to buy the second tractor, a bigger and more powerful one: Claas Axion 820, with an engine generating approximately 200 horsepower.” Men det finns de som går mot strömmen. En lantbrukare på Vikbolandet valde en Valtra i mindre storlek för att undvika oönskad markpackning.

Så här skrev Frej Ericson, Philip Groppfeldt, Simon Lindström och Emelie Rosen: ”The Valtra N123 suited [the farmers] needs mainly because of two reasons: it is easy to handle compared to other tractors from other brands, and doesn't pack the soil. Packed soil could potentially inhibit the growing of crops.”

#### *4. Servicens två dimensioner*

Vad gäller återförsäljare ser vi service i två dimensioner. Den ena är servicekvaliteten när service väl sker inklusive personligt bemötande mm. I detta ligger också akuthjälpsaspekter såsom att låna ut ersättningsmaskin.

Den andra dimensionen är helt enkelt det geografiska avståndet till servicestället. Båda dessa aspekter spelar stor roll vid valet av traktormärke för flertalet lantbrukare. Men det finns de som bryr sig mindre om detta (se punkten 7).

#### *5. Innovationsorientering*

En del lantbrukare har tradition, kvalitet och förvaltning som ledstjärnor för sin verksamhet. Andra strävar ständigt mot utveckling och innovation. De sistnämnda köper ofta traktorer för att de har nya innovativa komponenter såsom automatväxel, autostyrning, Bluetooth, vändbar förarplats, pneumatik eller ny stålkonstruktion. En av lantbrukarna i vår studie fanns i Östergötland och köpte en Ferguson beroende på nya stålkonstruktioner som var bra för skogsarbete. Vi såg också lantbrukare i t.ex. Frankrike som valde John Deere för att koppla sig till ett märke som mer allmänt förknippades med innovation.

#### *6. Pedagogiken i traktorn central*

Många talar om all ny teknik som finns i traktorer. Men olika traktorer upplevs olika svåra att förstå sig på. Pedagogiken och enkelheten att sköta komplicerade system såsom autostyrning är inte sällan det som avgör varför det blir en viss traktor snarare än en annan. Vi såg också lantbrukare som väljer traktorer för att den inte har en massa elektronik. En fransk lantbrukare sa att hon valde antingen märket International eller Kubota för att de var robusta och enkla.

#### *7. Proaktiva lantbrukare vs. bekväma lantbrukare*

Den bekväme lantbrukaren köper gärna sin traktor av den återförsäljare som finns på nära håll. Köpet av traktor beror då på vilka traktorer som återförsäljaren har och priset blir vad som bjuds. De mer proaktiva lantbrukarna ser sig om långväga efter inköpsmöjligheter och drar sig inte för att importera en traktor från kanske Rumänien eller Polen. Vi såg flera sådana lantbrukare i studien, bl.a. en i Skåne.

## 8. Systemintegration

Många lantbrukare köper traktor utifrån kriteriet att traktorn ska passa in i deras tekniska system i övrigt på gården. Exempelvis vill man ofta gärna ha samma traktormärke som övriga traktorer för att få bättre möjlighet att t.ex. ha reservdelar hemma. Vidare hänger traktorköpet ofta samband med någon annan maskininvestering, t.ex. en ny Väderstadmaskin som kräver en viss ny traktor.

## 9. Image och status

I de fall då vi lyckades få djupare samtal med lantbrukare framkom att status och image var viktigt för en hel del. En lantbrukare i Frankrike sa uttryckligen att traktorn valdes för att den var en ”visuell accessoar” på gården. Han talade också i termer av ”status exhibition”.

En tysk lantbrukare sa att han exponerade sin traktor på sociala medier för att på det sättet vinna statuspoäng. Teamet Camille Clerc, Ina Annick Schall, Olof Persson och Martial Müller sammanfattade: ”The German farmer clearly shows his intention to get some form of social approval. Posting on social media videos of his new tractor is a way to “show off”, to prove to others that he can afford the best product.”

Teamet Maggie O'Neill, Sabrina Layachi, Alexia Creancier, Ireney Tung och Jaime Junior Huivin Vasquez skrev om en fransk lantbrukare så här: ”Her key tractor attributes are reliability, robustness, ease of use and last but not least size (it must be bigger than the neighbor!).”

## 10. Vilja vs. verklighetens realitet

En del lantbrukare vill egentligen ha en viss traktor pga. kvalitet, funktioner eller status, men köper sedan en annan helt enkelt för att de inte har ekonomi till det önskade alternativet. En lantbrukare sa t.ex. att han helst ville ha en Fendt, men det blev en Valtra.

# 4 notiser om information inför köp

## 1. Minne vs. ny information

En del traktorköpare baserar sitt köpbeslut mest på sitt minne. Lantbrukaren tänker: ”Vilken traktor hade mamma och pappa på gården?”, ”Vilken traktor har

jag erfarenhet av?”, ”Vilken traktor känner jag till pga. information jag fått genom åren?” Andra lantbrukare lägger ner mycket jobb på att samla in ny information på ett objektivt sätt och utan förutfattande meningar. De besöker mässor, läser facktidskrifter och söker på nätet m.m.

## *2. Mässor har strategisk betydelse*

Nästan alla lantbrukare talar om mässor och fältdagar som del i traktorköpprocessen. Man uppskattar att tala med representanter för tillverkarna och man gillar att testa traktorerna på riktigt. Även om man inte testat traktorn finns ändå på mässan överblicken på traktorer och möjligheten att beskåda dom mer i detalj. Så här skrev exempelvis Camille Clerc, Ina Annick Schall, Olof Persson och Martial Müller i sin analys: ”At the forestry fair, Elmia Wood, the company’s representatives could get a closer look at the machines.”

## *3. Sociala medier allt viktigare*

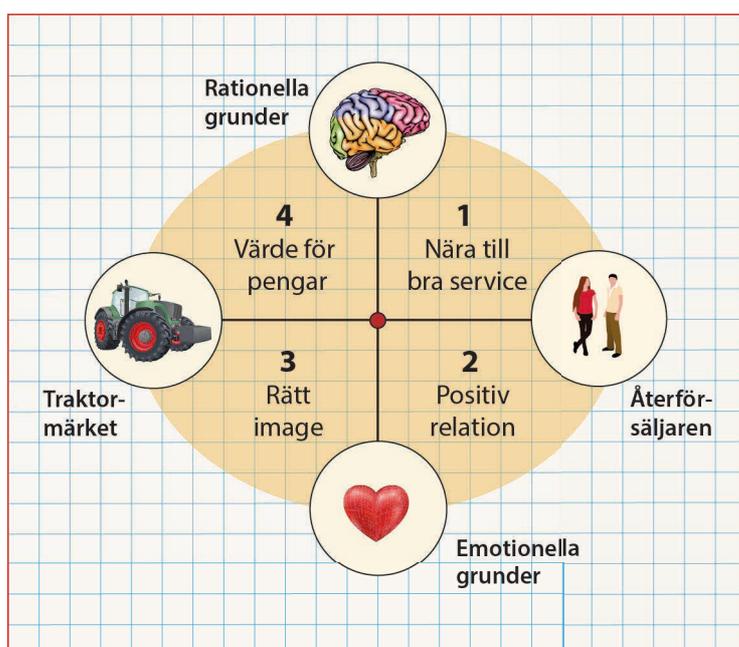
En trend vi noterat är den ökande betydelsen av sociala medier. En hel del lantbrukare sa att de använt sociala medier för att få kunskap från andra användare gällande för- och nackdelar med olika traktorer. Samtidigt indikerar studien att flertalet lantbrukare inte är lika aktiva på sociala medier som andra grupper i samhället. Så här skrev t.ex. Sofie Sigvardsson, Stephanie Härdig, Joachim Hörnqvist, Kevin Worth, Eloïse Marthouret och Mickael Strotzik: ”Even though the farmers nowadays use internet as a research tool, they are not massively present on social media, mainly due to a lack of time and habit.”

## *4. Lyssna på andra eller på sig själv?*

En del lantbrukare lyssnar mycket på vad andra säger om bästa traktorn. Det kan gälla grannar, återförsäljare eller kompisar i branschen. Andra har utgångspunkten att varje behov är unikt och att endast lantbrukaren själv vet sin egen behovsprofil. Dessa lyssnar inte på andra utan på sig själv men baserat på basfakta om traktorer. En fransk lantbrukare sa detta uttryckligen medan det framkom indirekt i flera andra fall. Exempel på speciella behov var en lantbrukare som gjorde tjänster åt Söderköpings kommun som hade särskilda krav på avgasutsläpp från traktorn (Det blev en Valtra N163). En annan lantbrukare sa att hon valde en Case IH för att den passade henne då hon var kort och nådde pedalerna och reglagen bra i just den traktorn.

## Slutsats: Trots vissa mönster finns stor mångfald

Ett mönster man kan urskilja i fallstudierna är skillnaden mellan lantbrukare som främst har ett rationellt (logiskt, objektivt) perspektiv och de som främst har ett emotionellt perspektiv på sitt traktorköp. En annan dimension är om dragningskraften finns främst hos ett visst traktormärke eller hos återförsäljaren i närområdet. Läger man dessa två dimensioner i samma diagram (se figur X) kan man definiera fyra kategorier traktorköp. Den första är köp som kommer till stånd främst för att det finns närhet till bra service. Den andra typen av köp påverkas främst av en personlig relation mellan traktorköpare och återförsäljaren av traktorer i närområdet. Den tredje kategorin är traktorköp som blir en följd av att traktorköparen känner en dragningskraft till ett visst traktormärke (varumärket). Den fjärde slutligen är traktorköp som kommer till stånd efter att lantbrukaren gjort en mer eller mindre objektiv analys av information för att få mest värde för pengarna.



Figur X. Två viktiga dimensioner hos traktorköparen.

Vi kom i vår studie fram till att traktorköpare och traktorer är ett komplext område. En stor mängd faktorer spelar in och lantbrukare tänker olika kring saker och ting. Mer forskning behövs om vi verkligen ska kunna svara på varför lantbrukare köper en viss traktor eller en viss maskin av annat slag. Forskningen som krävs måste i sin tur nyttja (eller utveckla) rätt metoder för att verkligen få fram den mer djupgående information som behövs för att kunna förstå en så komplex sak som kundbeteenden inom lantbrukssektorn. Ett förslag vore att inrätta ett centrum för marknadsföring och innovation med fokus på de gröna näringarna.

# Introduction

*Per Frankelius*

This report is a result from an experiment of “innovative organizing” that was conducted in January – March 2016 at Linköping University. The experiment aimed to connect students with research as well as practitioners.

The students were attending the course Marketing and Consumer Behaviour. This course is international and students represented many countries such as Australia, France, Spain, USA, Germany, Switzerland, Great Britain, China, Peru, Taiwan and Sweden.

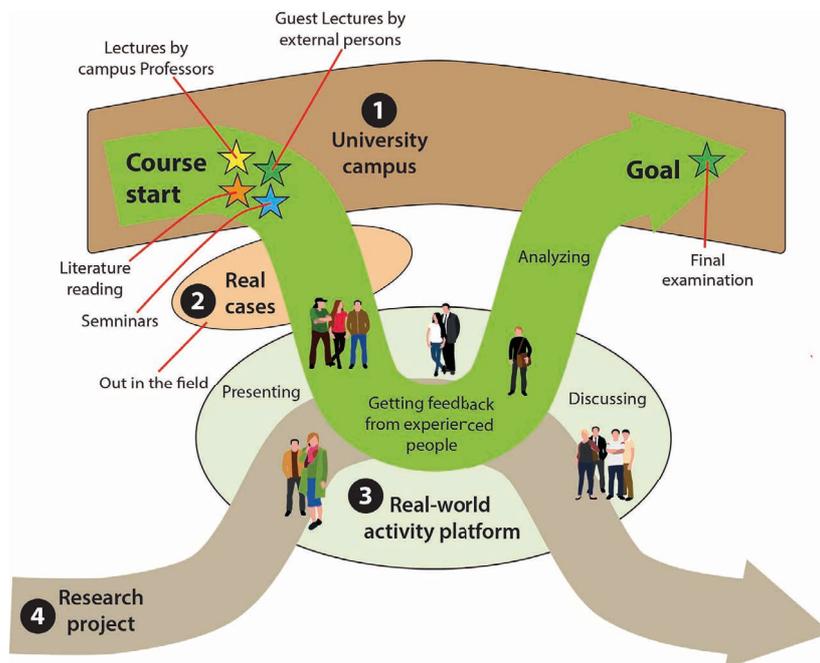
The research project was the Grönovation at Linköping University. This project is supported by Vinnova. Partners include 3M Sweden, Biototal, Cre8it, Elmia, Energy Developer - ED, Hushållningssällskapet – Swedish Rural Economy and Agricultural Societies in Östergötland County, JTI – Swedish Institute of Agricultural and Environmental Engineering, Lantmännen R&D, Lovanggruppen, Region Östergötland, Swedish University of Agricultural Sciences, SLU Holding, SSAB, Svenska Mätanalys, Tolefors Gård, VicVision and Vreta Kluster. The main theme in this project is “innovative organizing”, and the experiment was in line with this.

Practitioners were involved in two ways. First, respondents of the student case studies (see below) were practitioners. Second, practitioners were invited to the seminar “Why did you buy that tractor?” at Vreta Kluster outside Linköping on February 22, 2016. Around 100 persons attended this seminar, that was organized by three partners, Grönovation at Linköping University, Vreta Kluster and the company Lantmännen Maskin.



*Invitations were sent by physical post to selected persons in companies and organizations related to farming and especially tractors.*

The model for knowledge creation and knowledge sharing in the project can be described as in Diagram 1. In this model are four main components, namely the University campus in form of Linköping University Campus Valla (1), real cases in form of tractor buyers in Sweden and other countries (2), the real-world activity platform in form of Vreta kluster (3) and a research project in form of the Grönovation project (4). The student learning process (green arrow) starts at campus but then continues outside before it goes back to campus.



*Diagram 1. The model for knowledge creation and knowledge sharing.*

The mission was to understand consumer behaviour and not least the motivational factors behind certain behaviour. We choose to focus on products with probably high customer involvement (because the product is important and expensive). We also choose to focus on a certain sector in which products can be assumed to be important both for business use and pleasure, namely the farming industry. More specific the light was directed towards the product *farm tractors*. The idea of doing this came from Christoffer Anderson (CEO at The Rural Economy and Agricultural Societies (Hushållningssällskapet Hushållningssällskapet Östergötland)).



*The tractor project was an experiment of “innovative organizing”. Other examples of “innovative organizing” is the project that ended up in this high-tech tractor – or implement carrier machine. The machine enables field research for identifying the optimal rowspacing for sowing different crops – or for developing methods where mechanical and chemical weed and pest control is combined. The latter is especially interesting in light of the need to reduce resistance to chemical herbicides. The machine was developed by The Rural Economy and Agricultural Societies (Hushållningssällskapet) in 2015 in cooperation with SSAB, Strøby Maskinverkstad, Gothia Redskap, Dataväxt and Grönovation at Linköping University. Photo: Per Frankelius.*

The students were asked to form 12 teams. The mission for each team was to identify 3–5 persons (representing customer cases) that have bought a new (not used) farm tractor during the last year or so. Focus was on farmers. All teams had to think-out methods for the information gathering. The information on each case could be collected by means of visits, telephone conversation or mail correspondence (or combination of these methods). Questions to be analysed were the following regarding each customer case:

- Why did the customer choose to invest his or her money in a tractor instead of something else?
- Why did they choose the specific brand among tractors?
- Why that model? Price level.
- What is special with the tractor brand chosen (according to the customer)?
- What do they say about the value-price relation?
- How, in short, did the buying process occur?

We also wanted every team to include an introduction on every case presenting basic facts such as location (country, region, address), farm name and customer name as well as farm size and overall profile of the farm production (mostly crop production, mostly animals, only farm business or combination with side business). If possible we wanted the teams to include photos on the tractor and/or the farms or farmers in question.

After presenting the case information the teams were asked to include an analysis section in which they related their main findings to well-selected concepts and models found in the literature. Examples of such concepts and models are:

- The difference between Cognitive, Habitual or Affective buying behaviour
- Types of perceived risks in buying processes
- The model of “ideal state” vs. “actual state” regarding how consumers feel about their situation
- Brand personality vs. the customers
- Status factor
- Opinion leaders

Each team had the opportunity to present their work in progress to other teams and get feedback on how to proceed in the best way. This was done 10 and 11 January. One teacher, Victor Aichagui, was also commenting.

The result was then to be discussed during a seminar at Vreta Kluster February 22 as described above. See the report’s last chapter for more information. The seminar was arranged as Diagram 2.

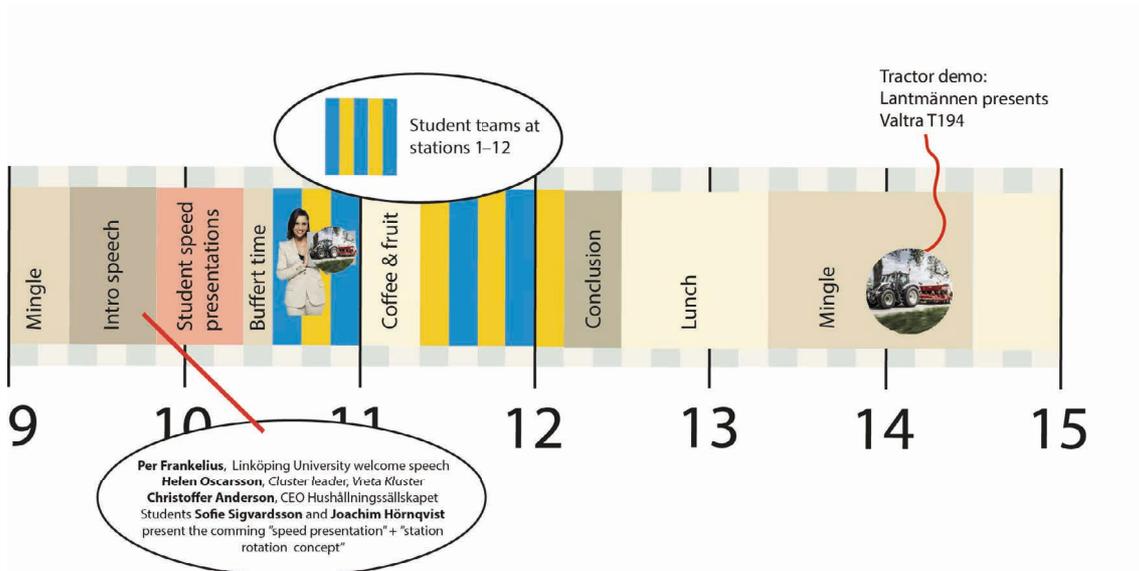


Diagram 2. The tractor seminar flow at Vreta Kluster.

Regarding speed presentations it was an on stage activity where all student teams on just some minutes summarized their cases and findings. Stations in Diagram 2 represent the team presentations at tables in different part of the Vreta Kluster house. Some photos are presented below:



Helen Oscarsson speaking at the tractor conference. Photo: Per Frankelius.



*Johan Mattsson, SSAB posing in front of the Valtra tractor. Photo: Per Frankelius.*



*The impressive Valtra T194 from Lantmännen Maskin – with students in cockpit. Photo: Per Frankelius.*



*The seminar at Vreta Kluster included outdoor activities. Here is the impressive Valtra T194 from Lantmännen Maskin – with students in cockpit.*



*Some visitors arrived in a tractor to the seminar. Fredrik Andersson at Häggbergs let students test the Case IH Optum 300 CVX. Photo: Per Frankelius.*

After the seminar the course director melted together the team texts into this report. Before the report was finished did some newspapers and a magazine write about the project. Here are some of these articles:

- Marcus Frennemark: Lojalitet går före pengar vid traktorköp, Land Lantbruk, 18 March, pp. 14–15.

- Susanne Sterner: Traktorförare överger inte gärna sin traktor, *Östgöta Correspondenten*, frontpage, p. A6-A7.
- Emma Edström: Varför köpte du din traktor? *LIU-nytt*, 23 February, 2016. <https://www.liu.se/liu-nytt/arkiv/nyhetsarkiv/1.673269?l=sv>
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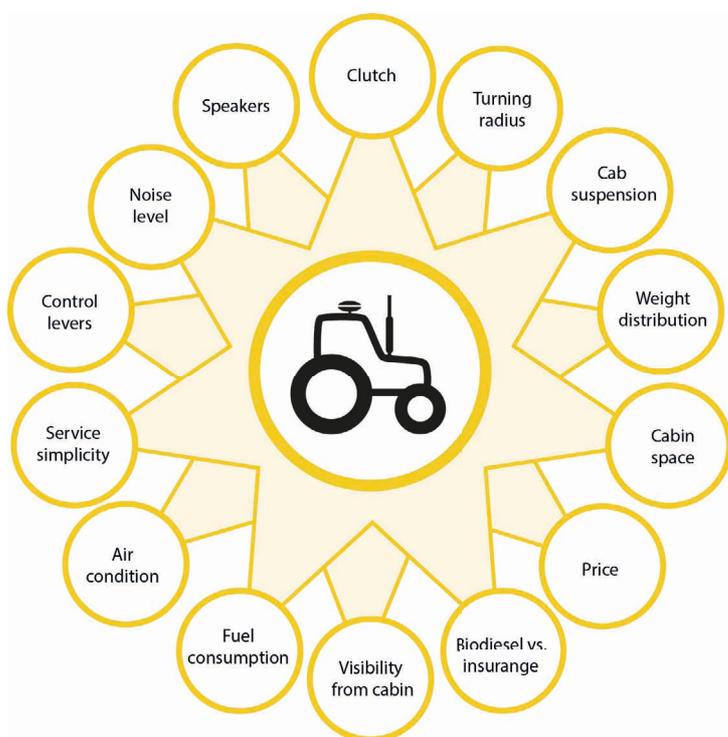
*The tractor seminar caught the attention both big local newspapers in Östergötland.*

# Reflections on consumer behaviour

*Per Frankelius*

Why do consumers buy what they buy? How do they select the kinds of products they invest their money in? How do they choose brands among a product category? Why, really, do they act as they do? What are the buying motives? These are questions addressed in this report.

How, for example, does a tractor buyer think before buying? The most obvious answer should be “What gives me most value for money?” or “What tractor does best fit my needs?” Different persons have different needs and focus’ also on different aspects of a product such as a tractor. Consider Diagram 1.



*Diagram 1. Some dimensions of a tractor that may be considered by the potential tractor buyer. The model is partly based on a test of tractors documented in Per Emgardson, *Stora skillnader i praktiskt bruk, Lantmannen*, No. 3, 2016, pp. 34–47.*

Here are we now talking about rational behaviour. But in the real world there may be other aspects involved in the buying process. Some farmers may ask themselves questions like “What will my neighbour think if I buy a Zetor tractor?” or “What kind of tractor will my family members want to have for feeling good so that they don’t give up the country life?”

To understand customers buying behaviour one must also consider how customers choose between different kinds of “investments”. Why, for example, does a customer choose to buy a tractor instead of buying more land or renovating a building? Here are some alternatives that a farmer probably can consider besides thinking of buying a tractor:

- Build a riding arena
- Invest in a new trailer
- New energy system
- Renovate economy building
- Silo system
- Other kinds of machines such as plow, roller or seeder
- Build a new workshop
- Make a great holiday for the family
- Buy a boat for summer holiday
- Invest in a new kind of business

Buyer behaviour is for sure a complex field. To uncover the secret of buyer’s thinking and behaviour we need to do things: First, a lot of in-depth data about real-world tractor buyers, and second, models for helping us structure these data. Before we make a short journey into the history of buying behaviour models a comment on information gathering methods can be interesting. Is that important? Leading companies are aware of the importance of information gathering. Consider this from Valtra in Finland:

*"Where we come from, we don't talk much. But we listen to our customers. You told us that the three most important reasons for selecting a Valtra are reliability, low total operating costs, and ease of use. That's how we built the fourth generation of Valtra tractors. We have been building tractors for more than 60 years, and the T Series is the culmination of our experience so far. We designed it for the versatile requirements of farmers and the most demanding conditions. We are proud of the result. Your working machine is built around you." (Valtra, 2016).*

So let's look into some methods.

## *The traditional methods*

Traditionally marketers have sent questionnaires to consumers and ask them about needs and products or about buying behaviour. One famous such method is the e.g., VALS methodology of the Stanford Research Institute established in about 1978. Critics argue that these traditional “survey methods” do not uncover the micro level of consumers thinking. Instead they only give sociological level information. For more information about these traditional methods see some modern marketing textbook such as Frankelius, Norrman, and Parment (2015). But there are alternatives.

## *Laddering*

Thomas J. Reynolds at the Institute for Consumer Research and Jonathan Gutman at the Whittemore School of Business and Economics at the University of New Hampshire developed a method they called laddering (Reynolds & Gutman, 1988). By this method one can get deeper understanding of how consumers translate the attributes of products into meaningful associations that in turn connects to self-defining attitudes and values. The underlying theory behind the method was so-called means-end theory (Gutman, 1982). That theory sets focus on the linkage between product attributes (the “means”) and the consequences for the consumer and then in turn the connection between these consequences and personal values (the “ends”). The method is about to talk with a customer and ask questions followed by why-is-that-questions – and we can see a connection with the old Socratic method. Here is an example provided in the 1988 article by Gutman:

***Interviewer:** You indicated that you would be more likely to drink a wine cooler at a party on the weekend with friends, why is that?*

***Respondent:** Well, wine coolers have less alcohol than a mixed drink and because they are so filling I tend to drink fewer and more slowly.*

***Interviewer:** What is the benefit of having less alcohol when you are around your friends?*

***Respondent:** I never really have thought about it. I don't know.*

***Interviewer:** Try to think about it in relation to the party situation.*

*When was the last time you had a wine cooler in this party with friend's situation?*

***Respondent:** Last weekend.*

***Interviewer:** Okay, why coolers last weekend?*

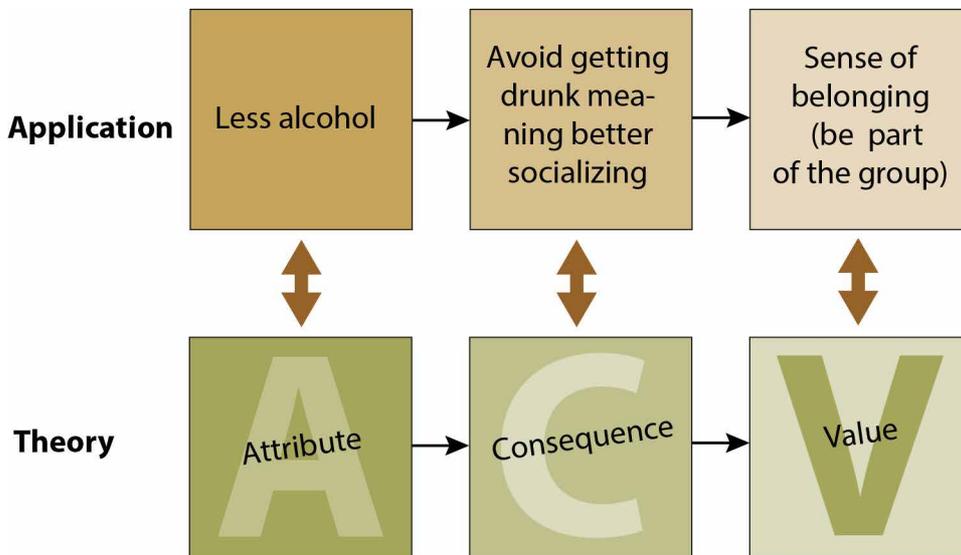
***Respondent:** Well, I knew I would be drinking a long time and I didn't want to get wasted.*

***Interviewer:** Why was it important to not get wasted at the party last weekend?*

***Respondent:** When I'm at a party I like to socialize, talk to my friends, and hopefully make some new friends. If I get wasted I'm afraid I'd make an ass of myself*

*and people won't invite me next time. It's important for me to be part of the group.”*  
(p. 16).

In the case above we can notice how the interviewer tries to go from attributes discussion (A) to consequence discussion (C) and further into value discussion (V). See the Diagram 2.



*Diagram 2. Laddering: An interpretation of Reynolds, T.J. and Gutman, J. (1988). Laddering theory, method, analysis, and interpretation, Journal of Advertising Research, 28(1), February/March, pp. 11–31.*

### *Ethnographic methods*

The laddering method seems to be appropriate, but it is very much focused on product. Moreover the method only collects information in form of what the customer says. To dig deeper into the mind and behaviour of consumers one needs other kinds of methods. One category of that methods can be called ethnographic and some prefer the term emphatic. Microsoft calls it “contextual inquiries”

They are about to ”get out and live with the customers in the physical (or virtual) world”. One early reference was Leonard-Barton, Wilson and Doyle (1996). Fore cases such as Electrolux and more references about these methods see Frankelius, Norrman, and Parment (2015).

### *The 4C method*

Work is on-going in the Grönovation research project to develop a new method for getting deeper understanding of customers. The work is part of a co-

operation between Linköping University, 3M Svenska AB and SMHI respectively. The preliminary name of this method is 4C for Conversation, Concept test Context and Camera.

Instead of only asking customers about needs or products, usually with surveys consisting a lot of questions leading to very low response rates, the method includes visits of customers and conversation in their own context such as homes or workplaces. Moreover we use prototypes of (or final) concepts and let persons try and test these concepts during a quite long period of time. One visit is made before the test, and one after the test. We have developed a template for dialogue and that template is used at the second visit. This template is only on one page. This page has six question-packages and has also two scales attached to two of these questions. The package has also camera symbols because the method includes documenting with camera. The 4C method will be published in more detail in later reports from the Grönovation project.



*Visit of a test pilot at a farm in Uppland, as part of the 4C method study applied on the Peltor product by 3M. Photo: Per Frankelius.*

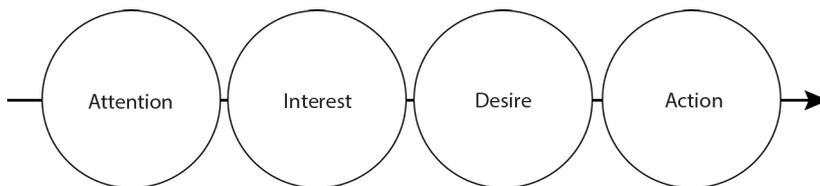
## Some notes on buying behaviour theory

The literature on consumer or buyer behaviour is rich. Already in the 1890 did practitioners and scholars start to think-out theoretical concepts and models on consumers or buyers behaviour. Most of the marketing-related persons connected the behaviour with companies' stimuli like advertising or personal selling. Later on were more and more factors added to the models and during the 1960s the models quite often looked like complex electrical charts or computer pro-

grams, representing the human brain as a kind of machine. This complexity changed and later more and more simplified models appeared again, but more sophisticated than the ones before.

### *Towards the AIDA-model*

One of the classic models representing the buying behaviour is the AIDA-model. The acronym means Attention, Interest, Desire and Action. Most researchers connect this model with Strong (1925). See Diagram 3.



*Diagram 3. The AIDA model.*

What about the origin of this model? A forerunner of AIDA was a three-step-model or formula with appeared anonymously in the February 9, 1898 issue of *Printers' Ink*. On page 50 was this text:

*"The mission of an advertisement is to sell goods. To do this, it must attract attention, of course; but attracting attention is only an auxiliary detail. The announcement should contain matter which will interest and convince after the attention has been attracted" (Coolsen, 1947, p. 82).*

The anonymous writer could have been Elmo Lewis. Strong (1925) hinted this because he wrote: "Elmo Lewis formulated the slogan, 'Attract attention, maintain interest, create desire,' in 1898. Later he added the fourth term 'get action.'" (p. 349). There is not written source mentioned by Strong, neither exact year of the addition "action". It could have been the *Printers' Ink* publication because the year is the same. We know that Elias St. Elmo Lewis (1872–1948) was an American advertising practitioner that founded an advertising agency in 1896 called The Advertisers' Agency in Philadelphia.

One written document presenting a forerunner to the AIDA-model was Frank Hutchinson Dukesmith, editor of 1904 *Salesmanship*. He wrote: "A sale of any kind has four essential parts: Attention, Interest, Desire, and Conviction."

But Dukesmith as well as the anonymous writer as well as Elmo Lewis used the word conviction. Who then added "action?" It could have been C.P. Russell, who in 1921 wrote:

*"An easy way to remember this formula is to call in the 'law of association,' which is the old reliable among memory aids. It is to be noted that, reading downward, the first letters of these words spell the opera 'Aida'" (Russel, 1921, p. 49).*

I have not managed to get the whole text. But I know that on page 61 was written: "Pressure applied to certain nerve ends will produce certain action." Russel at least coined the acronym AIDA.

Strong (1925) wrote that A. F. Sheldon in 1911 added "permanent satisfaction" to the formula. The source, according to Strong, is A. F. Sheldon, *The Art of Selling*, 1911. Sheldon had an own advertising school called Sheldon School, also the publisher of the publication.

Interestingly enough Strong did not use the acronym AIDA in his 1925 book. Neither did he put the worlds exactly like "attention, interest, desire, action." Instead he (on page 8) wrote about "the famous slogan — 'attention, interest, desire, action, satisfaction'."

### *Katona's new theory*

George Katona established, at the University of Michigan (USA) and the Institute for Social Research, at the end of the 1940s, systematic and quarterly surveys of consumer attitudes and expectations. It was his article "Rational Behavior and Economic Behavior" in *Psychological Review* in 1953 that became his breakthrough as a researcher and at the same time helped to found the subject of psychology-based consumer behaviour. The article's main message was that we should combine economic science with psychology. Katona lined up three assumptions that he believed that economic theory is often built on.

The first was the thesis of complete information, i.e. the assumption that all information needed is available, and that the customer or the company also has access to it. The second hypothesis was that of full mobility, i.e. an assumption that customers do not face any obstacles when it comes to implement a certain buy what looks to be right. The third hypothesis was that of full competition between companies. Such a world does not include big and powerful companies that can influence prices, etc.

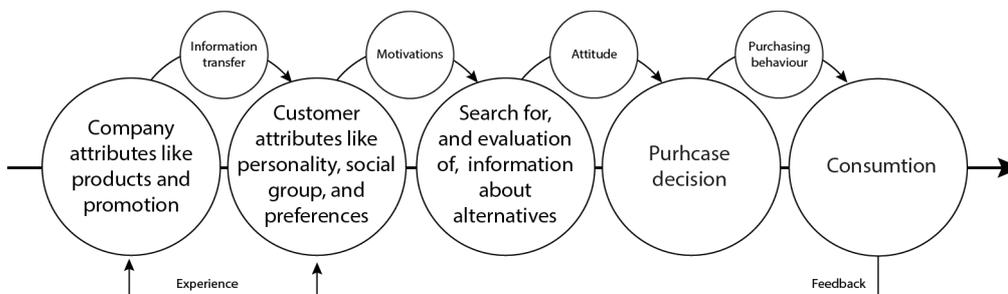
Katona was sceptical to these three assumptions. He argued that, based on psychological theory, one could make better assumptions about reality. There were three theoretical perspectives within the subject that would be helpful to get a better understanding of people's "true rationality". The first perspective was the theory of learning and thinking. The second was the theory of group affiliation. The third was the theory of motivation.

The analysis led him to conclude that systematic problem solving (as part of the rational behaviour pattern) was rare in reality. Rather it was common that people acted on habits, i.e. they tend to do as they have done before.

Another conclusion of the research was that people greatly act on the basis of how the social group they belong to or look up to act. Katona also pointed out that external factors affect entire groups of thinking.

### *The complexity of 1960s*

One of the models that became well known was that of Nicosia. In 1966 did the model appear in the book *Consumer Decision Processes*. One feature of the model was that consumption became part of the process. The buying, therefore, was not the end station of the process. In fact consumption was not the end point either. Instead the model included the feedback loop meaning that experience from consumption became input both to the company and the consumer and therefore affected future behaviour. Another aspect of the model was that some contextual factors were included, for example the customer’s personality, social group belonging, and preferences. Much more can be said about this model (illustrated in Diagram 4, here simplified), but this is not the place for deepening the discussion. However one can add a critical comment. The model seems not to be very consistent. It takes time to understand it, but that can be due to the model, not the viewer.



*Diagram 4. Interpretation of F. M. Nicosia: Consumer Decision Processes. Englewood Cliffs, N.J.: Prentice-Hall, 1966.*

The well-known textbook writer Philip Kotler launched his book *Marketing management* in 1967. In that book he also included a model of the buying process. See Diagram 5. As can be seen the model, like AIDA, only focus on the consumer – not also the “sending” company. But unlike AIDA and Nicosia’s model he included “use behaviour” and “purchase feelings”. Not least we can notice that the model is quite simple and easy to understand (meaning brilliant probably).

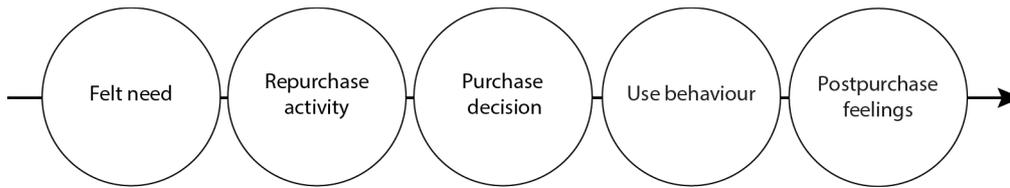


Diagram 5. Kotler's model from 1967. P. Kotler, *Marketing Management: Analysis, Planning and Control*. Englewood Cliffs, N.J.: Prentice Hall, 1967.

After Kotler's book we can turn to two other models that became as famous as the Nicosia model. These models were the Engel-Kollat-Blackwell model (EKB-model) and the Howard & Sheth model. Both were very complicated and looks like a electric drawing or computer software coding system.

The EKB model appeared in 1968 in the book *Consumer Behavior*. We suggest the reader to study the model in Diagram 6 and think of it for a while. One can notice that the model consists of an input part, an information processing part, a decision part and a influencing variables part. Regarding influencing variables the model includes both environmental influences and individual variables. The input part consists of both stimuli from a company (like advertising) and "other". Memory is included in the model and the outcome is either satisfaction or dissatisfaction.

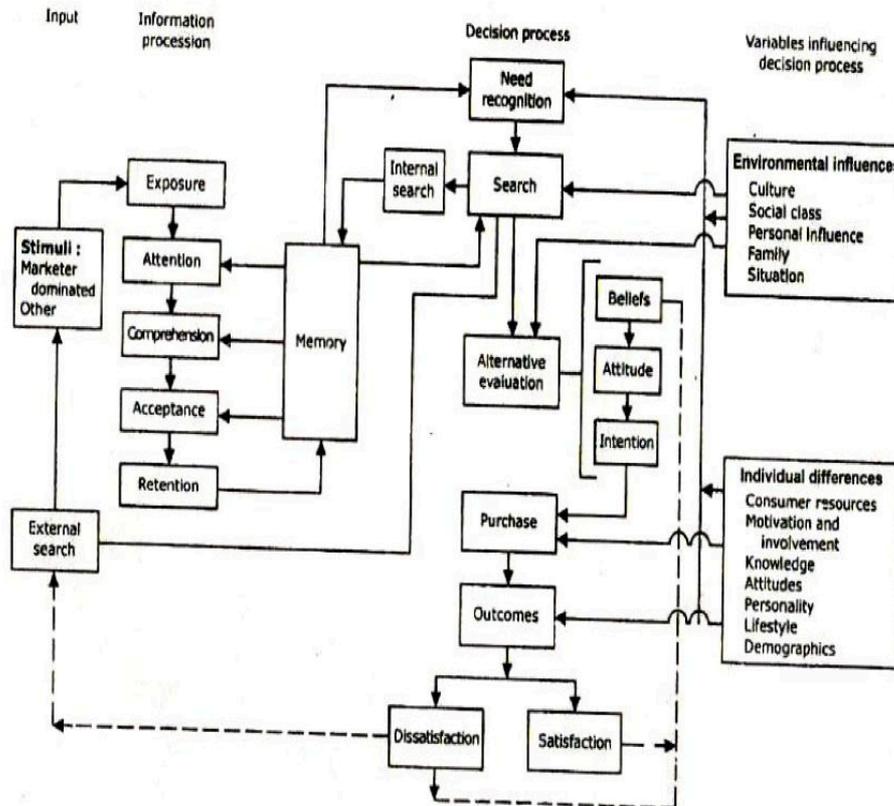


Diagram 6. James F. Engel, David T. Kollat and, Rodger D. Blackwell: *Consumer Behavior (1st ed.)* New York: Holt, Rinehart and Winston, 1968.

Howard and Sheth (1969) continued the complexity track of model building. In their model from 1969 one can mention the component “evoked set”. That meant the set of brands that the consumers consider in the sharp phase of the process. See Diagram 7.

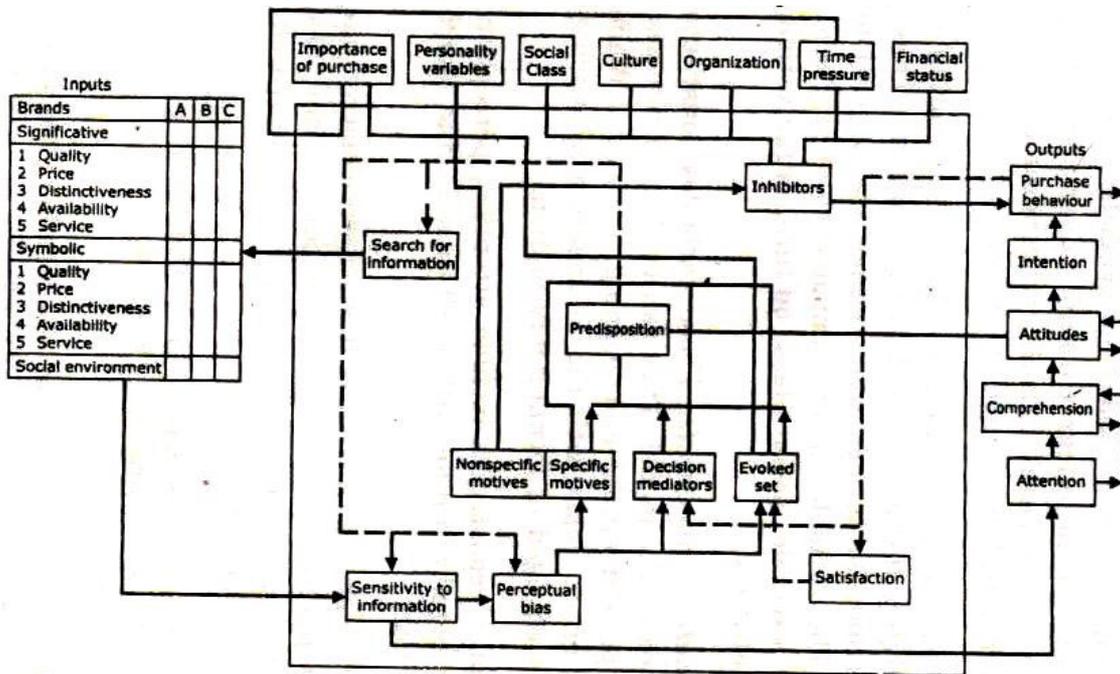


Diagram 7. Howard, J. A., and J. N. Sheth: *The Theory of Buyer Behavior*. New York: John Wiley & Sons, 1969.

### Modern models

The complex models of the 1960s can be criticized for many reasons. For example they mix activities or events (for example alternative evaluation) with things (for example consumers resources). They were not easy to understand and probably not 100 percent consistent. Moreover they are mechanistic, assuming the human being and their context as being a kind of a clockwork. In modern books therefore one usually find more simplified models and also different models on the buying process on the one hand and motivational factors on the other. See Diagram 8.

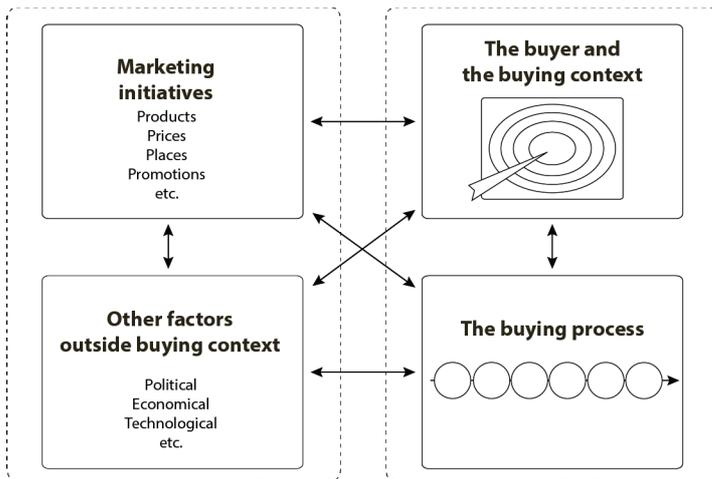


Diagram 8. Adopted from Per Frankelius, Charlotte Norrman och Anders Parment: *Marknadsföring: Vetenskap och praktik*. Lund: Studentlitteratur, 2015.

In Diagram 9 is seen an example of a modern buying process model. This model is found in Michael Solomon's book *Consumer Behavior*, 11th edition.



Diagram 9. Solomon's model of buying process. Michael R. Solomon: *Consumer Behavior, Global Edition, 11th Edition*, Harlow: Pearson Education, 2014.

Just to show how modern models slightly differ is shown by comparing Diagram 9 with Diagram 10. The model in Diagram 10 appears in a new Swedish marketing textbook. Notice that two of the model components are the same in these two processes but the other different. To discuss pros and cons of these models should be interesting and a suggested activity for the reader.

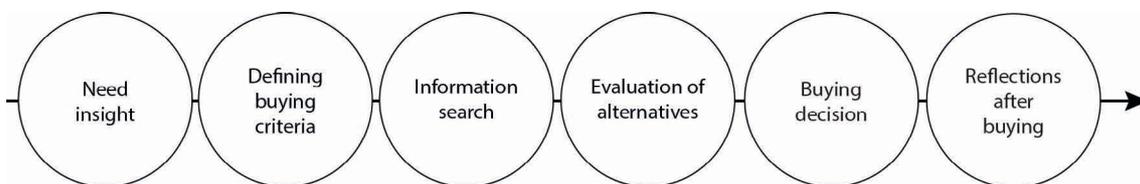


Diagram 10. A Swedish version of buying process Translated from Per Frankelius, Charlotte Norrman och Anders Parment: *Marknadsföring: Vetenskap och praktik*. Lund: Studentlitteratur, 2015.

## Context and motivation

Regarding consumers or buyers context there are many models in the literature. Diagram 11 shows one such model. This model includes physical factors as well as X factors.

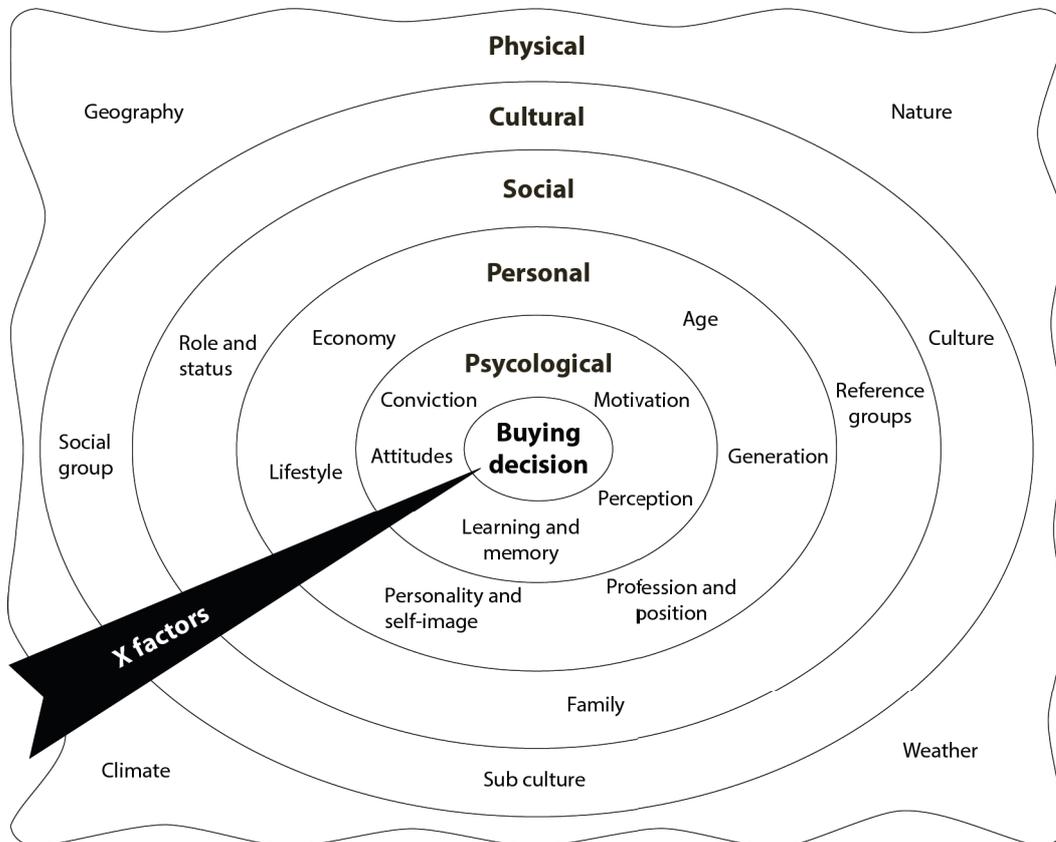


Diagram 11. Based on Per Frankelius, Charlotte Norrman och Anders Parment: *Marknadsföring: Vetenskap och praktik*. Lund: Studentlitteratur, 2015.

One factor in the model shown in Diagram X is motivation. What motivates buyers or consumers is deeply interesting. According to the old neoclassical theory only factors such as price, product and rational needs were important. Nowadays do we know there are many more kinds of factors involved. One can discuss motivation on different levels. On one level a person might say he or she needs a new car of certain kind in order to handle transfer of all things to and from the summer house. In reality there can be other factors that really is on stake, such as social status or “feeling good” struggle. According to one book the following motivational factors are assumed to exist:

1. Practical and medical needs
2. Securing resources for self-support
3. Worriment

4. Personal satisfaction
5. Win credits in social circles
6. Caring for relatives
7. Partner Hunting
8. Sex drive
9. The quest for inner confirmation
10. Contributing to a better world

We will not go into these factors now. Instead is it time for bridging into the tractor buying project.

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# The voices of experts

Per Frankelius

Alongside the seminar held at Vreta Klustert on February 22, 2016, was an interesting dialogue with many practitioners regarding the question of why people buys the tractor they do. At the seminar, for example, we gave a question card to visitors and some answered these cards.



*The question cards to participants at the seminar.*

Before and after the seminar we got telephone calls, e-mails and comments on Facebook about the question regarding what affect tractor buying decisions. Among this information we have extracted suggestions of answers to the question of why a specific tractor is bought in Table 1.

*Table 1. Different answers to the question of why someone buys a tractor and a tractor of a specific kind.*

| English  | In Swedish   |
|--|--|
| Advice from colleagues and dealers about the tractor that best meets the ask-court | Råd från kollegor och återförsäljare om vilken traktor som bäst svarar mot behovet |
| Brand (III)  | Varumärke (III)  |
| Brand as the carrier of security   | Varumärke som bärare av trygghet   |
| Cash Access: Earnings available to invest in something                             | Pengatillgång: Vinstmedel finns att investera i något                              |

|  |  |
|--|--|
| Durability   | Hållbarheten   |
| Financial planning: The need for depreciation of the profits made                              | Finansiell planering: Behov av avskrivningsunderlag för gjorda vinster                       |
| Function   | Funktion   |
| Functional safety  | Funktionssäkerhet  |
| Loyalty  | Lojalitet  |
| Loyalty to the seller / dealer (III)   | Lojalitet till försäljare/handlaren (III)  |
| Modernization: Want to modernize fleet   | Modernisering: Vilja att modernisera maskinparken  |
| Ownership Band: The farmer is the owner of the dealer (Lantmännen) and want to benefit himself | Ägarband: Att lantbrukaren är ägare av återförsäljaren (Lantmännen) och vill gynna sig själv |
| Parent's tradition: What to do like parents did.   | Föräldratradition: Göra som föräldrarna gjort (familjetraktion)                              |
| Price (III)  | Pris (III)   |
| Proximity to the dealer and service (II)   | Närhet till återförsäljare och service (II)  |
| Risk: Minimizing Risk  | Risk: Minimering av risk   |
| Service  | Service  |
| Status: The tractor outwardly visible  | Status: Att traktorn syns utåt   |
| The dealer   | Återförsäljaren  |
| The need for the enterprise  | Behovet för företaget  |
| The neighbor has bought a new tractor  | Grannen har köpt ny traktor  |
| Tool Renewal: That you bought more tools that require larger tractor                           | Redskapsförnyelse: Att man köpt större redskap som kräver större traktor                     |
| Trade-in-value   | Andrahandsvärde  |
| Tradition  | Tradition  |
| Wearing: Old tractor has been worn   | Slitage: Gamla traktorn har blivit utsliten  |

Among the persons that provided the information presented in the table are the following:

- Jonas Örde, Söerberg & Haak
- Kalle Ström, Agripro
- Mats van Rheinberg, Hencol
- Henrik Westin, Trelleborg Wheel Systems
- Oscar Lagnelöv, JTI
- Mårten Lindros, Agripro
- Markus Medin, Medins Maskin
- Per Eke-Göransson, Svenska Mätanalys
- Arne Larsson, K.T.S Maskiner AB
- Henrik Sjölund, Holmen AB

We want to thank you all for providing thoughts and experience.

Now it is time for the core of this report: The tractor buying cases.

# 50 shades of green

*Sofie Sigvardsson, Stephanie Härdig, Joachim Hörnqvist, Kevin Worth, Eloise Marthouret and Mickael Strotzik (Team, A1)*



## Introduction

Knowing your customers is important for every brand but understanding how they behave is even more essential. Learning how consumers feel, think and make a decision between different alternatives as well as understanding what motivates or influences them is critical for marketers to adopt and enhance their strategies. In others words, knowing how your customers act will allow you to hold all the cards to create the best possible marketing campaigns.

By doing so, you are more likely to play a key role in your market, thus boosting your sales and raising brand awareness. This is especially relevant since, from a consumer's perspective, we all benefit from information transparency as well as a broad range of products, services or experiences selected to meet one single desire or need.

So, how, as consumers, did we make the decision to bring home this beautiful, comfortable, black Ikea chair instead of that beautiful, comfortable, black West Elm chair? For the same quality product with the exact same features, how will the consumer make his or her choice?

These questions have not one unique answer. Several factors, from the consumers' backgrounds, status, geographical locations to the brand's image and values among many others will influence and help the consumer to make a decision. It

also depends on the type of product. For instance, a chair does not have the same value as a tractor for a farmer. This tractor is one of the farmer's most valuable possessions as an essential mechanical tool, i.e. his or her work partner. Even though it might not be obvious for external people like us, investing in such a tool may be intimidating as it requires thorough research and consideration, thus time and money. Yet, this product can also be a pleasure good. In that case, we could assume that the motivations for purchasing would be different. However, is this really the case?

In this chapter, we will aim to understand why the farmers we interviewed bought their tractors. From our personal interpretation, this project is about figuring out how people make their decisions when purchasing either a substantial tool for their business and/or a pleasure product. When we think about several businesses, most of us did not think at all about farms because it is far from our student realities. Through this project, we have the opportunity to learn about an industry that we don't directly deal with while understanding the processes involved when farmers purchase a tractor, (i.e. when people satisfy a pleasure or business need) which ultimately help us to understand the marketing and consumer behavior key fundamentals and real-life applicable concepts.

## Acknowledgment

Our team would like to thank and acknowledge the following people for their willingness to participate to this project and the time they have spent to help us during this experience:

Raymond, Egon, Jonatan, Sebastian, Pierre, David and McDonald.

We also sincerely thank Per Frankelius, our teacher, for his lecture, support and devotion throughout this project.

## Case presentation

To complete this survey, we had to find potential tractor buyers. We identify these people as mainly farmers but we did not close any channel. We finally managed to reach 6 farmers, from different background who bought a brand new tractor in the last 2 years. In order to clarify the context of our study and the coming answers, we will briefly introduce each of them.

The first person we interviewed didn't want to expose his name, so we gave this person the fictional name of "Old Macdonald". Macdonald is a man in his fifties who is born in Sweden and who currently resides in Säfte, where he lives and

works as a milk farmer. He has a need for different types of tractors in order to perform different types of work on his farm. Macdonald has bought two tractors in the last two years, one from Case in 2014 and the other one from John Deere which he bought in 2015. The two tractors are different in size, the Case model has 280hp (horsepower) and is used in heavy work tasks whereas the John Deere model is significantly smaller with only 130hp and is mainly used for transportation of different goods such as wheat and hay.

The second person is named Egon, a full-time farmer from Gothenburg. He uses his tractor in his daily work on the farm, such as cutting the hay fields and uses it for transportation. Regarding to Egon, the tractor is the most important tool if you conduct a farm. The tractor he has now comes from the worldwide company John Deere. This tractor is 4 years old and is his fourth tractor from that company.

Our third participant was Raymond who conducts a small farm near Gothenburg. Raymond does not work as a full-time farmer, he conducts his small farm on his free time and because of his great interest. Raymond uses his tractor for daily work such as transportation, to move heavy objects, cut the fields and to take down trees from the wood that he can sell. He bought this tractor in 2012 through a former contact and this is his third tractor from the same brand Zetor.

The fourth interview was with a full-time farmer named Jonatan. He works at a big farm near Eslöv, which is a small town in southern Sweden. Jonatan's main task as a farmer is to squeeze and wrap bales of hay that he sells to horse owners and for this he needs a tractor. Therefore the tractor is very important in his everyday work. He bought a tractor last year from the company Valtra as every tractor he owns: he highly considers this brand with good value for money. By purchasing the same brand he is able to use the equipment he has on all of them.

We thought interesting the fact to have a cross cultural vision and interviewed Sebastian, a French Farmer. He is 42 years old and started its own business of cereal cultivation in 2003. He bought a brand new tractor in February 2016 – a Claas 530 – and work on his field of 150 Ha. This is the first time he buys a Claas tractor since he used to work with John Deere's agricultural machinery. This brand new tractor is used for every type of task and has many options such as GPS and automatic pilot.

Our sixth farmer is French as well. Pierre bought a new CLAAS 657 ATZ in late January 2016. He runs his own family cattle ranch in the south of France for 10 years now and uses the tractor to till the soil of the fields.

Finally our last farmer is called David. He lives in France and run his ranch with his sister since 1998. He has just bought a Massey Ferguson 6614 on the 15th January 2016 and mainly use for sowing works, grinding and haymaking.

## Method – Qualitative study

In hope to find patterns in the decision making process, without making a quantitative study, a qualitative survey was needed. To get as many reliable answers as possible with only five participants, a semi-structured interview was necessary (Bryman & Bell, 2011). Before the interviews a questionnaire with several relevant questions was prepared and all the participants had to answer the same questions. This was because the people who did the interviews were different from time to time.

## Advantages and disadvantages with a qualitative study

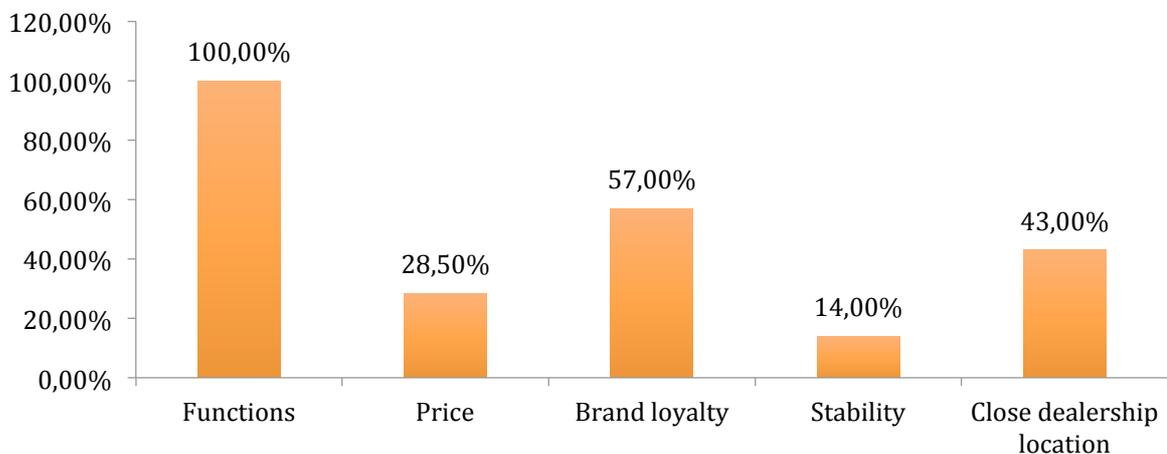
The qualitative study tends to be much less structured than the quantitative research and therefore does the qualitative study also tend to be less reliable. In comparison to the quantitative research, the qualitative study focus on a few participant and a lot details. The quantitative research, on the other hand, focus on a large target group and wants a lot of data, short answers and as less details and emotions as possible (Bryman & Bell, 2011). In this survey, it was very important to get detailed answers of the reason that there were only a few participants. The population consists of four Swedish and three French farmers. We chose to interview people from different nationalities, thus different cultural backgrounds. We aimed to get reliable results while having an international perspective. Also, it was important to make sure that all the questions were correctly understood for the same reason. It does not have the same effect on the result if someone in a quantitative study misunderstands a question in comparison to a qualitative research (Bryman & Bell, 2011). For example, if one out of five in a qualitative study misunderstand a question, 20 percent of the answers will give a misleading result. If one out of hundred misunderstand a question in a quantitative research, only 1 percent of the answers will be wrong. Therefore, the risk to get a misleading result in a qualitative study is much greater if the interviewer is not aware of this risk and make sure that the participant understands the questions correctly. More, the chance to eliminate the risk that the participants misunderstand the questions is greater if you have a personal interview, which is a great advantage of a qualitative study.

## Results of the survey

In this part, we will focus on the answers provided by the seven participants. We will aim to show what have motivated the farmers we have interviewed to buy a specific tractor instead of another tool.

Firstly, the farmers chose to invest their money in a tractor instead of something else because it represents the most effective and efficient tool for their work at the farm. Six out of seven farmers invested in a tractor to use as a professional tool on the farm. For instance, some use it for the transportation of heavy materials while others use it to squeeze and wrap bales of hay. Our last farmer has a different main purpose of his tractor, partly. Indeed, he employs it to take down trees.

**Why did you choose this specific brand?**

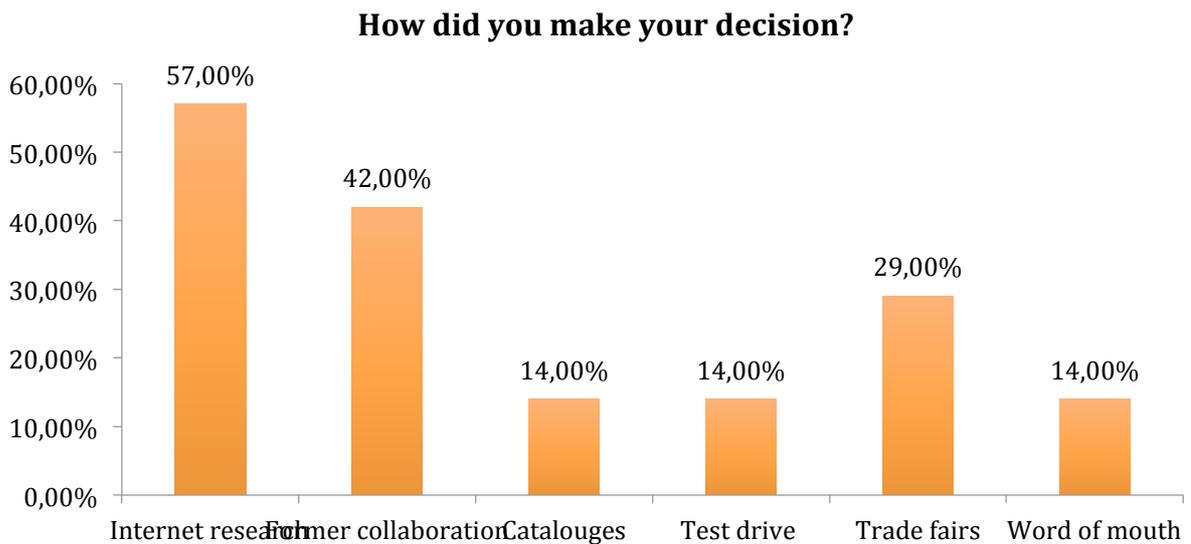


Then, we investigated the reasons why the farmers chose these particular brands. All the participants explained that the main reason they chose this brand was because of their tractors' functions such as high horsepower, good technology, navigation system and low noise level among others. The second most important reason represents the brand loyalty. Five out of seven farmers had been loyal with the brand they are used to work with. Three out of seven cared a lot about the proximity of the tractor dealership. Having a close customer service is a strong asset since their tractors are the most important tool in their daily work (e.g. if there is any problem with the tractor, they can quickly get it repaired). Only two chose their tractors specifically in function of the price level and only one described the stability of the tractor as the most important quality.

After figuring out what motivated the farmers to buy a tractor from a specific brand, we focused on the price level. More than 70% of the participants focused on the quality of the tractor rather than buying a cheap one. According to all the farmers' high price mirrors high quality. For example, both Old McDonald, Egon

as well as Raymond answered that they couldn't have bought a cheaper tractor with the equipment they chose. As they all said "you get what you pay for".

Finally, our objective was to understand how the buying process occurred. Almost 60% of the population interviewed used internet as their main research tool. Former collaborations also have a strong impact on the decision making since the farmers relied on their previous performances. Three farmers went to tractor trade fairs to have human contacts with the brand's representatives and get information and advices from manufacturers. Only one tested the tractor before making the decision to buy it and another farmer used catalogues instead of internet research. Word of mouth only mattered for a French farmer whereas the others six answered they did not take their relatives opinions on the subject into account. At last, the decision making process (from the problem recognition to the product purchase) lasted between one month to one year. However, those who made their decision in only one month already had a former collaboration with the company.



All our respondents expressed a feeling of satisfaction toward this purchase. They are satisfied by the relative quality, the technical features they were expecting for as well as the reliability of the machine. Moreover, 5 out of 7 farmers expressed a great satisfaction and a pleasant feeling to drive this tractor due to different reasons such as the improvement of their working condition, the comfort, or the ergonomics of the cabin.

## Analysis

From the results that we have gathered from all of our farmers we can now try to establish a pattern and discover what makes a successful brand or at least model of tractor. Is there any magical recipe? Even if the technical features seem obviously to be the most important factor to take into account in the buying process, it is not all about horsepower and GPS system.

According to “Buying, Having, Being” (Solomon, 2011), every purchase corresponds to one of three bucket: Cognitive, Habitual or Affective. We can definitely assume that a new tractor is a cognitive decision. The farmers are going through different stages to finally choose a product over competing options.

Solomon’s (1998) describes the different stages in consumer’s decision making. The model of stages in consumer decision making describes the buying process from the start when the customer gets insight of his or her need, all the way to evaluation of the that is being made after the purchase. “Problem recognition” is being described as the point when the consumer realizes the significant difference between their current state and some state they desire. In many cases the consumer’s standard of comparison has changed.

“Information search” is the stage where the consumer search the environment for information to make a reasonable decision. All of us have some knowledge about many products to use already before an active information search begins. When we’re about to we put an effort in learning more about the products and different options we have to reach the desired state.

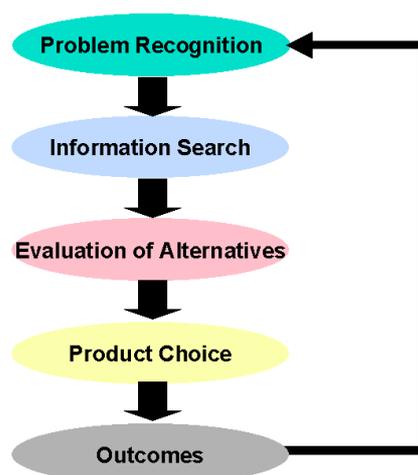


Fig: Solomon (1998) <http://www.uky.edu/~bsstil0/oldclass/390-001/assign/decision.htm>

“Evaluation of alternatives” is the third stage of the model. This is where the consumer have to choose a product from several alternatives. Today consumers have many options to collect information about and also evaluate before making a decision. “Product choice” is the stage where the consumer eventually has to make a decision. “Outcome” or “Post purchase Evaluation” is the true proof if our decision-making process was successful or not. It takes place when we experience the product we have chosen and when we realize if it meets our expectations or not.

One of our main important discoveries is that former collaborations with a company as well as close relationships with the brand had a great impact on the purchasing decision of the farmer. For instance, David has worked with the same brand ever since the foundation of his farm. From his point of view, he feels a “really deep affectional relationship to the brand”, which is the main reason to why he purchases tractors from them. This type of connection to a brand is in marketing terms called “brand loyalty”. After a company has existed for a long time some consumers feel an emotional attachment to the brand because of previous experiences with their products (Solomon, 2011).

Since a tractor is a product which is very expensive, needs to be of high quality and is a necessity in order to maintain a farm, we think that farmers who have established a good and trustful bond with a company are very unlikely to abandon their current brand. The farmers are in our opinion very risk sensitive and can only afford to take very small risks with such important and expensive tools such as a tractor.



If we take a look at the “Five types of perceived risk”-model we find that tractors (which are mechanical) are most subject to physical risk but also to functional risk, since it requires “the buyer’s exclusive commitment” (Solomon, 2011) as well as financial risk since the tractor is a considerable investment in comparison

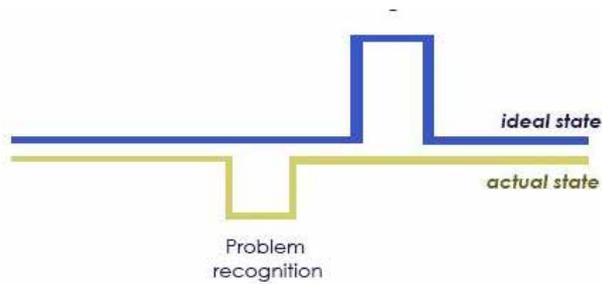
to their turnover for instance. If the farmer makes a mistake in the buying process, it could have calamitous consequences. This categorization further supports the theory of farmers being very risk sensitive.

If they decide to take bigger risks in an attempt to save money and for example buy a very cheap Chinese tractor from an unknown company instead of one in a normal price range from a trusted company, the costs could even become bigger after all if it turns out that the quality of the Chinese tractor is poor and that it needs constant repairs and maintenance. Based on our answers from the farmers, this instance has a very high risk of occurring, since 100% of them agreed that the price of the tractor reflects the quality of it.

Most of our respondents are professionals but use their tractor by their own on a daily-basis. Should we consider our farmer as professional or personal customers? We assume nowadays that “the decision making process differs when people choose what to buy on behalf of an organization rather than for personal use” (Solomon, 2011). B2B decisions are long and complex since they involve a lot of people for important decision and huge amount such as a brand new tractor. Nevertheless, in our case, the decision maker is also the prescriber of the need, the buyer and the user. A farmer buying a new tractor seems to be right in the middle between a professional and a personal customers, this is why it is so tough to catch their deep motivation and how does the buying process occur. This fact could also explain why the farmer seems to be somewhat out of the trend on the market that nowadays consists to rely more on word-of-mouth than traditional advertising and brand information.

Even though the farmers nowadays use internet as a research tool, they are not massively present on social media, mainly due to a lack of time and habit. Neither negative impact of word of mouth nor opinion leaders’ influence should not be neglected but could be considered as reduced on this specific market. This kind of consumers are more sensitive to traditional marketing methods such as advertising and even more direct marketing (relationship with the closest dealership, trade fair and shows).

Our last question seemed a bit surprising for our farmer since the main part of our interview has been focused on practical and down-to-earth information. Do they enjoy to drive their tractor? The majority of them do. The post purchase evaluation is the last and 5th stage of the consumer decision process. We could assume that this satisfaction is partly due to the novelty of the tool and the new state in the farmer’s mind but we truly believe that farmers actually enjoy to drive their tractor and this purchase contains also a hedonic part.



During the problem recognition phase, the farmer has recognized an opportunity and is willing to reach this ideal state. We can link both brand loyalty and the decision making process by assuming that: the close relationship or at least the special affection towards the brand helps him to attain this state more quickly and reduce the length of the buying process.

## Limitations

The authors of this chapter are coming from different regions and countries and have therefore different backgrounds. None one of us is coming from a farming community but we managed to involve our personal networks in this journey.

The very limited allocated time to carry out this survey has to be taken into consideration. We only conducted semi-structured interviews with 7 farmers. This tiny sample makes the reliability of this study and moreover the established pattern of consumer behavior questionable.

Within the scope of this study, we decided to interview both French and Swedish farmers. It would have been interesting to observe cultural differences within the buying decision process. However, as previously explained, our sample is really limited since we only reached 4 Swedes and 3 French. According to these Diagrams, we cannot pretend to establish a reliable pattern and prescribe any adaptive strategy.

The full name of our respondents is not disclosed in this report out of respect for their willingness to remain anonymous and not affect either the reliability of our preliminary results or the relationship between the farmer and his dealership.

## Conclusion

Why did they buy this specific tractor instead of another one, or something else? First of all, because it exists. Tractors are wonderful tools that have changed the life of farmers and considerably transformed our world economy throughout the last century.

According to a marketing-oriented point of view, farmers are nowadays far away of the rustic image they are known for. They use the latest technologies to run their business, including professional software and one-million-SEK tractors. The latter is a considerable investment and as every consumer, farmers are going throughout the unavoidable five-stages buying process of a cognitive purchase.

Our chapter led us to the conclusion that one of the most important driver of the decision alongside technical features is brand loyalty. Farmers are looking for a cost-efficient and reliable tool. The ultimate goal of this purchase - a brand new tractor - is a good return on investment and they try to avoid risks as much as possible.

John Deere has been one of the pioneers in the marketing field when they created “The furrow”, the first specialized magazine designed to their customer in 1895. In the 21th century, brands have smartly changed with the market and know how to reach these farmers 2.0.

A growing part of them use internet in the buying process to reach information and compare alternatives but the direct contact still seems to be ideal channel. Customers are loyal but open-minded when it comes to a new purchase.

Finally, we have to bear in mind that a tractor as every product respond to marketing’s laws and hedonist motivations should not be laid aside.

## Literature

Bryman, Alan, Bell, Emma, Mills, Albert J., and Yue, A.R. (2011) Business Research Methods. 3rd Edition. Oxford: Oxford University Press

Michael R. Solomon (2015) Consumer Behavior: Buying, Having, and Being, 11th ed., Global edition, Pearson.

## Appendix

According to the proposed list of questions in the original document and the information needed to be gathered, we reworded the question in order to be easily understood by non-marketing specialists such as farmers. We came up with the following selection of question. Thanks to our farmer answers, more or less exhaustive, we can perform our analysis through surrounding questions.

Here is the way we conducted our interviews.

- **Could you introduce yourself?**

This first question allows us to be familiar with the context of purchase and environment of the farmer.

- **What did you need a tractor for?**

This question was necessary to ask of the reason to understand why they bought a tractor in the first hand.

- **Through which channel did you buy your tractor?**

Did the farmer bought his tractor online, after negotiation with the closest dealership or during a fair trade show?

- **Could you have bought a cheaper/more expensive one?**

Does this purchase respond to an economical need only (cognitive motivation) or does the farmer act according to a different “bucket” such as habitual or affective?

- **How did you do your research on this tractor?**

We put our interest on the second stage of the consumer decision making process. How did our witnesses reach the information they were looking for (technical or economic considerations). The answers would allow us to determine which the most efficient channel to meet the target is.

- **Did you compare many brands or just a few?**

Here is the third stage of the decision making process: evaluation of alternatives. Were the farmer engaged in a really complex decision. The answers would also give us an idea about the intensity of the competition of the market. Is there one or a few major players, or a huge number of competitors?

- **How long did it take you to make your decision?**

We asked this question to get an understanding of how long the decision making process lasted and to find a patterns between time and the decision making process.

- **Did you take ‘word of mouth’ into consideration?**

Word-of-mouth is considered as an external environment factor or X-factor in certain cases. It can sometimes have a huge impact in a consumer’s mind which could be either an advantage or an obstacle for a certain brand. However, brands have a limited control over this image.

- **Did you ever change your mind during the process of buying the tractor?**

- If yes, why?**

The decision process is a complex journey and change can occur. A precise answer of this question could give us precious information about the mechanisms involved in this change (importance of word-of-mouth, new piece of information, reconsideration of the needs of the farmer, etc.)

- **What is special with the tractor brand chosen (according to the customer)?**

Does the farmer feel an emotional link towards the brand chosen? What is the importance of this link? Would a farmer be ready to make some concession about technical features or price in order to stay loyal?

- **Quality? Design? Price? Is there a relation, have you used the brand before?**

What are the most important features of the new tractor? Is there anyone overtaking the others?

- **Is there a value-price relation? Do you get more by spending more?**

How does the farmer evaluate the value-price relation? Could we establish a pattern which would allow us to determine the ideal price for a certain tractor? In a more economical way, it would refer to the notions of utility (absolute or relative).

- **Do you enjoy to drive this tractor? If yes, why?**

We are finally looking for hedonist motivation. Could it drives the buying process? Is a farmer buying a brand new tractor in the same context as someone buying a new car, looking for something more than just a mean of transportation from a point A to a point B?

# Tractor purchases: What are our findings?

*Brian Artz, Lisa Engberg, Patrik Holgersson, Johannes Isacsson, Hugo Jarny & Daniel Siddle (Team A2)*

## Executive Summary

First data was collected from three countries, Sweden, France and England, through qualitative and quantitative methods. Qualitative data was collected via the means of questionnaires and interviews. Afterwards the collected data was summarised and given a case letter. All data was collated and analysed with the backing of relevant marketing theory. Information such as an importance on word-of-mouth towards the buying process was found alongside with a trend towards all cases using the cognitive decision making process. Some differences were found regarding the problem recognition classifications where the majority of the cases fall into the category of need recognition. A major discovery was uncovered, that being a trend towards the importance of brand loyalty not only on current purchases but also as an indication for future ones.

## Introduction

The purpose of the following chapter is to gain insight into the behaviours of farmers that have recently purchased a tractor. Questions such as why people buy specific products, certain brands and what their motivations are to do so will be at the epicentre of discussion. This is first realised through an analysis of the selection of data collection methods.

## Methods of Data Collection

This section of the essay addresses the methods of data collection used with analysis of their benefits and disadvantages. Both methods of data collection consisted of primary data, that is, data that is collected directly from the source (Glass, 1976). This method has its benefits, one is having increased control over inform-

ation that needs to be gathered meaning specific issues can be addressed (in this case relating directly to the purchase of tractors). Additionally, it can be cheaper than secondary data collection as reports from an outside source can cost greatly. A major drawback to this method however is that it can be time consuming through the production of data collection methods to the process and analysis of it.

A questionnaire was conducted first regarding basic information, then upon review, if more information was required or preferred an interview was conducted. The interview was conducted via online methods because of international constraint.

One specific method of data collection was via a questionnaire, this being useful when there is a requirement to collect data on knowledge and behaviour. In this case the understanding in consumer behaviour for the purchase of tractors is a required outcome. Additionally respondents can choose to remain anonymous, which is helpful on an ethical standpoint (CDC, 2008). Another benefit of using a questionnaire is that the researcher can send it out and let the respondent complete it in their own time, meanwhile allowing the researcher to be able to work on something else. Furthermore it can reach a large area geographically, which helps when contacting farmers in France, Sweden and England. A downside to this method however is that questionnaires are regarded as demotivating to the recipient, this may result in little effort when filling it out (Nedarc, 2016). To counteract this a basic rapport was made with the recipient beforehand with on-going assistance through direct contacting methods alongside conducting interviews afterwards.

Interviews are also another method of collecting data. It has some benefits and disadvantages. First, an interview allows the researchers to avoid any misunderstanding because of the nature of its process. The interviewer speaks face to face to the participants and they are then able to interact together, this allows for highly specific, qualitative responses. In addition, the researchers may collect more specific and detailed information than would be possible with a questionnaire. The questionnaire can be used to complement an interview. The researchers may be able to use the questionnaire as a basis or precursor to the interview process, which would then open the possibility to explore certain questions or responses deemed more significant. The interview medium also allows for the possibility of following up rehearsed questions with new questions in order to obtain more specific information on an important topic. Improvisation of certain questions when the participant is not as forthcoming with answers can be instrumental in attaining the best information (Nedarc, 2016). Leading and/or assisting the conversation when the interviewee is not familiar with a topic is also a very useful technique allowed within the interview process. One of the main

disadvantages with conducting interviews is the length of time they consume. The interview process can consume quite a lot of time if the goal in mind is to collect a lot of information spread across several topics. Certain people, due to their geographical isolation or time difference, may not have the time to reply to you or spend time with you. For example, the French farmers had difficulties finding spare time to contribute to an interview. Moreover, interviews can be an uncomfortable situation because both participants and researchers are unfamiliar with one another. This situation could impact the quality of the information collected because the respondent may distrust the interviewer and refuse to share any sort of personal information.

## Primary Research

The following section centres around the data collected where each case is an in depth overview of separate responses. Various countries are included within the data so that it can be generalised and compared on a multinational basis. Analysis will occur in a proceeding section of the report.

### *Case A*

The first case is a respondent from Hejde, Gotland in Sweden who is an agricultural contractor. The work includes ploughing, sowing, grass driving and snow removal during the winter, and each tractor is used in the business about 800 hours per year. The tractor purchased is of the brand John Deere and the investment was made due to the start-up of the business. When asked about the reason for purchasing the specific brand of tractor, the respondent gave several reasons. One being that the previous experiences with products of the brand had been positive. The respondent also said that the operator that sells this brand has a very good service for the tractors and customer services. This in combination with the positive experiences would probably lead to future investments only in this particular brand even though they have two different brands of tractors within the business at the moment.

The two tractors used in the business have the capacity of around 250 horsepower each, which is the size required by the machinery in order to perform the work assignments for the customers. The capacity of the tractor was one of the main aspects considered in the purchase decision making by the respondent. The specific model by John Deere has some technology functions useful in the business operations. The main technological feature of the tractor that the respondent valued was the GPS, but there were also other technology functions on the tractor that they didn't need. The respondent chose to add air brakes to the tractor,

which enables the tractor to move truck trailers even though it is not a requirement in their business.



*Diagram 1: The tractors used in the business, the green tractor was recently purchased at Agro maskiner in Gotland.*

The tractor was bought at Agro Maskiner in Gotland and the respondent looked at different brands and price points in the initial stages of the buying process. The respondent had previous experience with different tractor brands and was also talking to other people about their experiences to gain information. The respondent had been on tractor exhibitions several times before to get information about the latest news on the market but not specifically for this purchase. Instead he used the Internet and other media as well as talking to others about the different options. The respondent stated that the reviews from other tractor owners were highly valued and important in the decision-making. Furthermore, the respondent grew up on a farm where they used John Deere tractors so he feels that this probably affected the decision to purchase the particular tractor as well. Regarding the value-price relation the respondent feels that it is important to get value for the money and he states that the price of the tractor is probably a bit higher than the competitors but the features of the model, such as the simplicity in use of the modern technology and that the tractor is easy to drive are more valuable.

### *Case B*

The second respondent has a farm located between Skänninge and Vadstena in Sweden. The farm specialises in corn production and is the only business the farmer has involvement in. The brand of the new tractor is Valtra, with the purchase taking place at Lantmännen in Skänninge. The reason for purchase was mainly because of the previous tractor has been used for ten years and lacks comfort. According to the farmer, the buying process started by evaluating three different brands. After that, two of the brands were chosen and later on a visit to a

tractor reseller took place. The reseller, Lantmännen, sells three different kinds of tractor brands, and the respondent mentions how the employee helping in the store was very trustworthy. Further on, the farmer points out that no acquaintances gave tips before the purchase because of how new the tractor model was on the market at the time. At the same time, the respondent means that the specific brand was chosen because of that the older tractor had the same brand, that it is a well-known and common brand in Sweden and that the service station is the closest one to the farm.



*Diagram 2: The tractor purchased by the respondent of case B.*

When asked if the value of the tractor correlates with the price asked, the respondent answered that it does. Further on, the farmer explains that the brand is not the most important thing when choosing, and neither are extra functions that do not involve the actual mission of the tractor, even though extra functions were added in the purchase. The respondent also points out that the three different brands chosen between all had similar functions.

The respondent has been on tractor exhibitions to gather information about new trends on the market and to meet other farmers. He further means that reviews from other farmers are very important when purchasing a new tractor. Therefore, the respondent used exhibitions and media as a main information gathering resource.

### *Case C*

The third respondent is running a farm just outside Töreboda, Sweden with his father. The farm is focused on corn production when it is in season. Otherwise, the respondent and his father are working on the side of the farming business. The purchased tractor is of the brand John Deere and was especially chosen because of a nearby service station and good relationship with the reseller of the

brand. Further on, the respondent explains that the GPS that comes with the brand and this particular model was crucial in the final decision. He also points out that comfort and the gearbox were important functions.



*Diagram 3: The tractor of the brand John Deere in case C.*

The incentive to invest in a new tractor was focused on being up to date with the new technology and the safety of operations. The respondent was not satisfied with the previous tractor. Further on, the buying process first occurred when talking to colleagues about brands and models of tractors. The respondent then compared different brands and talked to the reseller about them. He trusted the sales person and followed his gut feeling about the model when finally deciding. When asked about size and price, the farmer answered that the size of the new tractor model really suits the purpose of the tractor, as it is flexible when ploughing and transporting, and that the price is relative to value. He also bought extra equipment and thinks that extra functions that do not belong to the specific mission of the tractor matter.

The respondent gathers information from the Internet, social media, stores and exhibitions, but also a lot from other colleagues. He visits exhibitions as often as he can to follow the trends of the tractor market, and to have a chance to talk to other farmers about the business and new equipment.

### *Case D*

Case D is a root-cropping farm covering 1500 acres in Nottinghamshire, England. They exclaim that when a tractor reaches a number of operating hours a new one is sought. More specifically, they wanted to have the most modern technology. The purchase process including farmer reviews is considered an important part. Word-of-mouth, to the respondent, helps them find out about reliable models and how suitable the product will be in a real world setting. Also they

see it as important in the comparison of different features. The respondent usually attends one or two tractor exhibitions each year to see improvements in technology and to see the latest in productivity benefits.

The reason for the purchase of a new tractor was to increase efficiency. The brand of tractor was chosen because of previous experience. The farm as a whole tends to repurchase machinery of one particular brand but also do look at alternatives with better features. They perceive the brand to be reliable, have good resale value and good after service care. There is an importance on the brand being at the forefront of modern design with an additional focus in fuel economy. Furthermore, other important features to the buyer when looking for a tractor are operator comfort, ease of use (with features that also make a driver more productive), auto steering, front hitch and air conditioning.

The features that are present in the tractor bought are all of the above, that being the auto steering, air conditioning etc. They bought it from a machinery dealer.

### *Case E*

This farmer has land based in the south west of France next to Mont-de-Marsan (Gers Department). He owns two kind of crops, a wine crop (and armagnac) and a polyculture. His farm covers 214 hectares. He just bought a new tractor Case IH PUMA CVX 170 a couple months ago. He wanted to change his tractor because the previous tractor exceeded its useful life. The previous tractor had been assigned to small tasks. He decided to choose this tractor because it was fitting with his own expectations, he also examined the technical report for confirmation that it matched with his needs. In addition he picked it up because of its power, 150 horsepower. He needs at least 150 horsepower for coupling his tractor with his equipment. It was really important for him to find a tractor, which was compatible with his accessories (equipment). His equipment must be attached behind the tractor.

Furthermore, the main criteria of this purchase were the power capacity, the driving comfort and the presence of continuously variable transmission (a very specific gearbox). The reputation of the brand was also a crucial criteria. Indeed the farmer said that the good reliability and the efficient after-sales-service of Case IH impacted his buying decision process. In addition, he trusts this brand because he previously purchased another tractor of this brand and was satisfied by its performance. Moreover he ran into problems with a tractor that he bought from another brand in the past. These are the reasons why he chose to buy this brand and trust it.



*Diagram 4: Case IH of the French farmer bought a couple months ago*

He thinks that the value for money is correct and he is satisfied. Contrary to the other farmers, the French farmer does not take into account word-of-mouth in his purchase because he thinks that most of farmers have different specific needs, which are not the same as him. The type of land and crops that farmers own could be totally different compared to his. As a result he prefers to make up his own opinion. His decision was made thanks to websites of tractor companies. He also received some advertisements.

He went to some tractor exhibitions for his curiosity and his interest of the farm equipment. However it did not affect his choice because the selection has been already made, the sale teams (company's sales force, vendor in a fair or exhibition) did not affect his opinion.

The buying process went through 4 main steps:

- Decision making on the crop
- Contact with the farm vendor (a store) with several appointments
- Negotiation of the price
- Signature of the final contract

The fifth respondent chose the store according to the location, he went to the closest store from his farm where he knows the owner.

## Analysis of All Cases

This section of the chapter will consider all previous data by collating them for finding trends in behaviours. The data being cases A through E alongside the larger scale general study. The collated data will be supported by theories from academic sources.

**Descriptive Statistics- General Market Analysis of Consumer Expectations**

| I value when a product:                | Number of respondents | Range | Mean score | Standard Deviation |       |
|--|-----------------------|-------|------------|--------------------|-------|
| 1) Is not expensive                    | 794                   |       | 6          | 4,86               | 1,478 |
| 2) Is good value for money             | 794                   |       | 6          | 5,43               | 1,350 |
| 3) Is recommended by friends in person | 794                   |       | 6          | 4,08               | 1,646 |
| 4) Looks nice                          | 794                   |       | 6          | 4,91               | 1,349 |
| 5) Receives positive reviews online    | 793                   |       | 6          | 3,66               | 1,724 |
| 6) Is recommended over social media    | 794                   |       | 6          | 3,17               | 1,688 |

*Diagram 5: Descriptive statistics- general market analysis of consumer expectations*

**Diagram 5** refers to primary information gathered from a separate larger questionnaire on consumer buying habits. This questionnaire received 794 respondents and so the information, although general, is reliable due to its large scale. The scale is between 1-7 where 1 means strongly disagree and 7 means strongly agree. As seen from the table some interesting points arise such as the most important expectation is a product having good value for money with a mean score of 5.43 and a low standard deviation of 1.35. The low standard deviation indicates that most people believe the same thing. This could be generalised to the purchase of tractors that have a high-perceived value for price relation. Another piece of important information is that questions regarding online recommendation (5 and 6) do not seem to be perceived as important as recommendation in person (3). In relation to farmers this may indicate that they prefer to hear a recommendation face to face rather than through the Internet. Additional information indicates that in general, the population prefers not to purchase expensive products and prefer products that look nice (regarding there are alternative options that offer the same features).

The decision making process differs regarding the amount of effort that the consumer puts into it, sometimes the process is nearly automatic and other times the decision process is more emotional or rational (Solomon, 2015). There are three categories of consumer decision making; habitual, affective and cognitive. Habitual decision-making is when decisions are made without much conscious effort and most routine purchases are made with this process. The affective decision making process is based on the emotional reaction of the consumer. The emotional response to a product determines whether or not the consumer purchases the item, instead of it being a result of a rational thought process. The last category is the cognitive decision making process which is based on a series of evalu-

ation stages which results in the consumer selecting one product above the other competing offers (Solomon, 2015).

The cognitive decision making process consist of several steps where the consumer first recognises a problem that needs to be solved, then searches for information, evaluates the alternative which results in choosing a specific product and the final step in the process is the post-purchase evaluation (Solomon, 2015). The consumer decision processes in the five cases is in line with the classification of the cognitive process due to the rational and sequential steps that all of the respondents had taken before the purchase of the tractor was made.

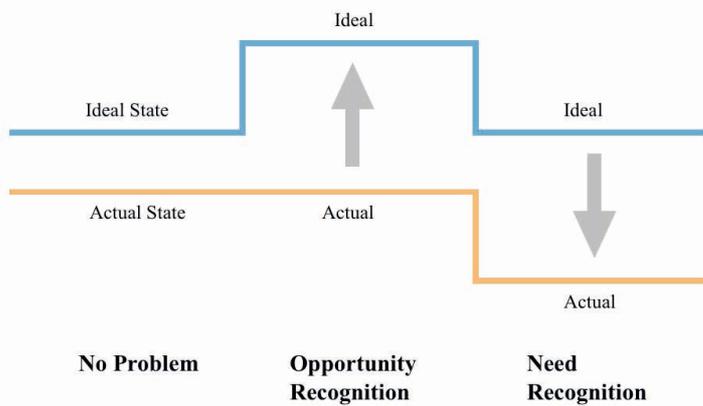


Diagram 6: Problem Recognition - shifts in actual or ideal state (Solomon, 2015).

The first step in the cognitive decision making process is problem recognition which means the situation where the consumer feels a significant difference between the current situation and a desired situation (Solomon, 2015). The problem recognition can occur in two different ways, opportunity recognition or need recognition, depending on which situational state that shifts. The current situation is called the actual state and the desired situation is the ideal state. When a consumer alters the standard of comparison the ideal state shifts upward and if the consumer is not pleased with the actual state due to a decline in quality the actual state shifts downward. Opportunity recognition occurs when the ideal state shifts upward but the actual state remains unchanged. For the need recognition it is the opposite, the ideal state remains unchanged and the actual state shifts downward (Solomon, 2015). The shift creates a gap between the ideal and actual state and thereby the consumer faces a problem to solve. When analysing the five cases the need recognition is most adapted in the cases of A, B, C and E. All of the respondents in these cases stated that the purchase was made due to a decline in the quality of the tractor that they already owned, so their actual state had shifted down which created the need recognition. In case D the farmer stated that the main reason for the purchase was to keep up with the most modern technology and the fact that the tractor had reached a certain amount of operating

hours, not that the actual state or the efficiency of the older tractor had declined. This is more inline with the classification of opportunity recognition where the actual state is unchanged and the ideal state shifts upward.

In general individuals look for more information when the purchase is of greater importance, if there is a need to pick up more details about the purchase or if it is simple to access significant information (Solomon, 2015). Word-of-mouth is a process where individuals share information and knowledge about a product with other individuals. The information is delivered by people we know and tends to be more reliable and convincing than the message from more regularly used marketing methods. Word-of-mouth is a very simple channel of marketing, which is far more powerful than expensive ads. A lot of daily conversations with family and friends are related to products and how they work. If a product got special features that stands out from the crowd, a lot of social influence can be generated, and thereby free marketing (Solomon, 2015).

One of the findings of this project is that word-of-mouth is an important criteria to take into account when analysing the buying process. Farmers are really close together and form a community. They share a lot of common values and trust each other and meet each other or participate in the same exhibitions. Before purchasing a product, farmers tend to ask reviews or questions to other farmers in order to get information about the quality or the reliability of the product. They use the Internet for some extent to gather information as well. This concept can be more powerful or efficient than advertising campaigns (Solomon, 2015). A review or a shared opinion can have a huge impact on the decision making process of a farmer who desire to purchase a new tractor.

Perceived risk is something that can affect the consumer in the buying decision. Theoretically, consumers believe there may be negative consequences if they choose the wrong option. Another factor that is also considered a perceived risk is what others may think of the choice and this can lead to embarrassment. Examples of perceived risk can be monetary (where consumers with relatively low income and wealth are most sensitive), functional (where practical consumers are most sensitive), physical (where consumers who are elderly or in ill health are most vulnerable), social (where consumers who are insecure are most sensitive) and psychological (where consumers lacking self-respect are most vulnerable) (Solomon, 2015). The relevant sections for the data collected are monetary and functional risk.

New tractors are generally expensive and advanced in technology. When analysing the cases, most of the farmers bought their new tractor because of important functions coming with it. For example, the GPS-system was very important for the purchase for two of the respondents. It is obviously of great im-

portance that the tractor works as it should after the purchase, and there was a trend among the respondents towards the closeness to service being of great value when evaluating different brands. If the new tractor does not meet up with the needs of the consumer, it can be detrimental for the farming business. Farmers are practical consumers relying on advanced technology, and therefore a perceived functional risk can be connected to the farmers evaluation of different brands. Furthermore, most of the respondents have some kind of relationship to the tractor brand purchased. Some examples of this type of relationship were observed. Farmers of both case B and D purchased the same brand as their previous respective tractors and case A grew up on a farm with the same brand. Case E had experimented with an alternative brand but ultimately returned back to the brand that satisfied their needs in the past. This behaviour indicates a strong brand loyalty among the farmers. The term is explained as a repeated purchasing behaviour that reflects decisions where the individual continuously buys the same brand (Solomon, 2015). Brand loyalty can also mean that the consumer has a positive attitude toward the brand, and not only buying it out of habit. Furthermore, the respondents brand loyalty has a strong connection to both monetary and functional perceived risk, as the risk can be considered become lower with the purchase of a brand that you as a farmer have a good relation with.

A key principle of relationship marketing is the retention of customers to ensure continued business relations with pre-existing customers (Solomon, 2015). This kind of relationship inspires a mutually beneficial agreement, where the existing customers receive the attention they require and the company sustains good business due to their customer retention efforts. Relationship marketing was observed among the cases where farmers emphasized the value of the service they receive from tractor vendors. Customers often feel less inclined to switch to business competitors, and may also feel less price sensitive due to the established notion of trust with the business provider. Contradictory to the theory, in the farming cases the data suggests that price was still of relatively high consideration even though there seems to be a trend towards brand loyalty. Relationship marketing theory also refers to the customer's perception of the company with the potential for wilful initiation of free promotion by means of word-of-mouth. Relationship marketing is fuelled by employee involvement and is sustained by customer satisfaction (IPCSIT, 2011). This could indicate that the value of a farmer's relationship with the brand inciting this free word-of-mouth marketing, relating to the previous analysis in which word of mouth was discussed as the source of information within the cycle of the cognitive decision making process.

Culture can be seen as the personality of the society, including abstract thoughts and material substance. It is difficult to understand how people consume if there is no thoughts about the cultural perspective. Our cultural values as individuals is one of the basic influences that affect the decisions of a purchase. The major

consideration is cultural difference as people from one culture may respond differently than others. (Solomon, 2015). There were differences obtained between the respondents which could be accounted to their cultural differences however with a relatively insignificant sample size generalisations cannot be made. One difference noted was that the French farmer stated negotiation is an important decision within the buying process, which was not found elsewhere in other cases. The negotiation aspect of the buying process may be culturally relevant but the scale of investigation is again insignificant.

## Major Discovery

During the analysis undertaken there has been an ongoing occurrence themed towards brand loyalty. The respondents valued aspects such as exemplary service management, trustworthy machines, reliable reseller all gearing towards their bond towards their respective brands. Relating to theories analysed, relationship marketing plays an important role upon loyalty through building trust between buyer and seller. Once trust has been established between the buyer and seller, neither party involved or the business wants to risk losing the other. This relationship ensures attentive service management from the seller and an increasing dependence of the brand from the buyer. This could indicate that there is an incentive to focus on building the relationship when an individual purchases a tractor in order to retain customers and gain future purchases.

This information provides an indication as to why farmers invest money on new tractors and why they choose specific brands. Additionally, the major discovery provides possible motivations behind buying processes.

## Reflective Statement

This section of the report is based upon various factors of which make up a reflective statement. Factors such as the ethical requirements, the difficulties in building the report and considerations for different actions taken under fewer constraints are discussed.

### *Ethical Requirements*

Certain requirements were put in place in order to be ethically sound during the analysis and collection of data. The first is with the participant's right to withdraw from the completion of the collection methods and their data in the report. This is important as it preserves their own integrity because they can share what they are willing to instead of what they have to provide. This point was specifically stated in the questionnaire (Appendix). Another ethical consideration was ano-

nymity where the respondent of the data collection methods were ensured that their anonymity would remain. Additionally, there are benefits in ensuring anonymity where Bryman and Bell (2013) found respondents are seen to be more honest in their answers, so this may provide more reliability. Consent to use the information provided was important to obtain as there could be implications with regard to private information being shared on a public basis through the report and subsequent presentations. Full consent to use information collected was obtained. The final ethical consideration was to ensure that no private information will be provided in any text or presentation as to respect their privacy as participants, this includes such information as the exclusion of full addresses (APA, 2003).

### *Difficulties*

There are some difficulties that arose during the data collection process such as finding farmers that bought a tractor in the last year. This was addressed through multiple contacts acquired in previous networking opportunities. In addition there were difficulties with language barriers. Translations from both Swedish and French were conducted, the process being time consuming but necessary for comparison and continuity. It was also necessary as asking the questions in the farmers native language makes the process easier for the respondent. Additionally there were difficulties through cultural differences within the team, one being spelling were British English and American English persists. Also differences in writing styles meant collaboration had to be rather personal in order for the report to flow properly. Writing styles from 4 countries had to be adapted to retain a certain level of continuity. Moreover the tractor and agricultural market is a far reach from the urban environment that the writers are accustomed to, to resolve this preparation alongside research was needed in order to be adaptive to the situation at hand.

### *Under Different Circumstances*

As a result of certain constraints in how this essay could be constructed, some considerations for how it may have been constructed otherwise are to be discussed. An additional consideration for improvement is that the scale was rather small regarding farmer specific information meaning generalisation issues, this is why a large scale general questionnaire was produced to support the small scale data. To improve the farmer specific data the scale should be larger than 5 respondents. Finally more time to prepare and less restriction on chapter length would be ideal as this could provide with more in depth analysis.

## Acknowledgement

Special thanks to the five farmers that participated in this research for setting aside the time to disclose information about their businesses and machinery. Without them this research would be completely irrelevant. In addition, we'd like to thank Professor Per Frankelius for his guidance and wisdom of consumer behaviour topics. His vision for this course and proactive organization of the tractor seminar at Vreta Kluster will not go unnoticed.

The knowledge we, as students, gained from Per and from our peers will no doubt prove to be an invaluable asset in our future careers.

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# Tractor buyers: Voices from France, Spain and Germany

*Julietta Tonti Ortega, Sabine Tabe,a Lohmann, Jan Arway, Léo Frattina and Jérémy Marcelino (Team, A3)*

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## Introduction

### *The aim of our study*

The mission is to understand consumer behavior and not least, the motivational factors behind a certain behavior, which is in case tractor buying. Our aim is to try and respond to the main research question: “Why did you buy this tractor?”. What are the farmers’ purchase motivations? And what factors must companies understand in order to efficiently adapt their offers and sales processes to these people?

From there, using the responses collected via the tools at our disposal, we will establish links with several relevant marketing theories and models to support our analysis.

## Market distribution for tractor sales in 2015

According to our estimates, John Deere is far ahead. As can be seen in Diagram 1, the American manufacturer in 2015 represent 1 out of 4 tractors sold in the CUMA network (Coopératives d'Utilisation de Matériel Agricole; see [cuma.fr](http://cuma.fr)). A great performance, probably much better than the national market. This is a first in the agricultural sector. The publication of market shares (PDM) carried out by tractor drivers within the CUMA. In 2013, total investments made by the CUMA were around 400 million euros (see;<http://www.cuma.fr/content/les-chiffres-des-cuma>). Tractors are, in units, the second largest category of equipment purchased by the CUMA, just before manure spreaders and behind tillage equipment

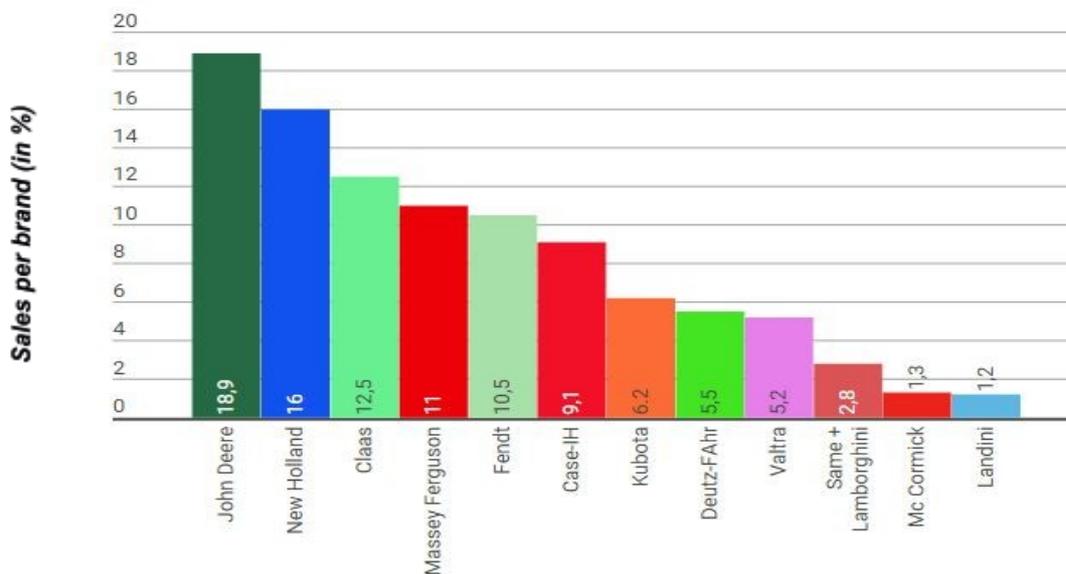


Diagram 1: Tractor sales market distribution between brands in 2015 (in %)

## Methodology

First of all, a research on the topic was needed before starting to write this paper. We conducted a survey among some tractor owners from many different international backgrounds. Some of these farmers were found through posting a questionnaire, created with google forms, on forums or social media sites that were related to the agricultural or farming sector. We translated it into different languages, in the aim of reaching a larger and more diverse audience. Most questions were quite detailed and were open-ended, to give the respondents more freedom to give us, or not, additional information in order to conduct our study. The other participants of our survey were found through contacting friends

and/or friends of friends' on social media, or through emails or Whatsapp. Between all the data we managed to collect, we selected the answers that we considered to be the most informative and complete and would help us to ensure variety in our study, providing reflections of the different existing types of customers.

The questions asked in the survey would relate to the characteristics of the tractor that was purchased, the kind of work that the latter helps to develop and some relevant information on the respondents to understand the market segment that we were including in our analysis.

In the following pages, this information will be exposed and explained and the trends and exceptions we have observed within our study will be analyzed according to marketing and consumer behavior theories. The usage of analytical generalization due to the small sample must be taken into account. The essay will be completed with a conclusion including the main ideas that will be developed within these pages.

## Ethical considerations

As it was stated in the previous part, the data that we are handling in these pages was given by different tractor owners, who were informed beforehand about the aim of the survey and questions they were asked. All participants were aware of this and answered to the questionnaire voluntarily. We were given full names by some of the respondents but as a matter of personal privacy for these people, we would like to keep the anonymity of the individuals and will therefore refer to them by their first names or pseudonyms in the part in which data will be exposed.

In addition, we have to take into account the fact that the respondents can choose the information that they want to share with us and, therefore, what they do not want to say.

Once this has been stated, we would like to remark that the data analyzed will be real data and that our study and conclusions will be independent and impartial.

## Respondent Cases

In this part, we will show different cases of answers we received from the respondents. We will summarize the main elements of response collected throughout the questions asked during the research process, with the questionnaire or more direct contacts. Moreover, we want to identify and emphasize certain recurrent

elements that could be considered primary to understand the consumer behavior of those tractor buyers. These answers will help in further analysis of relationships and resemblances to certain marketing theories.

### *Mr. Noël*

Mr. Noël has started his farming activity on 1 January 2014. His farm is located in the department Maine-et-Loire, which is itself part of the region Pays de la Loire, in the western part of France. His exploitation focuses on polyculture-breeding. He is familiar to tractor buying, and his most recent acquisition took place in 2015, when he chose a N123 Direct model from the brand Valtra. He made this purchase due to his recent installation, where a new additional tractor was necessary to fulfil all working tasks. The price range for this tractor was 90,000€ - 100,000€. For Mr. Noël, the budget was a main choice factor, with the top limit of 100,000€. But why Valtra? Because the brand provides a very serious mounting of the machine, guaranteeing a better durability of the product. You want a reliable machine when you invest such money. Another interesting answer from Mr. Noël is the possibility to customize the tractor. He tells that when you have a passion for things that are worth such amounts, you want them to correspond to your tastes, personality, and needs within the farm. For him, even though the product has really good finishing, it is slightly expensive. Finally, he says that good relationship he had with the Valtra agent for the purchase process was an element of high satisfaction towards the brand. The backup he provides is also essential. The purchase process itself took some time. A first preliminary quotation was made before his installation in January 2014. After further meetings, a final precise quotation was made in September 2014, before the purchase order was made in February 2015.



*Mr. Noël's N123 Direct model, among his other red tractors*

### *Mr. Patrice*

Mr. Patrice is also a French farmer, with an experience of 8 years in the agricultural sector. He preferred not to specify his workplace location. Mr. Patrice already bought tractors before and last year, he acquired an Axion 830, from Claas. This purchase was necessary since it replaced another tractor that had over 5000 hours of usage, and that had too important maintenance fees, due to its age. The price range was 70,000€ - 100,000€. Mr. Patrice mentioned that you do not really have the choice when it comes to choosing the price range of the tractor you are buying: "You either add options to a low-end tractor, and so you reach this price range, or take the high end model which is already fully equipped." The tractor is undoubtedly the most important tool within an exploitation or a farm; you cannot really permit yourself to only take a "medium" tool if you want to get the job done right. For him, the comfort of the tractor and its easy handling were major factors of decision making. Also, the good relationship with the dealer further helped to approve his decision of taking this model. Furthermore, Mr. Patrice feels like the brand really is trustworthy in terms of product quality and durability, as well as post purchase support and follow-up. Just as for the previous case, the buying process took some time. It went in three major meetings with the dealer: a first one to approach the price, make a first quotation and test the tractor, a second for further price discussions, and a final one to sign and agree on the purchase.



### *Mr. Bob*

Mr. Bob is from England and has a strong 30-year long experience in the agricultural sector. Of course, he is familiar to purchases of tractors. His last acquisition dates back to May 2015, when he bought a JCB 4220. He simply needed such a machine for tasks that cannot be fulfilled by other pieces of equipment. As he stated himself: "We needed a tractor, not a pitch fork". He acquired the tractor for £120,000; a very high price, but a necessity for work efficiency. Although Mr.

Bob found it a bit expensive, he believes the suspension quality of JCB's machines, along with the post purchase backup, is a considerable added value. Due to his 30-year experience, Mr. Bob knew what he needed for a new tractor. Thus, the buying process went faster. The tractor dealer made an accurate quotation, and Mr. Bob validated the purchase quickly.



JCB 4220

### *Mr. Juan*

Mr. Juan works in Ávila, in Spain, and has a 20-year experience in the agriculture sector. He is used to tractor buying, and recently acquired a medium sized range model, the Massey Ferguson 5546, released in 2009, at a price of €48,000. Mr. Juan chose this brand for its reasonable price/quality relationship, and especially for the brand's reputation of providing tractors that never break or get damaged, thus, guaranteeing both high reliability and durability. Thanks to his strong experience, Mr. Juan could make a pretty quick purchase: he visited a tractor dealer and directly compared the models himself to make his choice.



**Massey Ferguson 5546**

Massey Ferguson 5546

### *"Arnold Schmitz"*

Our next respondents are members of Arnold Schmitz, an agricultural organization from Germany which consists of definite legs: "Arnold Schmitz", a farm with 100 hectares mostly dedicated to the growing of different cereals and vegetables,

and “Arnold Schmitz jun.”, a contracting company of 10 employees, detaining 8 tractors, and performing all work for the farm. The purchase of a new tractor had been planned in the aim of replaced an aging tractor that could not manage fulfilling efficiently certain tasks anymore.

## **Arnold Schmitz jun.**



They chose to buy a John Deere (model and price not specified), due to the satisfaction brought by follow-up services, especially during peak season, where there are higher risks of failures and repairs: quick replacement solutions are provided. Moreover, their machines are easy to drive and adjust, which is important for the respondents since their company often recruits temporary drivers during the season. Also, they find the tractors have comfortable cabins and have an acceptable diesel consumption. However, they told us that the prices of John Deere’s tractors drastically increased in the last 5 to 8 years, even more than the announced 3% annual price increase. Fortunately, the good resale value balances the price/quality ratio. Finally, the purchase process lasted two weeks.



**John Deere**

### *Mr. Klaus*

Mr. Klaus owns a dairy farm in Germany, with about 60 dairy cows and breeding bulls, which brings it up to a total of about 140 animals. He also owns a field of 15 hectares, mostly growing cereals and corn as food for the animals and 55 hectares of grassland, also for the cows. About one year ago, Mr. Klaus purchased a Fendt 309, which is a small model in the price range between €40,000 and €50,000. He chose to invest the money in a new tractor because the old tractor was about 35 years old and could not manage to do the work anymore due to its lack of strength and reliability. During the buying process, Mr. Klaus had the choice

between a John Deere tractor and the Fendt 309. With both brands he had already had very good experiences before. In the end he chose the Fendt because the dealer went down with his price by €5,000, which made it overall significantly cheaper than the John Deere. According to him, Fendt is well known for its reliability; it is the worldwide leader in transmission technology. Moreover, the label “Made in Germany” convinced him to select this specific brand.

The buying process occurred very quickly, he asked both dealers (Fendt and John Deere) for offers. Both of them knew about the other offer which is also why they had to come up with good prices. Mr. Klaus is very satisfied with his tractor so far and in his opinion, the price/value relationship is excellent, partly due to the price reduction of €5,000.



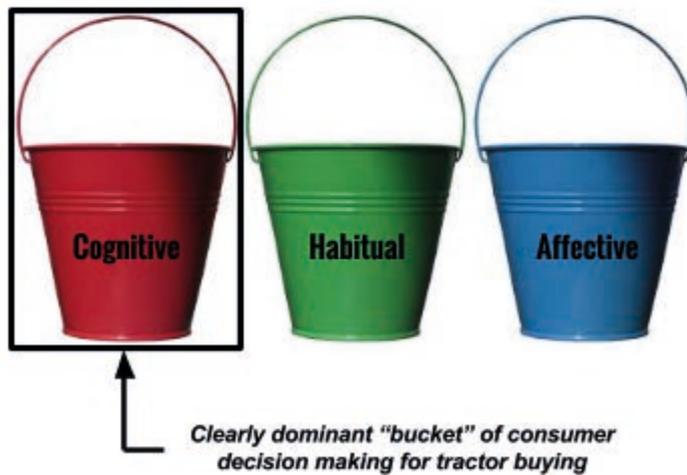
**Fendt 309**

## Analysis/Links with marketing theories

After reading through all the detailed information we obtained from the respondents, we can state the existence of basic trends other than specific differences between the answers. Later on, we will analyze these data according to models from the marketing and consumer behavior perspectives.

We believe that one of the most remarkable trends is the fact that all participants really entrust the brand that they have chosen and have strong positive beliefs towards it. First, they especially consider the high quality technical characteristics of the tractors. In fact, one of them stated “the resistance to damages or durability of the machine” as the main or one of the main reasons why they have chosen that brand.

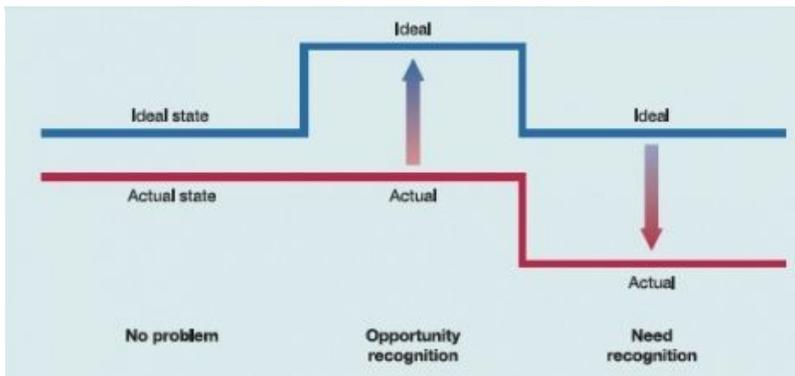
Figure 2: The three “buckets” of consumer decision making



All respondents told about at least one element such as comfort, handling, resistance, reliability, etc. It shows how purchase decision making for tractors is cognitive focused (Solomon, 2015, p. 60): the choice is very rational; You need a machine that will effectively help you and improve your efficiency on the field. There is still an “affective” part in the process. The farmers relate better to a specific brand because of the image they have from it, because of the design they prefer, or simply because they have always stuck to the same during their careers: “all things being equal, we choose the brand that has an image [...] consistent with our underlying needs” (Solomon, 2015, p. 38).

Furthermore, relationships with the agents/vendors are a quite determining factor, especially, from what we were able to identify, between younger respondents. Since the investment made is important - it is one that will highly determine the farmer’s capacity in doing his job well, thanks to the machine - they wanted to work with someone that could provide them the most adapted solution, along with serious post purchase backup. These respondents seem more sensitive to the functional risk (Solomon, 2015, p. 65), thus, they appreciate being ensured to have efficient repair/replacement solutions if necessary. Respondents with more experience, such as Mr. Bob and Mr. Juan, were faster and more confident in their purchase decisions, probably due to their knowledge of tractors.

Figure 3: Problem recognition; shift in actual or ideal states



According to the cases, if we consider the problem recognition model of the “actual state” versus the “ideal state” (Diagram 3), we can quite easily affirm that our respondents experienced a “need recognition”, (Solomon, 2015, p.70) thus, meaning they were searching to re-improve their “actual state” (Solomon, 2015, p.71). One did not simply crave for a fancier, bigger tractor, because he felt the need to possess a top-quality product recognizable by its peers. The acquisition of a new machine was necessary in order to either replace an older one, fulfil tasks undoable with other tools, or maximize work efficiency and outputs to reach production goals. Moreover, none stated to have been confronted to advertisements that would have created an ideal state or provoked “dissatisfaction” with their actual states (to see examples of Ideal and Actual State enter the website: [consumerbehaviourmcgill.wordpress.com](http://consumerbehaviourmcgill.wordpress.com)).

Another interesting aspect to analyze is brand personality (Solomon, 2015, p. 294-296). Consumer behavior studies have verified the fact that people are sensitive to products’ design. These people thus tend to link more positive qualities to a product they find attractive. In our respondents’ cases, we see that most tractors have been bought from top market brands (John Deere, Claas, Fendt, Massey Ferguson, etc.; all present in Diagram 1). Although they did not tell explicitly about the design in their answers, the respondents attributed many qualities, especially technical ones, to the brands they chose. We strongly believe that the farmers attribute these qualities, first thanks to the image these brands were able to transmit, but also, thanks to the design of the tractors that certainly highly attracted the farmers. With today’s super modern and attracting designs for tractors, it is not surprising that farmers attribute better and more technical qualities to these. It is like with the brand Apple: many people, especially Apple addicts, will argue that their products are most efficient because they love the high-end design, and also because Apple’s image is extremely strong worldwide.

However, we also believe that respondents with higher experience, such as Mr. Bob for example, attribute certain qualities to brands due to the concrete knowledge they acquired throughout the years, from the use of their tractors. Mr. Klaus choose his Fendt 309 because of the “Made in Germany” label, this is an example for heuristics, the mental shortcuts we use to shorten the decision process. There are different types of heuristics; Within this group, we could argue that Mr. Klaus is an ethnocentric consumer, since he seems to prefer products form his own country. He assumes that a tractor “made in Germany” is higher quality than one form another country (Solomon, 2015, p. 84).

It is interesting to see as well that all our farmers included only a few brands or selling points in their decisions. Mr. Juan, for instance, says he only visited one tractor dealer, while Mr. Klaus got two offers. This led us to think that the consideration sets are pretty small (Solomon, 2015, p. 74).

## Possible areas of research

In the previous pages, what has been analyzed is the choice that each customer made when they faced the need to buy a tractor. However, as we mentioned in the “ethical considerations”, the existence of hidden information that motivates -either consciously or unconsciously- the consumers’ behavior is always a factor that needs to be taken into account. Following, we will analyze different ideas that we think would help to improve a future study on this subject and other fields that could be interesting to study deeper.

For example, picking up on our analysis of the answers, all our respondents considered “the strength and durability of the tractor” a main criterion. The need for a tractor to be strong and long lasting is self-explanatory: when facing a great investment, the longer it lasts, the better. However, we can observe that not all of them acquired the same brand. Therefore, the question that comes into view would be: if they are all driven by the same motivational factor, why do they not choose the same brand? The answer to this question might seem obvious at a first glance but nothing is further from the truth.

Considering their different backgrounds, it could be argued that the information that is available to each of them is different or it is given to them by different means that could be more or less effective. It would also be interesting to observe that some farmers have long experiences in their sectors and therefore, might have developed their own image and thoughts towards the companies based on actual experiences. The word-of-mouth is another factor that could be taken into account. In a subsequent research work, we would probably add questions to understand what motivated the creation of these brand images, that is to say, what

made these customers think that they were choosing the strongest and longest lasting tractor.



During our researches, we identified another interesting point of focus, in terms of communication towards potential customers for companies. When sending our questionnaire and looking for contacts, we discovered that, especially on farming/agriculture discussion forums, many people played the game “Farming Simulator”. Many different types of tractors, machines, pieces of equipment from real existing brands are available in the game.

Therefore, we asked ourselves several questions: are such virtual media efficient communication means to attain a large target audience? Do farmers build more emotional bonds with certain brands included within game? Do these games have a significant impact on farmers’ decision making when buying new machines? Knowing that the world is transiting towards more and more digital focused marketing strategies, with examples of strategies such as Inbound Marketing, which consists of highly communicating with customers through websites, should companies consider the opportunity to become top “virtual world” communicants? To respond to such a question, it would be interesting to study the online presence of farmers on digital media platforms and determine what companies could gain creating adequate online strategies.



*On the French agricultural forum « Gros Tracteurs Passion », searching for « farming simulator » led to 12451 results*

## Conclusion

During this project, we managed to collect answers from farmers with very diverse international backgrounds. This allowed us to study consumer behavior

within the process of tractor purchasing and identify trends and certain particularities. The starting question that had to be studied for this project was “Why did you buy this tractor?”, and our goal was to identify the primary motivational factors that led the farmers to buy “this” tractor, and also, understand how marketing could affect their choices. We used a qualitative approach to try to answer the question. However, even if the responses we received were detailed, we believe we cannot find a deep enough answer to the main study question. Our analysis gave us a good starting point to understand why these people chose those specific tractors, but we would need to study the factors that unconsciously affected the farmers’ behavior, and led them to decide what tractor’s characteristics would match their particular requirements.

A first area of research to better understand farmers’ consuming behavior towards tractors would be Medias: which Medias are they most sensitive to? And do these Medias efficiently reach them?

From this point, we could then focus on one of the potential research perspectives we mentioned earlier, that is to say, online marketing: with the increasing online presence of farmers, how could companies exploit modern strategies such as Inbound Marketing? How could they potentially strengthen customer relationship within virtual “worlds” and medias, such as with games like Farming Simulator?

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# Listening to buyers in Spain, France and Sweden

*Sophie Cléquin, Louise Kjellin, Fanny Emilie Lauret, Thibaut Dupray-Lebas and Marta Pérez Sigüenza (Team A4)*



## Introduction

In the frame of the course Marketing and Consumer Behavior, we were asked to work on a product with high customer involvement. The goal of the exercise was to link a desire or a need of buying with some concrete marketing concepts and theories.

The consumer behavior is described as the processes involved when individuals and or groups select, purchase, use, or dispose products, services, ideas, or experience to satisfy needs and desires. With this in mind, the choice of making this report about tractors was a good one as it includes both need and personal decision making when deciding on what the product farmers want/prefer. As the purchase of a tractor represents a huge investment for a farmer, the decision making process is long and complex but also involves several variables.

*In this report we aim to find the actual factors influencing a farmer while buying a new tractor and if there is a way to influence the process they go through when*

purchasing said tractor. To help us answering to this problematic, we will not only dig deep into the marketing concepts evoked during the Marketing and Consumer Behavior course but also through great insight gained from numerous interviews conducted with farmers around the world. Our work emphasizes the mix of decision-making processes that we detected, cognitive, habitual and affective, paying particular focus to the importance of the brand in the case of a tractor purchase.

## Method

In order to conduct the interviews with the farmers, the online questionnaire “Google Forms” was used. This method was chosen to be able to reach people in different countries and have quantitative responses. This tool has many advantages as the questionnaire, it can be sent very easily to farmers around the world and it is very easy and simple to understand for the respondents. In other words, this way of doing things is highly efficient while at the same time being very user-friendly.

Another advantage of this tool resides in its capacity to extract the data directly in an Excel spread sheet and draw different kinds of graphics. To facilitate this last point, it’s very important to introduce many “multiple questions” in the questionnaire as well as scales in order to permit satisfactory data presentation (i.e. graphs and tables).

In addition to this, open questions were also introduced in the questionnaire to really gain the point of view and insights of the interviewed persons. These kinds of questions are tougher to analyze, but bring more precise and interesting responses that contribute greatly to the analyze.

As we have little knowledge about the farming industry ourselves, we needed to obtain more details about the technical features of a tractor, the different needs and more specific information regarding the buying process. Thanks to also doing a Skype interview with one of the farmers, we collected highly qualitative information that allowed us to get a deeper understanding.

### *Study sample*

For this assignment we wanted to broaden the nationalities of our interviewees. There are several reasons for this.

The first obvious reason is that we used our network to get respondents to this questionnaire. As our team is composed of 3 different nationalities, we tried to get answers from Sweden, Spain and France.

Correspondingly, we believe that when people have to answer a questionnaire, they would be more personally involved and spend more time for the result to be more accurate if they know the person conducting the interview.

We know that this can also be a source of bias, which is the reason why we did our best not to influence their answers.

Finally, we decide to vary farmers' profiles looking after people working in diversified farming industries. The aim was to identify and understand the different needs related to arable, livestock or mix farms and how the profile of the businesses can influence the purchase decision making when buying a tractor.

## The Cases

We collected five questionnaires, two of them were Spanish farmers, two others were French and one was Swedish. Our sample was varied with different farm superficies (from 80 to 300 hectares), and diversified activities such as cereals and vegetables cultures, livestock farming or a mix of both. Now, let's have a closer look at each them:

### *Tractor Buyer Pierre Martin*

In order to collect qualitative information for our analysis, we realized a Skype interview with a French farmer we will call Pierre Martin as he wanted to stay anonymous. He is 55 and lives in the North West of France where he grows cereals and vegetables as well as cattle. He started his farm in 1987 and has always been working alone despite his 105 hectares and 130 cows. Since he runs his business, he has bought almost a dozen of tractors, from different brands and power ranges as he had to adapt his machines according to the extension of his farm and the changes of his needs.

Two years ago, he bought a brand new tractor, a Fendt 820 Vario, which value was 115 000€. The reason why he changed tractor was the obsolescence of his previous machine (he used to change every 7/8 years) and the extension of his farm. His previous tractor wasn't powerful enough to work fast and to support big agricultural equipments.



*Mr Martin kindly shared a photo of his Fendt 820 Vario (Photo: Pierre Martin).*

Once he realized that he needed a new tractor, he started searching information in specialized magazines in order to detect some tractors that could fit with his new needs. He knew by experience what he needed to buy and didn't pay attention to the word of mouth or to his friends' preferences. Then, he took contact with 3 different dealers (Fendt, Deutz and Valtra), tried their products and evaluated their offers in order to make a decision.

Some factors were highly important for him such as the R&D, the comfort of the cabin and the relationship with the dealer as well as the After Sales Service.

After 4 months spending in evaluating the offers, he decided to buy a Fendt tractor mainly because he already has a good experience with this brand, as he had already bought one few years before, and was satisfied with the machine and the after sales service.

Surprisingly, the price was not at all the most important factor for him as he bought the most expensive tractor. He didn't pay attention to the design or the customization because he had already selected a product that could respond to his needs.

If the price wasn't relevant for him, the brand and its reputation were highly important: even if he requested offers from different dealers, he almost already knew that he would have bought a Fendt tractor because he trusts the brand.

#### *Tractor Buyer Mikael Broberg*

Mikael Broberg is a Swedish farmer living and working on a 90-hectare farm located in the middle of Dalarna. His farming activities include crops, animals and wood production.



*A proud Massey Ferguson owner in action. (Photo: Mikael Broberg).*

Six months ago, Mikael chose to invest in a Massey Ferguson tractor (150 horse power). He did this because he feels that it's an essential tool for his business, "Without a proper, sufficient tractor I wouldn't be able to do my work and earn my income", he explains.

Although buying a tractor is a big investment, Mikael feels that it's certainly worth the money in the end as he gets a lot of value out of the tractor. He wouldn't be able to earn his income if he didn't have a well-functioning tractor. When talking about the brand of the tractor, it was never really a hard decision to make. He knew that he wanted a Massey Ferguson as it's the brand his family has been loyal to since the very beginning. It's the brand he's grown up with on the family farm. They know they have a good reputation and that they've always worked very well for them.

Because of this, the process that Mikael went through when buying the tractor was quite simple. He read up a bit on his own on all different models that were offered at Massey Ferguson. After doing this he went to fairs in order to try out the models he felt particularly interested in. He would then find a dealer with the most competitive price and contact him/her to negotiate. This process would take him around 6 months to complete before making the final purchase.

### *Tractor Buyer from Cádiz*

This anonymous farmer from Cadiz (Andalucía, Spain), who called his farm *La Sabina*, decided to invest his money in a John Deere tractor 4 months ago. The reason for this was because he needed it for working with the animals (livestock) and because his previous tractor had become obsolete. He decided to buy a new one with the same horsepower (101 - 150 hp) and from the same brand as the tractor he had before. He considers this brand to have a good value-price relationship.

He also explained us how much his work productivity has increased and how the buying process occurred. He basically realized how old his tractor was and how much he could raise his profits by investing in a new one, so he decided to invest part of his savings in a new tractor. After having compared several options, he went for the John Deere one due to the fact that he had a good experience with this brand before.



*A John Deere tractor, parked in the fields of Cádiz (Photo: farmer who wish to remain anonymous).*

### *Tractor Buyer from Lebrija*

This anonymous crop farmer from Lebrija (Sevilla, Spain), farm size around 80 hectares, decided to invest his money in a Valtra tractor with a horsepower of 101 - 150 because he needs it for working on the farm. He considers this brand to have a good value-price relationship and efficient tractors. He also explained to us how the buying process occurred, mainly by sales prospecting and negotiations with the dealer.

### *Tractor Buyer Hervé Cuven*

Hervé Cuven is a French farmer who has got 160 hectares of land where he produces cereals and vegetables combined with a pig farm in the middle of Brittany. A few months ago, he bought a brand new tractor, a John Deere - 180 horsepower, to respond to the extension of his farm.

He decided to buy a John Deere tractor as he already knew this brand from previous purchases (loyalty) and he has developed a good relationship with his dealer over time. Moreover, he prefers buying a John Deere tractor as it rarely breaks down and for him it is a win of time and money if his machine is always

operational. For him, the brand is highly relevant as he ranked 4 out of 5 for the importance of the brand in the purchase decision-making.

As he doesn't read specialized magazines, he has little knowledge about the brand new tractors, so he generally trusts the dealer's advice and requires some assistance before making any decision.

## Analysis

There are numerous definitions of consumer behavior in literature, but one of the more logical ones is the following: A consumer behavior is "*the processes involved when individuals or group select, purchase, use and dispose of products or services, and satisfy needs and desires*". When buying a brand new tractor farmers go through this process, but many other factors also enter into account in the decision making process.

Our interviews demonstrated that there is a combination of three decision making processes involved in the purchase of a tractor: *cognitive, habitual and affective*. Our analyze will go through all of them to highlight the most important determinants.

In the case of a tractor purchase, the **cognitive decision-making** process is most frequently applied. Farmers go through a deliberate and rational process which steps are the following ones:

*Problem recognition, information search, evaluation of alternatives, product choice and post purchase evaluation.*

Farmers affirm that the purchase of a brand new tractor is a long process and generally a 6-month period is required between the moment they recognize a problem (need of new tractor) and solve it (purchase said new tractor). During the decision making process, the farmer's involvement is high as his needs and interests in the product are high. Buying a new tractor is an important decision for a farmer as it will improve his business conditions.

Before everything, let's move to the first step of the cognitive decision-making process, which is the problem recognition.

According to Michael R. Solomon in Consumer Behavior (pages 70-72), there are some shifts in actual and ideal states when the problem recognition has happened. If the ideal state is equal to the current one, then there is no problem. It starts when the ideal and the actual state become separated too far from each ot-

her. If we desire to go from the actual to the ideal state there should be an opportunity recognition, which could be buying a tractor. It is now the ideal becomes the actual state because the buyer has recognized this need.

As the agricultural sector keeps progressing, farmers need to constantly adapt their machines to face new challenges. As a consequence, the purchase of a brand new tractor is a very important decision and has to respond to the changing needs of the farms.

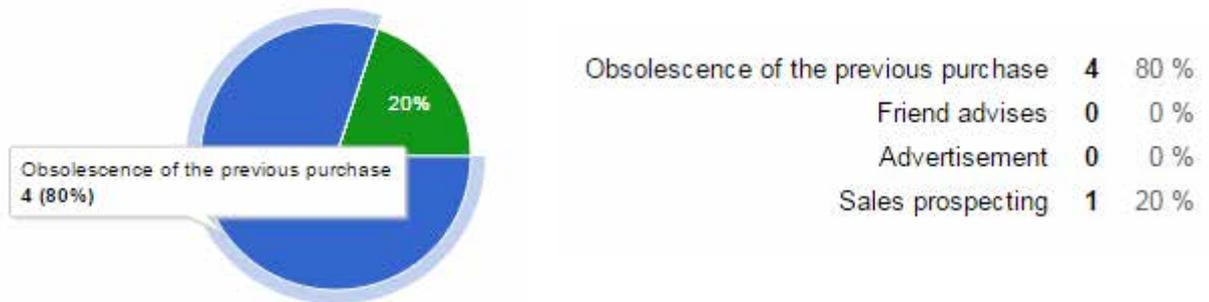
First of all, farmers buy tractors because it's an essential tool for their business; they need it to work their lands and to perform their daily duties. Without a proper and efficient tractor, they would not be able to work and to earn an income. Once their equipment started becoming obsolete, farmers have to change it in order to maintain a high level of productivity and to avoid break down with costly maintenance.

In order to increase their incomes, farmers need to make economies of scale through the extension of their farms. Sometimes, a non-adapted tractor compared to the heavy agricultural equipment and a lack of power of their engines requires farmers to change their tractors for a new one.

We observed as well that the bigger the farm is, the more powerful the tractor and sometimes at very big farms; farmers need to work with more than one tractor. In the case of a mix business (crop and livestock) each tractor is dedicated to one or a few tasks as farmers need powerful engines for working the lands and small machines to perform the activities related to the livestock. So, depending of their needs and activities, farmers will choose the adapted products.

Concerning our farmers questionnaire, the following graphic shows us that the obsolescence of the previous equipment triggered the purchase of a brand new tractor and in comparison, only 20% of the farmers declared to have been influenced by sales prospecting. In other words, marketers have to understand that farmers buy a brand new tractor because they basically *need* it to work efficiently, they don't necessarily *want* it. The aim of the purchase of a brand new tractor is supposed to satisfy **rational needs** or **utilitarian motives** to find an efficient solution to their problem.

### What influenced your purchase?



**Figure 1:** What influenced your purchase?

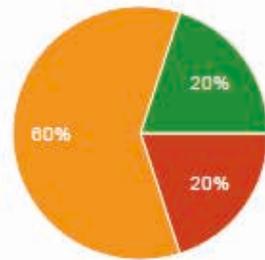
Once farmers have recognized a problem, they need to solve it seeking information. Information search is the process by which they survey their environment for appropriate data to make a reasonable decision.

The research information can be split in two different ways regarding the purchasing of a brand new tractor:

Firstly, farmers are businessmen who have a significant experience in buying tractors as they regularly change their machines and by consequence they have accumulated a huge stock of information and knowledge during their professional lives. When they have to buy a new tractor, they already know what type of tractor they should buy regarding the needs of their farm. Their judgment is based on their previous experiences with such product or brand and they trust their knowledge. Moreover, in the era of the social media and the mass information on the Web, they can keep informed reading about the recent launches that is why they prefer using their internal information.

However, farmers could need some external research when they need information about new technologies or specific details, 60% of them will always refer to the dealers who know these specifics information (*Diagram n°2*). Farmers confirmed that they have a trustful relationship with their dealer and would rather prefer their advices to the word of mouth. In our survey, anybody affirm paying attention to friend advices because farmers know that their needs are different to their friends' needs and it would not be efficient to copy the others.

**When you want to buy a tractor, how do you search information?**



|                  |   |      |
|------------------|---|------|
| Internet         | 0 | 0 %  |
| Special magazine | 1 | 20 % |
| Dealer           | 3 | 60 % |
| Fair and event   | 1 | 20 % |
| Ask to a friend  | 0 | 0 %  |

**Figure 2:** When you want to buy a tractor, how do you search information?

Much of the effort farmers put into a purchase decision occurs at the third step that is the *evaluation of alternatives*. Farmers will visit different dealers and then, they can choose a tractor from several alternatives. This phase may not be easy because they overflow with choices.

When farmers look at different tractors, they focus on one or two different features that respond to their specific needs and will completely ignore several others. Of course, every farmer has different evaluative criteria, for example Pierre Martin was very interested with technologies and comfort whereas others paid more attention to the power of the engine or the after sales service.

Then they will compare and try different tractors and focus on determinant attributes that are the features they actually use to differentiate among their options. If the dealer's offer doesn't fit with the determinant attributes, the farmers will reject the offer.

Logically, the next step is *the product choice* during which they assemble and evaluate the different options and choose one. In the case of a brand new tractor purchase, the decision rules that guide farmer's choices are really complicated and require a lot of attention and cognitive processing. They don't only buy a tractor for a specific price but, they also pay attention to the relation between the price and the after sales service as well as the relationship with the dealer. Last but not least, the *post purchase evaluation* closes the loop. It occurs when farmers experience the tractor, select and decide whether it meets their expectations. The farmer's reaction to a tractor after he has bought it is called the consumer satisfaction or dissatisfaction.

A farmer will be satisfied with his tractor if he has won some benefits related to the purchase of a new tractor compared to his old one and on the contrary, he will be dissatisfied if his previous tractor was better than the new one. During our

interview with Pierre Martin, he told us that he was plenty satisfied with his new brand tractor as it allows him to work faster and more efficiently. Moreover, the new tractor never broke down so he managed to reduce the cost of maintenance and he also noticed a reduction of petrol consumption.

The first part of our analysis was focused on the cognitive decision making process while a farmer buys a brand new tractor. However, we also notified that farmers used to make their decision according to their **habits**.

As Hague explained in 1987, brand name could be a result of inertia, which refers to purchases based on habits where customers buy a particular brand or product because they have already bought that specific one.

Farmers are familiar with that brand or product, satisfied with the performance, so the repeated purchase of that brand is perceived as the safe option which reduces the risks related to such an investment.

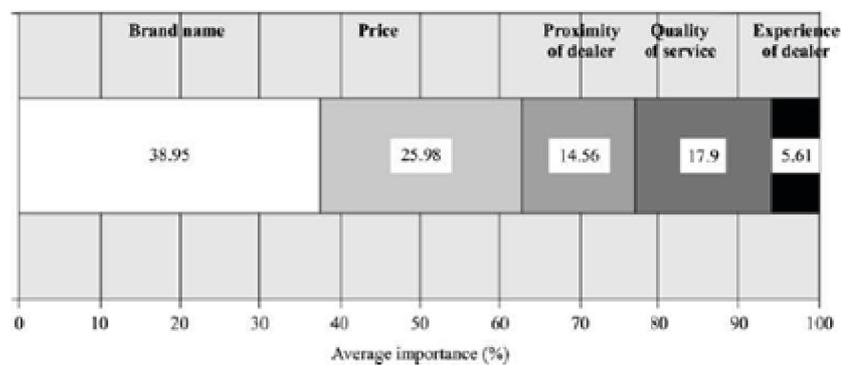
Closely related to the purchase of tractors on the basis of “inertia”, the risk reduction is generally believed to be a key factor in the purchase decision.

The bigger the investment is, the more important the perceived risk is as the farmers fear the negative consequences of choosing a non adapted tractor in function of their business needs. Farmers used to buy expensive and complicated tractors (more than 100.000€ sometimes), they need to be sure about their investment because it could trigger different types of perceived risks that can also play an important role in this assignment:

- Monetary risk: buying some expensive products such as tractors requires a big investment.
- Functional risk: even if a new tractor is supposed to improve productivity and incomes, there is always a risk in performing the function or meeting the needs because it could happen that customers don't get the desired profit improvement.
- Physical risk: some tractors buyers are interested in the tractor cabin comfort, and this is sometimes because they get quite tired of doing the same job with the same position every single day.
- Social risk: for those who are most insecure or sensitive, self-esteem and self-confidence play an essential role. As the purchase of a brand new car can reflect the social status of the driver, the same logic can be applied to the tractors as the brands can be separated between premium and standard brands.
- Psychological risk: those lacking self-respect often want to get some social status and sometimes prefer to pay more for a well-known branded product for the only reason of showing it off and not because of this better efficiency, but our cases' results aren't generally not about this sort of risk.

So, if farmers use a habitual decision making process buying the same brand, they try to reduce the risk regarding the purchase of a tractor. Both cognitive and habitual decision making processes have to be completed along with an affective process. In the last part of this work, we would like to highlight how important is the brand in the purchase decision-making.

**Affective decision-making** occurs when our emotional reactions determine how we react to a product or to a brand. To analyze how important is the brand when farmers choose a new tractor; we decided to confront our results to the theory of Keith Walley (*Journal of Business and Marketing Industry, The importance of brand in the purchase decision making: the case study of the UK tractor market*).



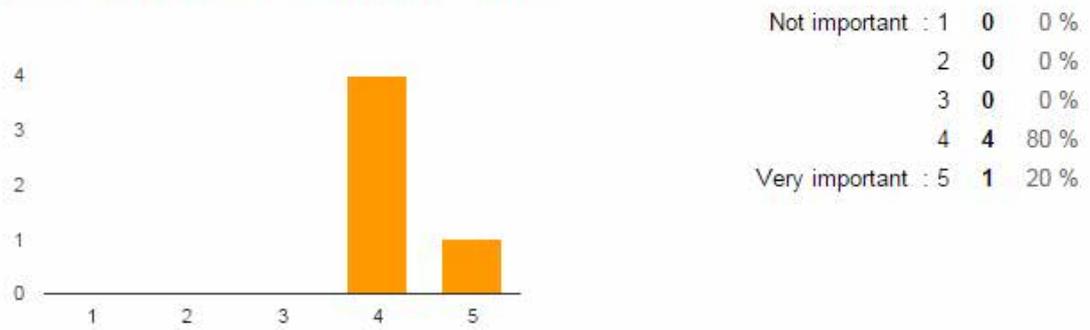
**Figure 3:** Overall important factors

According to Keith Walley, the brand name is the most important factor when purchasing a tractor as it accounts for almost 39% of the decision. This is significantly ahead of price, dealer proximity, and the quality of the dealer service that accounts for 25%, 15% and 17.9% of the decision. The buyer experience of the dealer only accounts for 5.6% of the decision (See *Diagram n°3*).

In relation with Keith Walley’ results, the answers received from our questionnaires confirm his hypothesis that the brand plays a significant role in the buying process.

All the farmers that participated in our questionnaire ranked the brand importance at 4 or 5 out of 5 while buying a tractor (See *Diagram n°4*). Pierre Martin, a French interviewed farmer confided to us that even if he compared several proposition from different dealers he “*knew from the beginning that I would have bought a Fendt tractor because I know and trust the brand...*”

### How important is the brand when you buy a tractor?



**Figure 4:** How important is the brand when you buy a tractor?

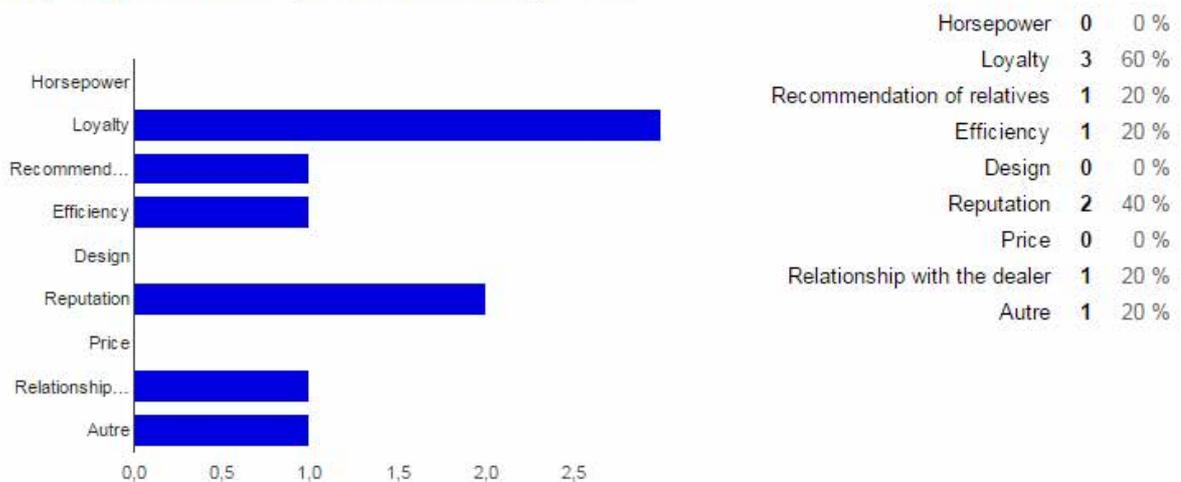
Most of the time, farmers have a connection with the brand (love mark) and they feel positive emotion when they purchase it. Farmers are driven by an affective decision making process because when they buy a well know brand tractor, the purchase allow them to be part of a social status or part of a group.

Even if the influence of their environments has not been notified by farmers in this survey (Figure n°2), Foxal explained in 1979 that “the farmer purchase decisions are also strongly influenced by a range of social and psychological factors, and there is a clear expectation about farmer’s desire for social status and prestige, exerting a considerable influence on their buying decisions”. So, farmer’s choices can also be influenced by leaders of opinion that sometimes pass information on new products to less or not as well-informed segments of the population.

Opinion leaders are anyone who has an active voice in a community, for example, friends’ buyers or their neighbors whose farms have similar characteristics and of course the tractors’ dealers. Buyers and users are active participants both at work and in their communities, and their social networks are large and well developed. The role of these opinion leaders is much bigger in nowadays society. We are now experiencing a social media revolution and even if this sector hasn’t been known for its close relationship with online technologies, farmers and agricultural workers are getting closer to the online information and accessibility and by this way to the online market and marketing, also because they don’t want to waste the chance of increasing their potential profits. This can be understood as an example of FOMO (Fear of Missing Out). As Michael Salomon states in Consumer Behavior (page 543), Internet makes opinion leaders even more powerful, and if the buyer is satisfied with his purchase and the brand is well liked and relevant, the media value along with the word-of-mouth referrals for the brand can be enormous.

Moreover, for 60% and 40% of the farmers, the loyalty and the reputation of the tractor brand influence their purchase decision-making (Diagram n°5). In fact, our research demonstrates that the farmers are loyal to a brand and also to the dealer as they used to buy the same tractor brand from the same dealer. The loyalty is most of the time due to the consumer's satisfaction with his previous tractor of the same brand, so farmers have confidence in the company, regarding the price and the quality of the products, and they think it can help them to reduce the perceived risk of their investment.

**Why did you choose the specific brand among tractors?**



**Figure 5:** Why did you choose the specific brand among tractors?

If the price is the second most important factor in Keith Waleey's article, 25% according to the Diagram n°1, it is not relevant in the result of our interview as anybody noticed it. In fact, farmers prefer paying a higher price in exchange for both good location of the dealership and the quality of the after sales service.

So, as Keith Walley explains in his article, the brand plays a main role in the purchase making decision regarding a tractor, far before the price or efficiency factors.

## Conclusion

Our study found that the purchase of a brand new tractor isn't a simple decision-making process for farmers. The complexity of the choice can be explained by the involvement of the farmers while buying a new tractor, as the selected product has to respond to precise needs and avoid different kind of risks.

While purchasing a tractor, a farmer goes through a combination of various decision-making processes. He or she will base the decision on a cognitive reflection following 5 steps (*problem recognition, information search, evaluation of alternatives, choice of product and post purchase evaluation*) but will also think in terms of habits if he buys the same tractor or brand that he used to purchase. Lastly, the brand loyalty and the reputation also play a main role in the purchase decision process which enters into the frame of an affective decision making process based on emotions and social status.

We have to admit that our study has to deal with some limits: first of all, we had to analyze the purchase of a tractor through the angle of the customer behavior but after some reflections, we think that an industrial purchase decision would be more applicable as farmers run before everything enterprises. Then, the results we drew might not be totally reliable as we based the analysis on few survey respondents. Moreover, the scope of the study wasn't limited to one country that makes us think that some uncontrolled external factors enter into account such as the culture or subcultures. The limitations mentioned above should be kept in mind when considering our results. Despite the biases, however we believe that we have made a step toward understanding the customer behavior and the factors that influence the decision-making process when purchasing a tractor.

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# To buy, or not to buy a new tractor

## – That is the question

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*Photo: Amanda Karlsson*

## Introduction

What goes through a person's mind when making a possible life changing investment?

When it comes to a farmer buying a new tractor, there are several factors that influence the decision. Some farmers are affected by trends, others consider the functionality and some have the main focus on the price.

The aim of this chapter is to examine and understand how farmers think in the decision making process regarding the purchase of a new tractor. We want to understand the underlying factors of the buying process, how they evaluate the information and finally why they chose one tractor brand and model over another. The chapter will be written with consumer behavior as an angle of incidence and the collected data will be analyzed with marketing models.

*“Why did you buy your tractor?”*

## Method

The group chose to perform a qualitative research to achieve an in-depth and detailed study. The research consisted of interviews and field studies. Five farmers were contacted, both known and unknown to the group members, and asked if they would like to participate in an interview.

While discussing which farmers to base our study up on, the group decided that variety was important. The mission was to include all types of farmers in different regions, ages and sizes of the farms to get an overall perspective on Swedish farmers buying behavior and not only a result for a specific group. Two of the farmers were located in Östergötland and the group had the privilege to do a field study at their respective farm. By making a field study the group got a better view of their business and a deeper understanding of their consuming behavior. One farmer was a student at Linköping University and we were able to have personal meeting with him. The two remaining farmers were located far away from Linköping and due to time restrictions the group chose to conduct these interviews via mail and telephone.

All of the interviews were semi-structured. The group prepared a question formula in advance but also asked supplementary questions outside the question frame. By choosing this type of interview the group could get a better understanding of what goes through a farmer's mind in the process of buying a new tractor.

### *Source criticism*

When interviewing, the group found it advantageous to do it in person since there is an opportunity to explain the questions and ask follow up questions when needed. Two of the study's participants were located in the south of Sweden and we performed the interview over the phone and complemented with emails. This might have lead to less accurate answers since the risk for misunderstanding was greater and the answers were not as carefully thought through.

Interviews have a risk of giving a misleading result due to the fact that a person might not want share the whole truth but also by a person's lack of self-perception. If these two factors exist during the interviews, it can have a major impact on the final results, especially considering the small size of this study.

## Case Presentations

### *Case 1*

Name: Per Christersen

Age: 50 years

Location: Alfahills Gård, Asmundstorp, Skåne

Size of the farm: 1200 hectares

Main business: Vegetables, forage, different crops and seeds

Per started his large scale farming in 1996 after years of experience from working on farms abroad. With a farm of 1200 hectares he grows different kinds of crops and seeds to spread the risk when harvesting. Per also tries to predict trends in the market and choose to grow the crop that makes the highest profit.

With a farm of this size, owning several tractors is a necessity. On the farm there are tractors of different sizes and power. The newest tractor costed 3 200 000 SEK in 2014 and was a John Deere 8360R. The purchase was made through a local reseller, who almost exclusively trades with John Deere and therefore many of the tractors that Per owns are John Deere. Per and his partner look at every purchase as unique. Even though they have a relatively close relationship with their local reseller, they always look at opportunities in the market and are not hesitant to import tractors from example Romania, Poland and England if the price is better there. Although buying from his local reseller provides service and expertise, a lot of calculations are made on what the cost per hour would be, which in most cases are more important than special service. Over the years they have grown fond of John Deere tractors as these tractors have a special GPS system that facilitate the everyday work for the drivers while saving time and fuel. Otherwise the price to value relationship is the major factor and Per always looks for a tractor that can make the work it is designated to do, but nothing extra.

They also take a conscious risk when buying a new tractor as they invest in a new one after it has been used for over 10 000 hours. This leads to a potential large repair cost that could have been avoided if they invested in a new one more frequently, but on the other hand they do not need to buy a new tractor every other year.

Per and his partner also trade with used agricultural machines as a side business. Per is a skilled businessman and as tractors are on demand on the second hand market, it is an important extra income to increase the otherwise small margins in the farming industry. They try to keep up to date on the market by visiting fairs and continuously searching for information through different channels.

## *Case 2*

Name: Farmer X (what to be anonymous)

Age: 54 years

Location: Östergötland

Size of the farm: 100 hectares

Main business: Forestry, sawmill and forage cultivation



*Photo: Amanda Karlsson*

The farm of Farmer X has been in the family since 1928 when his grandfather purchased the property. Farmer X took over the farm from his dad in 1990 and soon after the purchase he decided to sell his parents livestock and instead focus on the forestry. Recent years, Farmer X has the farming and the wood work as a part time job due to his low profitability. Nowadays, his work duties mainly consists of felling timbers on areas of his almost 100 hectares forest, producing wood chip and wooden planks as well as planting new trees.

When Farmer X was active as a full time farmer he bought a new tractor every third year. Since he only has the farming as a part time occupation, he does not feel the need to have the newest technology and he has not bought a new tractor

since 2005. This tractor is from the brand Ferguson and at the time of the purchase the price was 310 000 SEK. Farmer X chose this particular brand because it offered the possibility to turn the chair, had a good driver's compartment with extra space for an additional chair. Another factor was that this specific tractor had good protection and is made of strong metal that is suitable for the rough conditions in the forest.



*Photo: Amanda Karlsson*

The buying process was simple according to Farmer X. He often talks to other farmers and people with interest in tractors which means that he is always updated regarding models and the features of different brands. Farmer X knew several different resellers in the area but despite this fact he kept returning to only one. This reseller was the one that kept initiating the contact every other year when he thought it was time for Farmer X to update to a new tractor. They have over the years built a strong and trustworthy relationship. He could have bought a cheaper tractor from another brand that is not as well known but he thought the quality was more important than the price. Another crucial factor was that the reseller could serve the tractor in the nearby village where he has his business.

### *Case 3*

Name: Farmer Y

Age: 47 years

Location: Östergötland

Size of the farm: 230 hectares

Main business: Meat industry and forage cultivation



*Photo: Amanda Karlsson*

Like most farmers these days Farmer Y inherited the farm that had been in the family for generations. He has been working at the farm since 1990 but took over the business in 2003 and is now working and living with his own family at the farm.

Considering the size of the farm, Farmer Y needs strong and advanced tractors to be able to manage his job duties. He owns several tractors but mainly uses three of them for the daily work. He purchased his latest tractor in 2013 since the farm was expanding and the older tractors did not meet the requirements anymore. The tractor he chose was a Valtra Valmet N142D and when he made the purchase it cost 500 000 SEK. There were many reasons why Farmer Y chose this brand. The brand Valtra had been used for many years in the Aktner family and it has become a tradition to buy these tractors. As Farmer Y previously worked with repairing tractors it is convenient for him to have tractors of the same brand. This because he can use spare parts from his tractors which both increases the machine's life length and saves money for repair costs. Another reason for buying this specific tractor, Valtra Valmet N142D, was the functions of the TwinTrac, which means that you can turn the seat around and drive in reverse. According to Farmer Y, a tractor with TwinTrac saves time and reduces the fuel cost. It also makes the work in the tractor more comfortable which is important since the driver spends long hours in the tractor everyday. The price also had an impact on the decision. The demand for Valtra is not as high as for many other competitors such as John Deere. This results in a lower price for the Valtra while you get similar qualities as you would get when buying a more popular brand. Farmer Y means that the tractor business is influenced by different trends and status among the farmers.



*Photo: Amanda Karlsson*

Before deciding which tractor to buy, Farmer Y had done a lot of research on the Internet in order to gather information about the technical features of different tractors. He also has a big interest in tractors and therefore he always stays up to date regarding news on the market. Farmer Y also visits agriculture fairs to expand his knowledge about new products. After his own research, he went to a reseller in the area that had the brand he wanted. He then test-drove four different models before deciding which one fulfilled all his requirements.

#### *Case 4*

Name: Hugo Persson

Age: 22 years

Location: Palmagården, Båstad, Skåne

Size of the farm: 50 hectares

Main business: Potato cultivation and meat industry

Hugo is a relatively young farmer who took over and expanded his father's business in 2011. The farm business was not his father's main income but Hugo had a big interest in agriculture and he became a full time farmer when he took over.

Hugo recently purchased a new tractor, a Massey Ferguson 5612 to the price of 560 000 SEK, that will be delivered in three weeks. The tractor is a so called "loading tractor" and it is small and easy to use in comparison with other brands which was the main reason why Hugo bought this particular tractor. The tractor also had a relatively low price and that was a crucial factor since the farm is rather small and he is still in the startup phase. Hugo bought the tractor from Maskingruppen in Ängelholm and he chose to buy a new one because of the guarantee and the fact that a new tractor has cheaper machine insurance. In this way, Hugo can avoid expensive repair costs. Hugo approximately buys a new tractor every four years.

Before purchasing a new tractor, Hugo asks for advice from friends and makes research on the Internet, but he mostly relies on the reseller's expertise. Because of Hugo's young age, he has not yet built a strong relationship with a specific reseller.

However, Hugo frequently received mails from Maskingruppen in Ängelholm, which he read and appreciated since he has an interest for tractors. When making the purchase Hugo said that he mainly chose to buy his tractor from Maskingruppen because of the fact that it is located nearby Hugo's farm, his friends had bought their tractors there, and he often received mails from Maskingruppen which encouraged him to buy from this reseller.

### *Case 5*

Name: Johan Nyemad

Age: 24 years

Location: Lalleryd, Jönköping, Småland

Size of the farm: 70 hectares

Main business: Egg production, grains and vegetables



*Photo: Amanda Karlsson*

Johan grew up on the farm that has been in the family for generations. He started helping out at the farm at the early age of 14, but is now taking a break to study at Linköpings University. The family farm has hens, horses, 10 hectares of forest and 60 hectares of cropland. To be able to handle the daily work at the farm the family is in need of tractors with different functions and sizes.

Five years ago the family invested in a new tractor of the model New Holland T7070 to the price of 750 000 SEK. There were different reasons why they de-

cided to purchase this specific model. The price was a crucial factor and the New Holland offered both good quality and all the functions that their farm required, to a better price than many of the competitors. Johan explained that the decision had nothing to do with status or traditions, they have had many different brands on the farm, instead it was all about functionality.

Johan and his family decided to buy the new tractor in 2011 since their previous tractor of the brand John Deere was not powerful enough to handle all the daily work at the farm anymore. They contacted a local reseller that they had bought most of their previous tractors from and booked a meeting. They had a close business relationship and the salesmen were trustworthy since the previous purchases had been successful. Johan also did some research on his own on the Internet and knew which extra features the new tractor needed. They specified these feature requirements for the reseller who came up with a few suggestions of tractor models that would fit their needs. After the meeting the family contacted friends, who also owned farms and tractors, for their advice before making a final decision. They ended up deciding to buy the New Holland T7070 since they thought this model had a good price, the right features and their friends recommended the brand.

## Analysis

The analysis section will be structured with the Buying Decision Process (Solomon, 2015) as a framework. The reason for this is that the model covers the process of a purchase from start to finish, and can explain what factors affected the farmers buying decision. To reach a more in depth analysis and to complement the framework model, several different marketing models are used on the different cases to question and to reach an explanation of the main question; *Why did you buy your tractor?*



### *Problem Recognition*

The first step in the *buying decision process* is recognizing a *need to solve a problem*, in this case a *need* of a new tractor. One reason can be that the previous

tractor does not have all the required functions or simply because it is too old. This was the case for almost every farmer that was interviewed, they contacted their resellers when a need was recognized. One exception was Farmer X's case where the process was the other way around as it was the reseller who contacted him and informed that he was in *need* of a new tractor. Since his farm is rather small and it is only a side business, it should be questioned if Farmer X actually was in need of a new tractor every third year or if it was the reseller who made the purchases more frequent. Farmer X case indicates that the reseller has a great impact on the buying decision process. The reseller is in a position of power where he has the upper hand on knowledge accompanied with a close relationship with Farmer X. Therefore it can be argued if relationship marketing can nullify the two first steps in this model or at least speeding up the buying decision process. This is because the buyer does not himself recognize the need, and also as that the majority of research is made through the reseller. Relationship marketing can only be effective if the buyer have trust both in the resellers expertise and trust that he acts in the buyer's best interest.

According to Solomon (2015) *motivation* refers to the process that affect people to behave in a specific manner. It occurs when a need is aroused that the consumer wishes to satisfy. This need may be *utilitarian*, meaning a desire to achieve some functional or practical benefit, or *hedonic* meaning an experiential need, involving emotional responses or fantasies. For all farmers the need for a new tractor was utilitarian since it helped them manage the practical daily work. In Farmer Y's case the decision to buy a tractor of the brand Valtra was also a hedonic need since it was a tradition in the family. This means that the choice of a new tractor is not always rational and other external factors can affect the purchase. Through the case studies the group discovered the importance to identify the unique needs of every customer to be able to motivate their purchases.

### *Information search*

After the need recognition, the *search for information* begins (Solomon, 2015). Through our field studies and interviews, we learned that most farmers are up to date with the latest tractor models by regularly searching the Internet, discussing with friends and participate in different tractor events. In most cases the farmers contacted a reseller when they had a need for an upgraded tractor to receive information. Since the majority of the farmers have basic knowledge about tractors, they know what functions and specifications their new tractor would require. Therefore the farmers conducted their searches on Internet based on their desired requirements. According to the model about "*Relationship between amount of information search and product knowledge*" (Salomon, 2015), the farmers who have an average amount of knowledge will conduct the most research. After analyzing our interviews and field studies, this theory does not seem to be applicable on some of the cases. Both Farmer Y and Per have a great product knowledge of tractors, with Per having a side business buying and selling tractors and Farmer

Y who has been working with repairing tractors. From our cases Per and Farmer Y can be seen as almost experts, and that would mean that they would do less research than for example Hugo, Farmer X and Johan who has more of an average knowledge and according to the model would do the most research. On the contrary, Per and Farmer Y still made the same or even more research than the other farmers before a purchase. Therefore this model is not applicable and there is rather a pattern between increasing research with more knowledge.

Solomon (2015) describes *social power* as the ability to make someone do something regardless if the person initially wanted to do it or not. A person can exert different powers over people and when studying the different cases, information power was recognized. By exerting information power a reseller can influence a buyer's decision with their knowledge. Farmer Y and Farmer X both rely and trust their resellers' advice, which gives the reseller power to lead them into the direction of which products to buy. One difference between the two farmers is that Farmer Y has more knowledge about tractors and therefore he is not as influenced by his reseller's advice. The more knowledge a farmer has, less power the reseller has to influence. This assumption is also confirmed when analyzing Per's level of knowledge.

In other businesses there is often a large gap in knowledge between resellers and customers, which gives the reseller an opportunity to influence the customer to buy a certain product. It is not unusual for farmers to have the same level of expertise as their resellers since they often have a genuine interest and search information on their own. This means that resellers have to rely on other strategies than only expertise to attract customers and stand out from their competitors. These strategies could for example be creating close relationships and provide good service, which can be seen in Farmer Y's case.

### *Evaluation of Alternatives and Product Choice*

The farmers that were interviewed had contact with a local reseller who provided them with feedback and complementary information. When *evaluating* the alternatives many farmers discussed with their farming neighbors or friends who also had farms to get opinions about the specific brand and model. Most important factors were the price, functionality and service opportunities.

*Word-of-mouth* is information that is transferred from one person to another by oral communication (Solomon, 2015). It is often transmitted from people we know and trust and it is commonly perceived as more reliable than the messages you receive from formal advertising. Before Farmer X, Johan, Hugo and Farmer Y made their purchases they asked for opinions from friends, which is an example of word-of-mouth. Conversations with friends give the consumer an opportunity to generate supporting arguments for the decision to purchase a product. For example, Johan and Hugo asked for advice and information from friends but before they made their final decisions they tested several different

tractors to confirm that their expectations were met. Word-of-mouth is especially powerful when the consumer is relatively unfamiliar with the product category (Solomon, 2015), but since most farmers have an interest and knowledge about tractors, word-of-mouth is not crucial in their final decision making.

According to the research, most resellers use catalogues, mailings and other direct communications, to attain new and existing customers with information about tractors that are available on the market. This type of marketing is called **direct marketing** and focuses on customer data (marketing-schools.org, 2016). Since all of the farmers have registered businesses, it is an easy way for the reseller to find their target customers by accessing different farming databases. The interviewed farmers all appreciated this kind of direct marketing, and read the information they received. The result from this study proves that direct marketing is an effective strategy to use when selling tractors. The main reason why this method works so well in this case is because the farmers have a genuine interest and therefore take in the information at a larger extent than if there was not an interest. Even though this advertisement might not lead to a direct purchase, it will have an impact on future buying decisions and can create a motivation to an unintended purchase. The interview with Hugo was a great example of how direct marketing can influence a buying decision. He often received mails from his reseller Maskingruppen about new tractors and according to Hugo this affected his choice of both reseller and tractor model.

**Relationship marketing** is about improving customer interaction in order to make the customer loyal to the brand. If the reseller can create trust and build a strong relationship with the customer it is likely that the customer will return (Rouse, 2016). An example of this is Farmer X who trusted his reseller and has had a long relationship with him and has bought several tractors from this reseller. The reseller knew Farmer X's buying behavior and called him when he thought he could be interested in buying a new tractor. Since Farmer X trusted the reseller he was easily convinced and chose the tractor that the reseller thought was the best for Farmer X. According to Taylor and Baker (1994), many studies prove that service quality and a satisfied customer lead to purchase intentions.

### **Postpurchase Evaluation**

The last step of the buying decision process is to evaluate if the purchase meet the expectations. According to the article "Motivation, Cognition, Learning - Basic Factors in Consumer Behavior" (James A. Bayton, 1958) human behavior can be grouped into three categories: motivation, cognition and learning. Motivation is as previously mentioned what drives and initiate a certain behavior, cognition is the process of analyzing information and making a decision and learning refers to the changes in behavior after the first two phases. When going through the learning phase the farmers first recognizes if the initial need was gratified or not. If the purchase of a specific brand yields a high level of gratification the customer tends to buy the same brand again when the need occurs. If this rein-

forcement continues this buying behavior becomes a habit (James A. Bayton, 1958). Two farmers that have reached the habit phase is Farmer Y and Farmer X. Farmer Y has been really pleased with the brand Valtra Valmet and it has fulfilled his needs which has resulted in the habit of buying a Valtra. Furthermore, Farmer X has bought different brands, but always from the same reseller. This is also an example of a habit since Farmer X has developed a good relationship with the reseller who reminded Farmer X of his need and then gratified it. A reason why all the interviewed farmers were overall satisfied with their tractors could be because of the long purchase process of an average 6 months. The process includes both test-driving different tractors and overall thorough research. This minimizes the risk of being dissatisfied with their purchase.

## Conclusion

The aim of this report was to answer the question “*Why did you buy YOUR tractor?*”.

This study has come to the conclusion that every case is unique but an overall factor that was applicable for all five farmers was that relationship with the reseller is significant. For some farmers it was the deciding factor but for others it was a smaller part of the decision making. A close relationship between the reseller and customer builds trust and loyalty. If the buyer recognizes that the reseller has the two attributes of being loyal and trustworthy they tend to purchase from this reseller. Farmers primarily have an utilitarian and practical need, but hedonic factors can also affect a purchase behavior.

Even though resellers' expertise is important it is often aligned with the farmers knowledge. This results in that the reseller has to find other ways to convince the customer and offer factors that the farmers find more valuable. It can for example be reparation and service, a good price-value relationship, frequent information in form of direct marketing and a convenient location of the reseller. When evaluating different options the farmers used word-of-mouth. They took their friends opinions into consideration but their final decision was made from their own expertise.

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# Appendix

## Interview questions

### INTRODUCTION

- Name
- Age
- Location
- Size of the farm
- How long have you been in the farmer business?
- What is the main business at your farm?
- What are you producing?

### TRACTOR QUESTIONS

- Why did they you to invest your money in a tractor instead of something else?
- Why did you choose the specific brand among tractors?
- How did you research and did you consider the environment when buying your tractor?
- What is special with the tractor brand chosen (according to you)?
- What do they say about the value-price relation?
- (Could you have chosen another one for a lower price?)
- How, in short, did the buying process occur?
- How often do you invest in a new tractor?
- What happens to old tractor when you buy a new one?

# Cases from Switzerland, Germany and Sweden

*Camille Clerc, Ina Annick Schall, Olof Persson and Martial Müller (Team A6)*

## Introduction

The customers are at the heart of the reflections and decisions made by companies regarding their marketing actions. In order to provide appropriate products and services, companies must understand the customers' needs and the main reasons that lead them to buy something, impulsively and rationally.

The customer's behaviour in the buying process often differs according to the product or service itself: the buying process is even more complex when it comes to a purchase that has to be carefully thought and requires time and money investment. The reason why companies must adapt their marketing strategies for this kind of purchase is to meet the customers' needs and expectations and also to strengthen their decision of buying such an important good/service.

In order to understand the customers' needs and buying process for important investments, we chose to focus on farmers and their tractors. Tractors are most of the time vital for the farmers' activities and represent an important financial investment. This study will also enable us to discover the main marketing strategies that companies use to seduce the customers and win their loyalty.

## The method

### *The questionnaire*

Our work for this report was divided in several steps. First of all, we met in order to agree about the questions we would submit to the farmers. We selected some general themes and questions, but every member of the group was allowed to ad-

just the questions or add new ones according to the conversation`s turn. These are the themes and questions we broached for our interviews:

*Theme 1: The reason of the purchase*

- Why did you decide to buy a new tractor?
- In which field of business do you use your tractor the most?

*Theme 2: The before-buying reflection*

- For how long have you been considering of buying a new vehicle before the actual purchase?
- How did you get the information about which tractor you should buy? (on your own, word-of-mouth...?)

*Theme 3: The product selection*

- Why did you choose this specific brand? What were your alternatives?
- What differentiates this brand from others?
- Why did you choose this tractor in particular? (size, efficiency...)

How did you proceed to buy this truck? (supplier contact, money investment...)

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*Theme 4: Post purchase process*

- Does the supplier provide after-sales services? Do you feel taken into consideration by the supplier? Do you still feel that the supplier cares about you as a customer after the purchase?
- Would you buy other products of this brand again?
- Now that you`re using the vehicle, what do you think of the real price/value relation of your purchase?

Each of the following interviews started with a short presentation of the farmer himself, his activities, his agricultural field, the size of his farm and a picture of the vehicle.

### *The interviews*

Each member of our group used their own method to reach a farmer for an interview. Some of us had personal contacts in the farming field, such as for the Swiss farmer in Tessin, but the rest did not. We tried to reach farmers by contacting farmers` cooperatives and tractors` suppliers, but with no success. So we decided to use a different approach, using the social media and online press articles.

In fact, to reach the German farmer, we contacted him through Facebook. This farmer was famous after his participation in the TV Show “Bauer sucht Frau” (which means “Farmer Wants a Wife”) and we found his Facebook account. The approach actually worked, and we were able to get the phone interview a few days after he responded on the social media.

For our third interview, we searched on the internet for a farmer -or a farmers' cooperative, that recently made the acquisition of a new tractor. After days of research, we finally found a Swedish company that works in the forest industry that had published an article about its purchase of a new tractor for its activities. We contacted the director by phone and he answered our mail after one week of a follow-up calls.

The fourth interview was conducted with a French farmer. Although the tractor was not bought recently, it was interesting to compare this buying-decision process with more recent purchases.

### *The reflections*

After gathering all the results from the interviews', we worked on the main similarities and differences between each of them. We worked on spotting the usual buying process: from the need recognition and information search to the product choice and the purchase outcomes. We were also looking forward to link the theories we studied during class with our outcomes.

## The cases

### *The wine farmers' special needs (Switzerland)*

#### *Presentation*

Switzerland is a small country with around eight million inhabitants, still there are four different official languages spoken. Beat Bachmann has step by step quit his job as a trustee in the German part and become a wine farmer at his second residence in Sessa (Tessin), which is in the Italian part. Over more than the last decade he has turned his land, that was mostly wooded into a wine industry by himself and time wise in company of friends.



About four years ago, in order to meet his needs, he decided to sell his old Ford tractor and bought a new one: The Antonio Carraro SRH 9800, a tractor that is

specially made for the wine industry. The main advantages about this tractor are not only its sliminess (about one meter) but also its swivelling cabin and ability of transporting heavy gears. Regarding to these features, Mr Bachmann has never regretted his purchase. According to the farmer the buying process was quite long, but after searching the Internet and visiting some trade shows he finally purchased the vehicle. It was not really the width of his mind set but more the decision if he would buy a new tractor at all, what made the process so long. Because with Ferrari and Antonio Carraro are quite a few brands to match his special needs. Finally, it was the emotional attraction and the provided service, which made him buy this object. In addition to the purchase, he made a deal with a wine farmer nearby accomplishing him some needs that are easier to handle with the new tractor.

### *Trade-off between pros and initial costs*

In general, there is one crucial issue about buying a new good like a car. Money! Although the high costs of this tractor is objectively justified being a niche product, this topic is important. The added value has to be valued higher than the paid cash. The efficiency and effectiveness of the vehicle were the decisive criteria, but the fun of working with this machine may have led him to his sacred purchase. According to Solomon (2015) there is a monetary and a functional risk. We think, the decision between buying a new or a used tractor, matches with the trade-off between monetary risk and functional safety. The additional service and guaranty added to the longer live time are pros for purchasing a new object. Valuing the functional safety took Mr Bachmann to the step to purchase the new tractor.

### *Objective and emotional level*

According to the provided information, Mr Bachmanns purchase was with high involvement and predominantly cognitive. It was mostly rational mixed with some emotional elements attached to brand and family issues.

The design of a product is a key driver of its success or failure. In our opinion Mr Bachmann scanned the market in first place, in order to identify products that could meet his goals. Afterwards, he looked for the brand that would offer him the best price-value-relation. However, the values that are defined in a customer's mind are not always objective. Actually, he told us to have some kind of history with this brand, so we can undeniably claim that a subjective/emotional aspect has also been involved. This hedonic value in addition to the functional value may have affected his purchase. Moreover, was family one of the big sales points. His son, who has also been working at the wine farm ever since he was a young boy, was really into the Antonio Carraro SRH 9800. Thus, his son's preference for this model also strengthened his decision to invest the money in that tractor. This

shows that the buyer and user is not always the only decision-maker for a purchase. The buyer and/or user is often influenced by others' speeches. A family member or a friend may become an opinion leader and really influence the buyer's decision. The hedonic needs of your closest ones may affect your acting.

#### *Product quality and cultural issues*

Southern Switzerland and especially Italy are known for a good food culture. In addition to a tasty dinner there is a need for excellent local wine. In order to provide the best products, you may also need the best and smartest machines, which increase the products quality. Solomon (2015) refers to the special brand personality of the produced wines. An outstanding wine is an extremely complex good which has different characteristics. High quality wine has to be produced with the best standards and is affected by every part of the value chain. In order to be consistent, the most suitable machine is needed. It also needs to fit with the regional Swiss-Italian culture. The Italian tractor fits in this pattern.

#### *DJ N'Farmer Gunther Höfler from Germany*

##### *From passion to his profession as a pig farmer*

The German pig farmer Gunther Höfler is one of the most popular farmers in Germany because he took part in the German TV series 'Bauer sucht Frau' (Farmer Needs a Wife) in 2014. The 31-years-old farmer lives with his mother, two sisters, 1500 pigs, four horses and one dog in the German region Franconia in Bavaria. He owns approximately 65 hectares of pasture land and acreage plus approximately 13 hectares' forest. His full-time job is actually being a pig breeder with 150 mother sows and he gets help from his family and friends for it. Besides his farming activity he earns additional money with his own security service 'R&H Sicherheit GmbH', his construction company and with his free time job as a DJ in nightclubs.



*The purchase*

The farmer decided to buy three different tractors, each of them has a different size and is used for a specific work. These are used to complete work in the fields - particularly for harvest like corn and other grains and pig feed - and transportation.

In 2011 and 2012 the farmer Gunther bought two new tractors of the brand Claas because he needed more powerful tractors with reliable quality. The brands Fendt, John Deere and Claas are the most popular tractor brands in Germany. Farmer Gunther confirmed, that these brands go along with the German philosophy of quality. Important factors for the purchase were that the price-performance ratio agreed with Claas and that there is a service partner with a workshop close to his farm.

#### *The decision-process*

His purchase decision depended on the following factors: local service workshops, good price-performance ratio, reliability and quality. Another major factor was to have a bigger, more powerful tractor than the other farmers in his area. We can clearly see the importance of the social status here: farmers compare each other's' tractors and, as for the cars, the vehicle represents what you can afford. Furthermore, buying new and high-quality products meant a lot to the farmer because he is really committed to his work and enjoys having the last fashionable product.

Five years ago he was informed by his service partner that there was a cheap demonstration model of Claas Arion was available. Right after he went to that suppliers' exhibition, tested that tractor and decided to buy it with a 70 000 € loan at zero percent interest rate. This specific model has an output up to approximately 140 horsepower and was needed for minimal tillage.

He went through the same process to buy the second tractor, a bigger and more powerful one: Claas Axion 820, with an engine generating approximately 200 horsepower. The price was nearly the same and he bought it with a 0 percent interest rate as well.

The price played also an important role in the farmers' decision: it was very important for him to make a deal. This is why he waited for his service partner to inform him about demonstration tractors' selling.

Since he bought the new tractors, he posted a lot of videos on social media (Facebook) to show friends and other farmers his new purchases and the tractors' performances. For example, in one video, we see the farmer driving the tractor really fast through his field just to prove the tractor's engine power.

After a few years passed the young farmer is still convinced to have made the right choice. However, he would have bought a Fendt instead if he would have limitless money, due to the high resale value.

### *A company in the forest industry (Sweden)*

#### *Background information*

Rimforsa Skog AB started as a family business to maintain the family's own forest property. Their business is located in the southern part of Östergötland called Kisa. Kisa and its surroundings have been a dynamic region for forestry through the history. The landscape mainly consists of spruce and pine. Timbers from these two types of wooden species are what dominate the Swedish commercial production of wooden products. The local sawmill in Kisa is one of the leading production units in the southern part of Sweden. They are focused on wooden joists, tongue-and-groove boards and panels with a production of 200.000 m<sup>3</sup> per year. Timbers that are being used in the production come from the area nearby.



Rimforsa Skog AB offers different services within the area of the forest industry. Their work ranges from advisory services of silviculture to building new roads for transportation of timber. As their operations have expanded to different fields of forestry they have also invested in new machines. In autumn 2015 Rimforsa Skog AB decided to buy a new tractor. They invested in a tractor from the producer of Valtra, which is the market leading brand in Scandinavia. Since Rimforsa Skog AB doesn't have any special opinion about the brand Valtra we conclude that there was no brand loyalty involved in the buying decision. Solomon (2015) explains that brand loyalty as a bond between product and consumer that is hard for other companies to break.

The reason for buying a new tractor was according the company simply to replace the old one. Solomon (2015) describes the cognitive decision-making process where the first step is problem recognition. We don't have all that details regarding their old tractor. But even if there were nothing mechanically wrong

with that machine it was not serving the needs for the company's operations. The new Valtra T203 tractor is primarily going to be used for snow clearance and maintenance of roads.

#### *The buying process*

After gathering information about different alternatives it was only Valtra T203 and a John Deere 6150R left in the decision making. Rimforska Skog AB evaluated the Valtra T203 and the John Deere 6150R more or less equally. But the cabin of the Valtra was perceived with a higher quality comparing to the John Deere. The visibility from the cabin close to the tractor was also better in the Valtra.

Since they are an experienced company it was no need for suggestions about which criteria to use as determinant attributes. Suggestions to educate consumer is usually very common in decision making of an investment Solomon (2015). The company contacted vendors from both of the tractor manufacturers. At the forestry fair, Elmia Wood, the company's representatives could get a closer look at the machines. Solomon (2015) clarifies the meaning of getting close to a product before buying it. Factors such as the feeling and the colors can be important when evaluating different options. The experience at Elmia Wood made it easier to understand which machine that fitted best for the company's needs. Receiving price offers and doing some test driving the buying process was going to come to an end. Some price discussion during a week was necessary to close the purchase order.

There will be no heavy use of the new tractor. In total the company has six machines for their different operations. Total working hours for those machines is estimated to be something between 2700 - 3600 hours per year. That means that the value of the tractor, to some extent, will be preserved according to the company. The preserved value is planned to compensate the low revenues.

### *Use of a tractor for milk production (French)*

#### *Background information*

Antoine Claassen lives in Le Plessy Saint Opportune in the North of France and has worked as a farmer for 40 years. He has a cattle breeding of 60 cows, which makes him producing 360 000 liters of milk per year, in addition to his production of wheat, peas, linen and sugar beets. His field size is about 120 hectares. His company, EARL CTOON, thrives and Mr Claassen's activity is enough to make his living.

#### *The buying-process 20 years ago*

Mr Claassen uses only one tractor to maintain his field, that he bought in 1995: Renault Ares 630 RZ. Since the production of grains is not his main activity

(which is milk production) he doesn't need a very efficient vehicle. The Renault Ares 630 RZ has only 120 horsepowers but at the time of the purchase, Renault was one of the most well-known brands and he knew he would get a good price/quality value. The main reason he chose this brand, was because he felt close to the supplier. Renault is a French brand and he enjoyed the idea of buying a French product. Furthermore, Renault maintains its customers' loyalty very well. Moreover, Mr Claassen was also influenced by his friends: the other farmers around him also used vehicles from Renault and he took that also into consideration. We can clearly see the group influence in this buying process, as much as the familiarity with the brand.



### *Comparison from then to nowadays*

The main difference between the previous interviews and this one, is that Mr Claassen didn't have the same means of communication that he could have used to get information about the tractor nowadays. In 1995, you could only get information through the supplier himself, and through other members of the profession. Now, it's easier for other farmers to search and compare different tractor brands thanks to mass advertising, internet, forums and direct marketing.

## Analysis

During these interviews, we noticed that the consumers' behaviours are often similar and follows the stages in consumer decision making defined by Solomon in Consumer's Behavior, published in 2015 (Diagram 1).

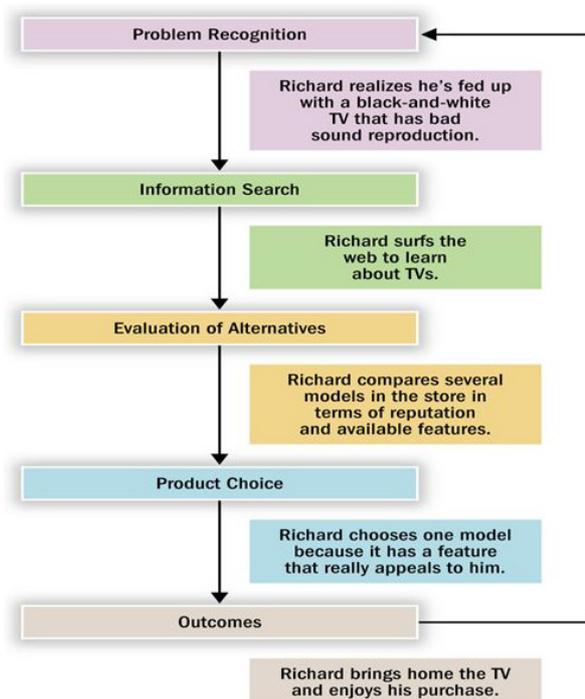


Diagram 2: Stages in consumer decision making (Solomon, *Consumer's Behavior*, 2015)



## *Problem recognition*

Above everything, the farmer needs to know why he needs to buy a new tractor. Is the old one not working anymore? Is the old one not efficient enough? Does the old one not meet the needs of the activity? Or more simply, the farmer may just start his agricultural activity and wants to buy his first tractor.

Every farmer has to define their needs: the main reason they want to buy this vehicle for. Most of the time, the purchase of a tractor is likened to the first need of the Maslow's hierarchy of needs (Abraham Maslow, *A Theory of Human Motivation*, 1943), which is the Physiological Need. Many farmers buy a tractor because they *need* it for their production: The tractor plays a key role in a farmer's business. Even if, for some farmers, the agricultural activity isn't profitable enough for a living, a tractor remains a vital tool for the production.



## *Information search*

The farmer is now determined to buy a tractor; he needs to know which one to buy. For this step, the approach may differ from one person to another. Farmers can get information about the models, the brand and the suppliers from the in-

ternet nowadays. The suppliers' websites, forums, blogs etc. everything is more convenient, and farmers are now easily and quickly informed. Suppliers also use a lot of event communication: they organize events, fairs or exhibitions in which they can present their products but also be in contact with the customers. That's a good way for the customer to see and test the vehicle, to get information directly from the supplier and eventually negotiate the price. Building a good relationship with the customer is vital for the supplier: he can win the customer's loyalty and promote his brand image by using word-of-mouth.

Customers can also get information from newsletters, emails and documentation sent by the suppliers themselves (direct marketing). Finally, some farmers go directly to the suppliers' sales-points or just contact them by phone to arrange a meeting.

According to the different interviews, we can highlight the fact that new means of communication have appeared during the last decades that have changed the way people get information. The French farmer, when he purchased his tractor in 1995, could only get information from the supplier itself or from his farmer friends. In addition to these, nowadays farmers have much more information about the products and brands thanks to the internet, and not only from the suppliers themselves: farmers can communicate through blogs and forums in order to exchange their points of view about products. They have a wider view of the market.

Besides, the supplier's' approach isn't always the only factor that will influence the farmer in his decision. In fact, we noticed during the interviews, that farmers are often also influenced by their circles of acquaintances. In this kind of business, customers often support and help each other and take each other's' advices. The decision to buy a specific brand or model may be influenced by service partners', friends', family's or other farmers' points of view. This is exactly what happened with the Swiss farmer: he was influenced by his son's brand preference. This shows that in the purchasing process, the buyer/user is not always the only decision maker. We can also talk about Reference Group Influence (Solomon, 2015): it exists an *informational influence* between farmers – “*the individual seeks information from those who work with the product as a profession*”, but also an *utilitarian influence* by the family and friends – “*the individual's decision to purchase a particular brand is influenced by the preferences of people with whom he or she has social interaction*”.



### **Evaluation of Alternatives**

After getting all the information the farmer needed about brands and tractors models, he has to compare the vehicles and select the one that will meet his needs

the most. The farmer will compare many characteristics: the size, the colour, the efficiency, the performance, the value for money, the robustness...

Most of the selected criteria are rational: this is the cognitive part of the consumer decision making (Solomon, 2015). But sometimes, the affective side also takes part in the process: farmers may be influenced by their familiarity or loyalty to the brand for example, or sometimes just by how they feel with the vehicle. Like the German farmer said, it was important for him to have a bigger and more powerful vehicle than the other farmers. This lead us to the social recognition some farmers expect through their purchase. In fact, as for products of the mass-market retailing such as televisions, phones and clothes for example, every brand has a social identity to which the farmer can identify himself. Expensive and well-known tractors brands can offer a certain social status in this profession. In his interview, the German farmer clearly shows his intention to get some form of social approval. Posting on social media videos of his new tractor is a way to “show off”, to prove to others that he can afford the best product.

In addition to these criteria, farmers also have to consider the perceived risks (Solomon, 2015) for their purchase:

- **monetary risk:** farmers have to find the right compromise between the money they can invest in the tractor and the performance they expect from the vehicle.
- **functional risk:** for example, the Swedish forest company didn't plan to use their tractor intensively which according to them would preserve the value of the investment: in that case, the functional risk is lower.
- **social risk:** buying a market leading brand will lessen the exposure of social risk.

The decision of buying may also be influenced by some mental shortcuts (Solomon, 2015):

- **brand's country of origin:** French farmer's told us that buying a product made by his own country was one of the main criteria for his purchase.
- **familiar brand names:** the previous interviews showed that people are more likely to buy famous brands because they are familiar with them and feel more secured about the purchase
- **higher prices:** many customers consider that the higher is the price, the better is the quality.

The services provided by the suppliers are also determinant in the decision-making process: the farmers pay attention to after-sales services and the professional relationship -they expect some kind of recognition from the supplier.

In the end, according to the Hierarchy of effects (Lavidge and Steiner, 1961), the farmer follows the “Standard Learning Hierarchy”: first, he’s getting information about the product and the brand (cognition), then emotions interfere in his decision (affect), and finally, he buys the chosen good (behaviour).

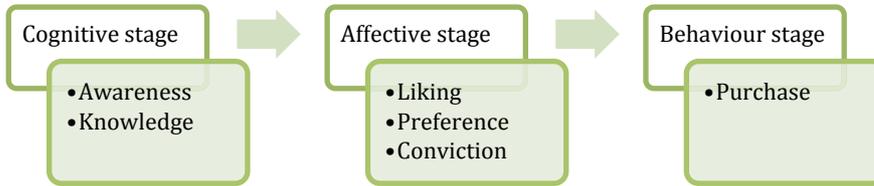


Diagram 3: Hierarchy of effects (Lavidge and Steiner, 1961)



#### *Product choice*

After considering all alternatives, the farmer finally chooses a model and buy the tractor. Of course, he also has to consider the financial aspect: how will I pay for it? In our interviews, we noticed that some farmers choose the take a loan from the bank, and other decide to invest their own money directly. Sometimes they even share the use of the machine with other farmers, so they can divide the tractor’s funding into several parts. Sometimes they can also find good deals by buying a demonstration model, which will be less expensive, like the German farmer we interviewed did. For most of the farmers, price is a determinant factor: the negotiate the price with the supplier for weeks to get the best value for money.



#### *Outcomes*

Most of the time, farmers are happy with their purchase because the information-searching process was long and fiddly, the product they chose really meets their needs. The after-sales service provided by the suppliers will also allow farmers to give some feedback. This feedback will be absolutely necessary for the suppliers in order to help them promote their products to future customers.

## Conclusion

The interviews we held showed that the buying process is similar for every farmer, and does not depend on the country or the agricultural activity. For an important purchase such as a tractor, which requires a lot of time and money investment, the process is quite long. Farmers have to clearly identify their needs,

get as much information as they can and consider all the risks before taking the final decision.

We also realized the role of the social recognition expected by customers for this kind of purchase: technical characteristics are really important, but also the brand itself. Customers can identify themselves to the brand, and strengthen their social status through their purchase.

The group influence cannot be either forgotten: the family's, friends' and colleagues' points of view always matter, and sometimes can be determinant for the decision.

Finally, most of the farmers are attracted by market leaders' brands such as Claas, Valtra, John Deere or Fendt not only because of the reliability of their products, but also because of their brand image. The suppliers' communication and marketing strategies are crucial to get the customers' attention, as much as building a good and strong customer-supplier relationship: it allows companies to win customers' loyalty over the years.

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# Farmers in France: How do they think?

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non (Team B7)*



## Introduction

*“Beware of jump conclusion of market analysis. Look for observing behaviours, beliefs and attitudes of your clients in their natural environment.”*

Stef, Strategemarketing.com

Once again, we learn that marketing and especially consumer behaviour are essentials for manufacturers to understand needs of their customers. Indeed, manufacturers had to adapt their products to them if they want to sell more and survive in the market.

The aim of the case is to understand farmers’ behaviour when they have to by a new tractor. We have made and sent questionnaires to farmers to understand

their needs, what do they expect of this tractor which is an indispensable tool for their work.

Also, according to many websites and Internet forums, four categories of tractors exist:

*Compact Utility Tractors:*

It is a category of smaller tractor, which is designed to be used for many everyday landscaping and grounds maintenance applications.

*Utility Tractors:*

It is a category of tractor which is versatile in capability, general-use utility tractors are often used for grounds maintenance, wagon pulling, and even hay production

*Row Crop Tractors:*

This category of tractor is more specialized in the tasks they are designed to perform. They are well-suited to work well with a variety of field-use implements and applications

*Articulated 4WD Tractors:*

Finally, these tractors are normally used in grain operations to handle tillage and seeding type work. Also often used for land leveling and dirt transportation

In this project, we will start by the method used, then we will continue on the different cases and interview of farmers, thus, the analysis and reflection and finally the conclusion and references.

## Method

### *Target of the research*

The first thing we did was to contact French farmers to obtain all the information we needed. To make it possible we had started to build a complete questionnaire to answer this kind of questions:

- *Why do consumers buy tractors?*
- *How do they select tractors?*
- *How do they choose brands?*
- *But also what are the buying motives and process?*

First of all, we wanted to know their background (name, farm size, profile of the farm production, tractor brand...). Then we concentrated on the needs of farmers and finally the buying process. The goal was also to determine what could influence their choices during the process.

We sent this questionnaire by email and four of them gave us an answer few days later. Then, we analysed the answers, during this step we had identified some incomplete answers. Consequently, we decided to call farmers to obtain complete answers and we had the chance to talk with them that allowed us to better understand what they really think.

Moreover, we used the course book “Consumer Behavior”, Michael R. Solomon to do the analysis and link our information with the marketing theories. Now, we should be able to bring a good explanation of all our information through our analysis.

### *Structure of the questionnaire*

*Farm name: \*\*\*\**

*Address: \*\*\*\**

*Farm size: \*\*\*\**

*Profile of the farm production: \*\*\*\**

*Tractor brand: \*\*\*\**

- Why did they choose to invest their money in a tractor instead of something else?
- Why did they choose the specific brand among tractors?
- What is special with the tractor brand chosen (according to the customer)?
- What do they say about the value-price relation?
- How, in short, did the buying process occur?
- What did they choose that size (=price level) of tractor?
- If you have to buy a new tractor, would you buy the same brand?
- Do you think that your choice has been influenced by something?

## Cases

*Tractor buyer – Gerard Laurent*

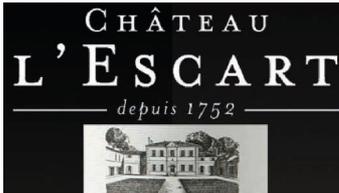
|                                    |
|------------------------------------|
| <i>Farm name: Château L’Escart</i> |
|------------------------------------|

*Address:* 70 chemin de Couvertaire, 33450 Saint-Loubès,  
Aquitaine, France.

*Farm size:* **30 hectares**

*Profile of the farm production:* biodynamic wine

*Tractor brand:* NEW HOLLAND



*Photo of the tractor:*

- *Why did they choose to invest their money in a tractor instead of something else?*  
It was a need, not a choice.

- *Why did they choose the specific brand among tractors?*  
He chooses this specific brand because of the good relation between: price, quality and functionalities.

- *What is special with the tractor brand chosen (according to the customer)?*  
He doesn't think that the brand has something more special than others.

- *What do they say about the value-price relation?*  
He thinks that the value-price relation is good. In general, he is very satisfied by his tractor.

- *How, in short, did the buying process occur?*  
The last tractor stopped working so he had to replace it by buying a new one.

- *Why did they choose that size (=price level) of tractor?*

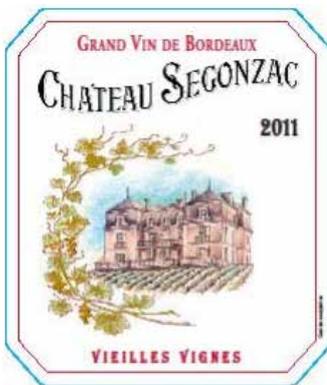
He chooses that size because of the size of the farm, then he considers what type of what capacity he had to transport.

*- If you have to buy a new tractor, would you buy the same brand?*

If he need to buy a new tractor he will probably buy one from the same brand because he is satisfied and so he trust it. Then, if he buys the same brand he will not do as much researches as he did, so he will save time.

*- Do you think that your choice have been influenced by something?*

He knows individuals who used the same brand and he thinks that they gave to him information and advices, which had probably, influence his opinion. He did many personal researches through Internet and he went to many specialty stores to get advices from sellers.



*Tractor buyer – Claude Gaudin*

*Farm name: Segonzac*

*Address: Segonzac, St-Genes de Blay, Aquitaine, France*

*Farm size: 33 hectares*

*Profile of the farm production: wine growing*

*Tractor brand: Fendt*



*Photo of the tractor:*

- *Why did they choose to invest their money in a tractor instead of something else?*  
He choose to invest their money in a tractor because it was a need, they use it to treat grapes. Without a tractor it take much more time to do it.

- *Why did they choose the specific brand among tractors?*  
He choose this specific brand because of the quality, buying a tractor is expensive so it's better if it is for the long term.

- *What is special with the tractor brand chosen (according to the customer)?*  
M. Gaudin thinks that this brand has a better reliability recording to the others.

- *What do they say about the value-price relation?*  
He seems to be satisfied by the value-price relation and in general he is satisfied about his choice.

- *How, in short, did the buying process occur?*  
It occurs because he created a new farm.

- *What did they choose that size (=price level) of tractor?*  
Because of the size of the farm and what he need to transport.

- *If you have to buy a new tractor, would you buy the same brand?*  
He has no ideas for the moment; it will depend of his needs and probably of tractor users' opinions. Next time, he will probably do researches again to see if another brand could be good too and he will analyze to see what could be the better one.

- *Do you think that your choice have been influenced by something?*  
He did some research by himself before buying a new tractor during some weeks. He says that consumer opinions had probably influenced him. Then, he knows other individuals who also have this brand of tractors and he said that has probably influenced him too because of the word-of-mouth.

### *Tractor buyer – Noël Kernoas*

*Farm name: Kerlever*

*Address: Kerlever, 29700 Pluguffan, Bretagne, France*

*Farm size: 27 hectares*

*Profile of the farm production: dairy cows*

*Tractor brand: CASE*



*Photo of the tractor:*

*- Why did they choose to invest their money in a tractor instead of something else?*  
He need it to transport the cow's food and the milk.

*- Why did they choose the specific brand among tractors?*  
He chooses this brand because of the quality and the good corporate identity.

*- What is special with the tractor brand chosen (according to the customer)?*  
He told that dealership had a good customer service, so if he had any problems it will be resolve rapidly. That's important in his job because if one day he don't have his tractor for work it is very difficult to do all he have to do, it could be impossible or it could take much more time. Then, the brand had a good reputation, which makes it special, in the famer opinion.

*- What do they say about the value-price relation?*  
He thinks that the value-price relation is good.

*- How, in short, did the buying process occur?*  
He had to replace his old tractor, because it frequently broken down and the cost of the reparation were very high so he took the decision to buy a new one to have fewer problems

*- What did they choose that size (=price level) of tractor?*  
Because of the payload, he needed to have one large and powerful, to be able to trail heavy trailers.

- *If you have to buy a new tractor, would you buy the same brand?*

He will probably buy one from the same brand because he already knows it and he is satisfied of the one he has. If he buys one of the same brands he will not do as many research as he did, so he will save time.

- *Do you think that your choice have been influenced by something?*

He made personal researches during some weeks, by visiting specialty stores to get advices from sellers but he also asked his friends who are also farmers. He also did some researches through Internet to see the opinions of the other consumers. He thinks that the word-of-mouth was the think, which probably influenced more his opinion.

### *Tractor buyer – Maurice Chapuis*

*Farm name: Domaine Chapuis*

*Address: 3, Rue Boulmeau, 21420 Aloxé-Corton, FRANCE*

*Farm size: 12,5 hectares*

*Profile of the farm production: wine growing*

*Tractor brand: Bobard*



*Photo of the tractor:*



- *Why did they choose to invest their money in a tractor instead of something else?*

It was a need, not a desire. He must buy a tractor because of the size of his production. He did not spend a long time on his prepurchase research.

- *Why did they choose the specific brand among tractors?*

He chose this brand, Bobard, because of its reputation. He specified that in this farm sector, farmers used to buy this brand.

- *What is special with the tractor brand chosen (according to the customer)?*

There are several points: region-based company, customer relationship department efficient and close to the production area, good reputation, old company, tractors very used by producers of wine.

- *What do they say about the value-price relation?*

At the middle, he does not want to say very good or very bad.

- *How, in short, did the buying process occur?*

He didn't take a long time as we have said below. Only some weeks, the time to know how they could pay. This type of investment could be risky because of its cost, the high involvement in new technology (in order to get the best tractor to produce more and more). However, a farmer must have one to work efficiently.

- *If you have to buy a new tractor, would you buy the same brand?*

Yes, he used to buy for several decades. More, he is always satisfied about the product.

- *Do you think that your choice have been influenced by something?*

Yes. Actually, he knows some producers using this tractor. But the fact, which influences him, a lot was the used to work since two generations with these tractors. So the brand loyalty is a fact that influences his last purchase.

## Analysis

### *Consumer Involvement and Perceived Risks*

There are several types of involvement relate to the product, the message, or the situation, and we will focus on the product involvement dimension in this section. Product involvement is a synthesis of need, importance, perceived risk and many other factors. The need for a tractor is high and it's very important since there is no substitute for a tractor, and there exists both **monetary risk** and **functional risk** with the selection of tractor on account of the product characteristics. As a result, the product involvement of a tractor is relatively high and consumers tend to put more effort into their purchase.



### *Three « Buckets » of Consumer Decision Making*

Among three categories of consumer decision-making, cognitive, habitual and affective, buying a tractor is more inclined to a cognitive decision-making result from the attributes of the product decision. The farmers regard a tractor as an important purchase because they have a need for it, so they will make the decision thoughtfully and rationally as doing research and weighing the pros and cons of different brand and model choices with their requirements, then they can make the best selection.

### *Cognitive Decision-making Process*

The purchase of a tractor is a cognitive decision-making process. We will discuss the five stages of this process and relate them to the results we collected from the farmers in the following paragraphs.

In the first stage, Problem Recognition, the reasons why the farmers invested money on a tractor are quite diverse, such as the creation of a new farm, replacement of an old tractor, and all these answers direct to the same conclusion: They had a need for it. The problem arose in the “Need Recognition” way since they were suffering from the decline of the actual state of their original tractor, and that was how the decision-making process started.

After the awareness of the need, the decision-making process moves on to the 2<sup>nd</sup> stage, Information Search. Most of the farmers did much research before their purchase even if they already had some image about different brands of the tractor because they wanted to find the tractor that fits their requirements most. Methods such as personal search on the Internet, farmer friends’ recommendation or inquiry to sellers are broadly used to acquire information and advice. After the search of information, the farmers need to evaluate the alternatives. According to the answers collected, most of the farmers used “The Lexicographic rule” to select the brand that is the best on the most important attribute, but every farmer had his own order of importance. However, one of the farmers chose the specific brand directly without further evaluation since he had only one attribute that is the brand.

Once the farmers evaluated the relevant options and figured out which is the best tractor fulfilling their need, whether depends on the product itself or the brand, they made the product choice and brought the tractor home, then this was the end of the cognitive decision-making process. And after undergoing all these stages, a Postpurchase Evaluation occurred when the farmers experienced the tractor they selected and decided whether it met their expectations. All of the

farmers are satisfied with their choice, and most of them would choose the same brand if they need to buy a new tractor except for one.

### *The ABC Model of Attitude*

The development of attitude toward tractor corresponds to the standard learning hierarchy of the ABC model of attitude, and the result is confirmed by the cases collected. The farmers are highly involved with the purchase of a tractor and seek out lots of information regarding relevant attributes then carefully weigh the alternatives; this is the Cognition stage of the model. Next, they will evaluate the knowledge acquired and form a feeling and belief about the tractor or brand they prefer, which is the formation of Affect. Then they will engage in Behavior such as purchase the specific model or brand of tractor. The overall process is consistent with the C-A-B hierarchy of the model.

In addition, we consider there is another stage of Affect after their purchase behavior, which is the formation of a stronger attitude toward the tractor or brand the farmer chose based on the using experience.

### *Factors Affecting the Choice of Brand*

#### *Price*

Since the price of one tractor is relatively high, farmers would take the price into consideration and regarding the price with their income.

#### *Product Quality*

The quality of a tractor is the main attribute for farmers to choose between brands. Depending on the farmer's requirements, factors such as size, capacity, life span, specialized function or other features would affect the purchase decision jointly.

#### *Brand loyalty*

There are four stages of brand loyalty: Brand Recognition, Brand Preference, Brand Insistence and Brand Evangelism. One farmer is at the stage of brand recognition: he chose brands this time because of various reasons, but if he is going to buy a new tractor, he will do the research again to meet his need. Two of the farmers are at the brand preference stage: they will repurchase the same brand of tractor results from the using experience before and the saving of searching time. Only the fourth farmer is insistent to the brand, he has used the specific brand of tractor for decades and he will still choose this same brand for his next purchase.

#### *Customer Service*

For one of the farmers, a brand with a good corporate relationship and customer service would be his first priority of selection. Since it's important for a tractor to work as scheduled, he wanted to receive a rapid resolution from the dealer if any problem occurred.

#### *Word-of-mouth*

Most of the farmers said that user opinions and experiences influenced their choice of a specific brand as well; no matter it came from the search on the Internet or their friends or other farmers' advice. As a result, we can know that Word-of-Mouth plays a significant role in the brand selection of a tractor for farmers.

#### *Opinion leader*

In some cases, the opinion leader plays an important role in the decision-making of consumers. However, according to the results we got, we didn't find the existence of an opinion leader influencing the farmers' selection of tractor.

## Conclusion

To sum up, farmers decide to buy a tractor for a real need according to his type of production. It could small or biggest if the exploitation is big. Many there are hectares, more important is the need for tractor purchasing. Nowadays, we know that there is no substitute for a tractor. The productivity is one main goal for a farmer to reduce cost as possible. So, the production involvement of this product is high.

Regarding theories, the purchase of a tractor is a cognitive decision-making process (Three buckets theory). Actually, the purchase of a tractor is a need for a farmer in most of cases, not a desire because of its cost for example. Moreover, brand loyalty increase the attitude of a consumer for the purchasing process. It's sure that if a farmer is very proud of his purchase, the Postpurchase evaluation met its expectations. Actually, the farmers continue to work with the same brand because the previous tractors were come from the same brand (brand preference) and the affective behavior to one brand is an important factor.

Then, we have concluded that the first stage in consumer behavior is first the Cognition stage due to the need of this type of product. The second one is Affect because of the brand loyalty. The last one is Behavior to seek out for a specific model for example.

To finish, the external environment presents some of factors affecting the choice of brand. We have found some type of influencers like customer service, word-of-

mouth (others farmers), and opinion leaders. Then, the price and the product quality is two of the main attributes in the decision making process.

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# Voices from Spain, France and Sweden

*Iosune Bas Tomás, Amélie Dollé, Xuan Lu, Lydia Tolliner (Team B8)*

## Introduction

The aim of our study is to get a grip of what motivates farmers when buying a tractor and how they think during their decision-making process. We therefore conducted an analysis from interviews (see Appendix) we realized with farmers who had recently bought a brand new tractor. Our group's international diversity enriched our analysis and allowed us to collect different thoughts from several European countries: France, Spain and Sweden. In this chapter, we will present and analyze five cases of different farmers.

## Method

Our working method followed three different steps:

- *Creation of our questionnaire:* We designed several questions corresponding to the aim of our study and allowing us to fully answer to our problematic. We created clear and comprehensive questions so the farmers could answer them easily and rapidly.
- *Prospecting of the farmers:* After creating our questions, we contacted our relatives, friends and acquaintances, also searched on the Internet, in order to get farmers' numbers or email addresses. We then contacted the farmers to ask them if they could answer our questionnaire. This process took overall two weeks. In the end, we got five answers from one French farmer, two Spanish farmers and two Swedish farmers.
- *Analysis:* After collecting the answers to our questions, we analyzed them by connecting concrete case information and theory. Our objective was to draw the main learning points from our study as well as recommendations for tractor's companies.

## Case 1: Christophe Lenfant, France

### *Background*

Christophe Lenfant is a French farmer living in Normandy. He is the owner of "La Ferme des Collets", a poultry farm located in Brosville. With the help of his wife, Annick, he raises poultry (mostly ducks) and produces foie gras, rillettes... which he sells directly to the customers in his farm.



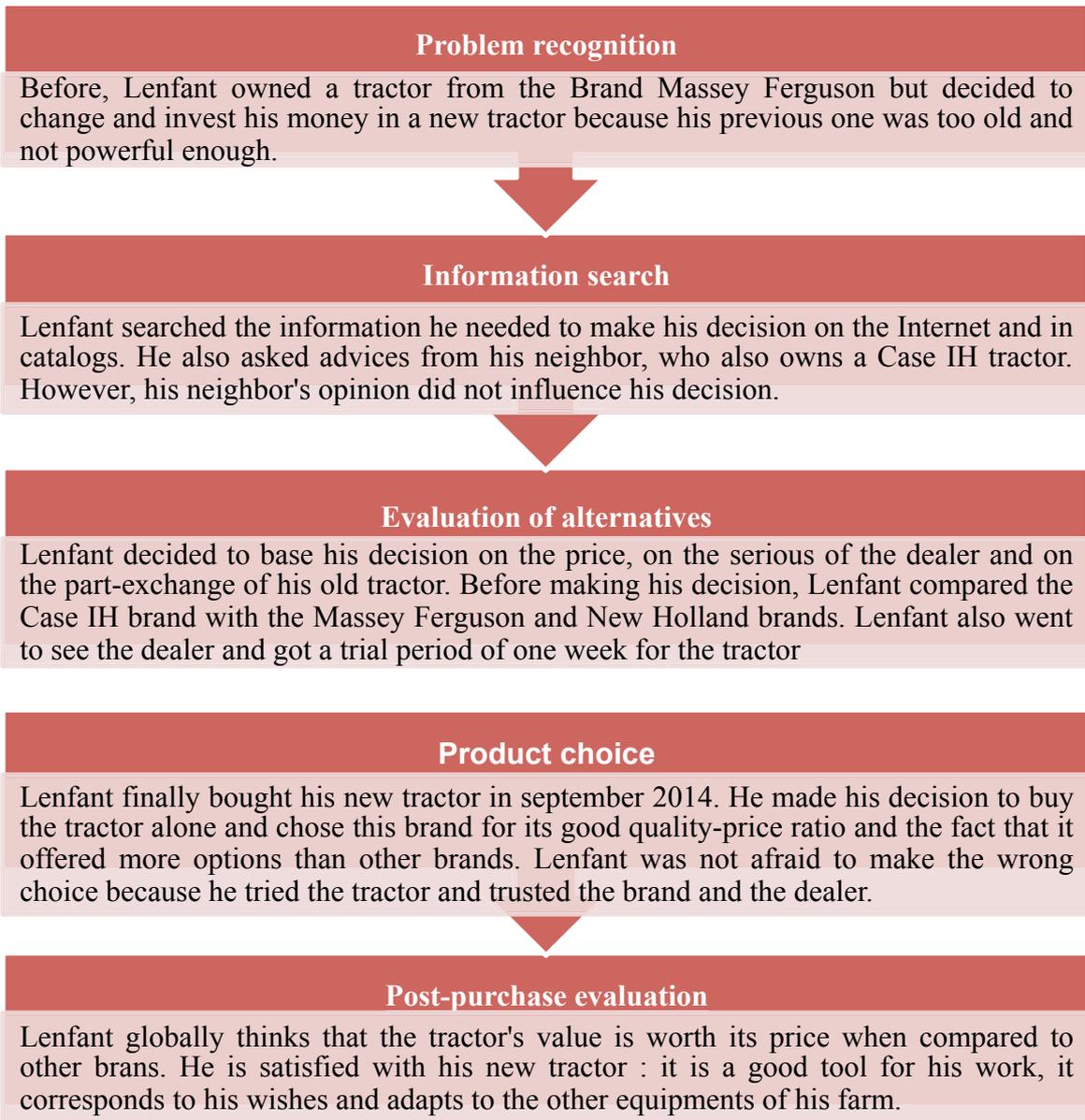
*Lenfant holding a foie-gras, his farm production (Source: Bienvenue à la ferme, 2016)*

### *Analysis*

Christophe Lenfant bought a new tractor, from the brand Case IH, in september 2014. According to Solomon (2015, p.60), there are three types of consumer decision-making: cognitive, habitual and affective. Solomon (2015, p.60) describes the cognitive decision-process as "deliberate, rational, sequential." As we can see on the Diagram 1, Lenfant went through a well-thought decision and followed all the stages of the cognitive decision-making process: problem recognition, information search, evaluation of alternatives, product choice, outcomes. Lenfant did not rush his decision and was high-involved in the process.



*Lenfant's new tractor (Source: Christophe Lenfant, 2016)*



*Diagram 1: Christophe Lenfant's decision-making process*

Motivation refers to "the processes that lead people to behave as they do. It occurs when a need is aroused that the consumer wishes to satisfy." (Solomon, 2015, p.39) Lenfant identified his need to buy a tractor when he went through the problem recognition phase, which is depicted by Solomon (2015, p.70) as "a significant difference between our current state of affairs and some state we desire." In other words, there is a gap between our actual state and our ideal state. Solomon notes two problem recognitions: the opportunity recognition and the need recognition. Here, Lenfant needed a new tractor because the previous one was old and not powerful enough. Lenfant experienced a need recognition, as the quality of his current state declined. In order to reach his desired state again, he made the decision to buy a new tractor. Solomon (2015, p.39) pictures two kinds of needs:

utilitarian and hedonic. Lenfant's need is utilitarian, as he wishes for a newer and more powerful tractor to work on his farm.

Lenfant then did some pre-purchase searches in order to find the information he needed to make a buying-decision for a new tractor. This allowed him to narrow his consideration set, described by Solomon (2015, p.74) as the alternatives a consumer seriously consider, to three brands: Massey Ferguson, Case IH and New Holland. In order to make a decision, Lenfant took different evaluative criteria into account. As explained by Solomon (2015, p.77), "evaluative criteria are the dimensions we use to judge the merits of competing options". Here, Lenfant's criteria were the price, the possibility to try the tractor, the part-exchange of his old tractor and the seriousness of the dealer. However, his determinant attributes, which are the characteristics used to differentiate several alternatives (ibid, 2015, p.77), were the number of options and the quality-price ratio. That is why he therefore chose the Case IH tractor, because he offered a bigger number of options among the three brands and seemed more valuable in regard of its price.

The brand itself did not seem to particularly influence his choice. Indeed, he did not show any attachment or loyalty, described by Solomon (2015, p.64) as the repeated and conscious purchasing of the same brand over time, to the brand he previously owned, Massey Ferguson, since he chose a new one for his new tractor. Moreover, Lenfant did not seem to base his decision on brand's personality criteria. As Solomon (2015, p.295) depicts, "a brand personality is the set of traits people attribute to a product as if it were a person." Even if Lenfant reported that he "trusts" the Case IH brand, he does not seem to show a connection to it or to be aware of the particular attributes of the brand's personality.

However, we can point out that the seriousness of the dealer influenced Lenfant's choice. According to Solomon (2015, p.530), an opinion leader is someone "knowledgeable about a product and whose advices others take seriously". In this case, Lenfant asked advice from his neighbor but states that it did not influence his choice. However, he said that he chose the brand Case IH partly because the dealer was serious. He was not afraid to make the wrong decision because he trusted the dealer. Therefore, we can say that the dealer was an opinion leader to Lenfant, who had an impact on his decision.

As Solomon (2015, p.64) points out, five kinds of perceived risks exist: monetary risk, functional risk, physical risk, social risk and psychological risk. A tractor is a big purchase and it is not something that one can take lightly. The monetary risk and the functional risk (risk that the new product will not perform correctly the function needed) could be associated to Lenfant's case. However, Lenfant did not perceive those risks anymore since he was able to

try the tractor for a week and he trusted the dealer. These elements decreased the perceived risk of the purchase.

## Case 2: Diego García Sigüenza, Spain

### *Background*

Diego García Sigüenza is a Spanish farmer living in Murcia. He is the owner of "Hoya de la muela", a small farm with 16 hectares located in Jumilla, where the production is based on almond and olive trees. Sigüenza bought a new tractor from the brand John Deere on the 1st of February 2016 in Elche, Spain.



*Photo 3: John Deere tractor (Source: John Deere, 2016)*

### *Analysis*

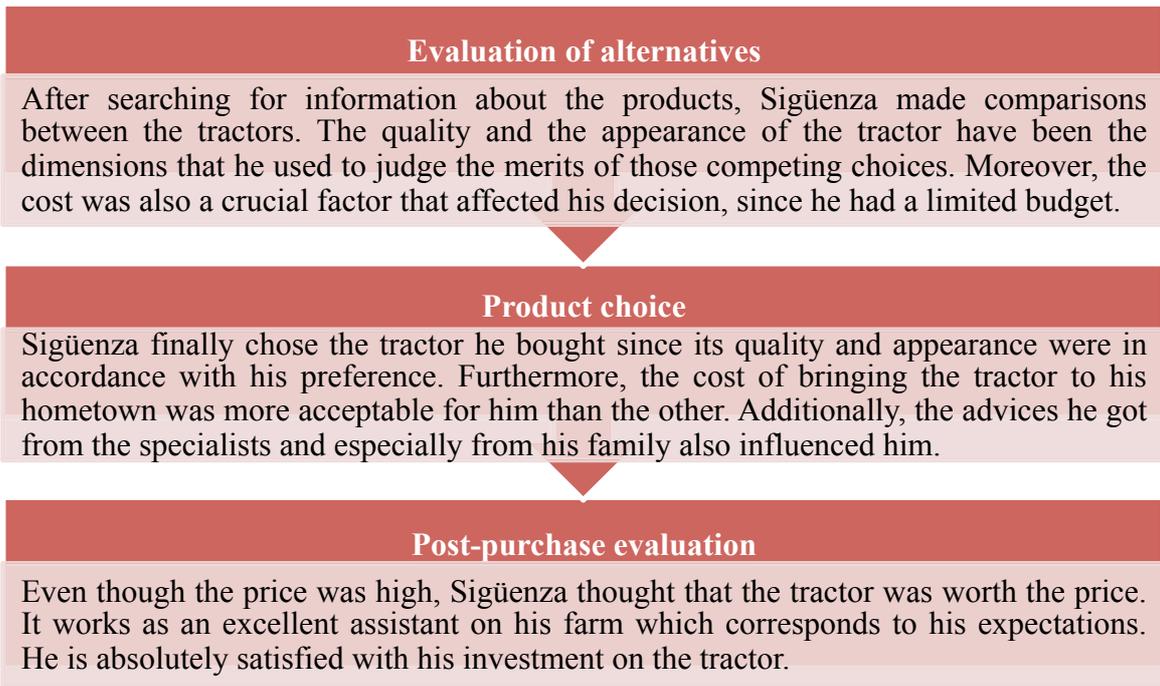
Sigüenza went through certain steps between the time he recognized his need for a new tractor and when he actually bought one, which is in line with the cognitive decision-making process.

#### **Problem recognition**

Sigüenza did not have any tractors for the work on his farm. We can assume that he experienced a decline in the quality of his current state. The gap between his actual state and the state he desired raised an utilitarian need to buy a tractor

#### **Information search**

Generally, people will search for more information about the product when the purchase is important. There is no doubt that investing money in a tractor was an important purchase for Sigüenza. He searched information not only by browsing different websites, but also by asking authorized dealers.



*Diagram 2: Diego García Sigüenza's decision-making process*

Considering the fact that this tractor is Sigüenza's first tractor, he did not buy any tractor from the brand John Deere before. Therefore, we can conclude that it does not exhibit brand loyalty. However, his future experience with the tractor will have an impact on his loyalty to the brand.

Opinion leaders' advices are taken seriously since they have the necessary insight about products. They have the ability to influence others' behaviors. Sigüenza was influenced by specialists during his decision-making process, who we could consider as opinion leaders.

Solomon (2015, p.63) pointed out that some people believe that their decisions may lead to negative consequences. Sigüenza regarded his decision of buying a tractor as a difficult one, since it was a big investment and if he chose the wrong option, he would probably lose money. Among the five types of perceived risk, we can say that he was afraid of bearing a monetary risk.

## Case 3: Pablo Javier Gómez Soriano, Spain

### *Background*

Pablo Javier Gómez Soriano is a Spanish farmer living in Jumilla. He is the owner of the "Ecological farm since 1997", a big size farm with 105 hectares, where the product-

ion is based on almond and olive trees, vineyards and dry land grain. He sells olives and oil directly to the customers, and grapes to make wine to some wineries.

Furthermore, he is a veteran of the farming sector due to his extensive background. Currently, he is part of the COAG's board (Coordinator of Organizations of Farmers) in the region of Murcia. Gómez Soriano bought a New Holland's tractor on the 15th of October 2015 in Spain (Murcia, Jumilla).



*Photo 4: New Holland tractor (Source: New Holland, 2016)*

### *Analysis*

Gómez Soriano followed the stages of a cognitive decision-making process.

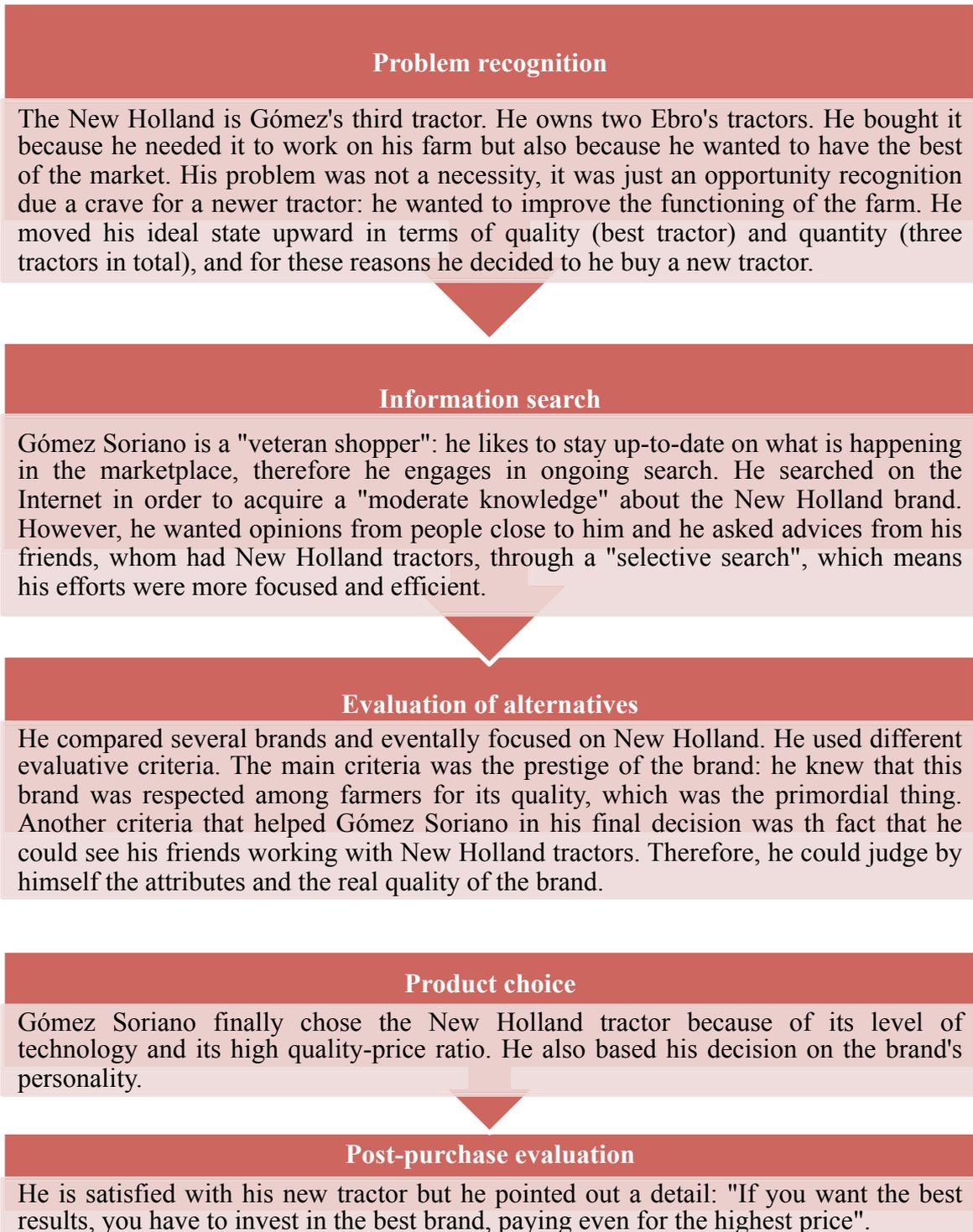


Diagram 3: Pablo Javier Gómez Soriano's decision-making process

Gómez Soriano realized New Holland's brand had the specific traits that he was looking for. These brand personality traits were: *excitement* because of his need to stay up-to date; *competence* because of the brand success and reliability; and *sophistication* through upper class as New Holland is rather an expensive brand.

Thus, he preferred to invest in a new brand that was similar to his personality than invest in the brand he had before, Ebro. He did not exhibit brand loyalty either attachment for the previous brand he owned.

As mentioned before, Gómez Soriano asked some advices from his close friends before making the purchase. He also went to see them working with the brand's tractors. We can thereby point out that his friends were opinion leaders. They influenced Soriano's attitude and behavior respect to the purchase. Their recommendations were a valuable information for Gómez Soriano due to the power that they had, such us: *expert* because of technically competent; *knowledge* because they gave information in an unbiased way; and *referent* in terms of values and beliefs.

Gómez Soriano did not perceived any risk while making his purchase decision. He was completely sure of his purchase because he trusted his friends and in consequence he had confidence in the brand. Therefore, he was not afraid to make the wrong decision.

## Case 4: PJ Olaison, Sweden

### *Background*

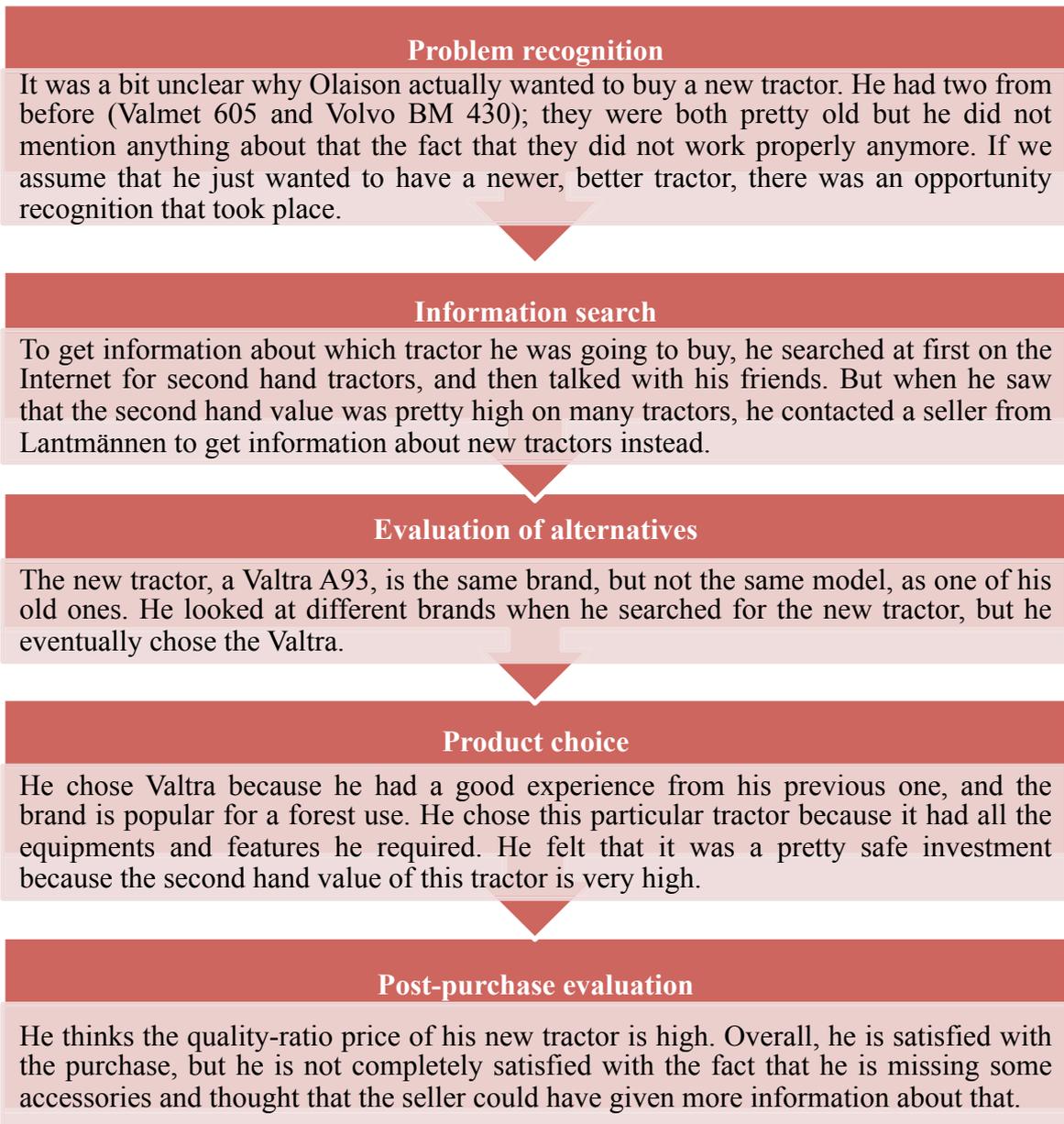
PJ Olaison is a Swedish farmer who lives in a farm called "Åbo gård", which is located in Eksjö, Jönköping. The farm is 132 hectares, whose 105 hectares are forest. The farm is a forestry and beef production. The tractor Olaison bought is a Valtra A93.



*Photo 5: Valtra A93 (Source: Lantmännen, 2016)*

### *Analysis*

Olaison also went through a cognitive decision making process that he was highly involved in. Its decision-making process is shown below.



*Diagram 4: PJ Olaison's decision-making process*

The fact that Olaison eventually decided to buy the same brand as he had before because he liked it shows that he is loyal to the brand. He did look at other brands too, so the loyalty is not that strong, but still exists in that case. That the specific brand is, according to Olaison, popular to use in the forest may say something about the brand's personality, and that personality suited him.

By the information we have, we can say that Olaison was partly affected by opinion leaders because early in the decision-making process he talked to a specialist and friends who had knowledge about tractors. But later, the main reason he decided to buy a new tractor instead of a second-hand one was because of the high second-hand value they have, which he had looked up by himself. Moreover, the

reason he decided to take the same brand as before was because he was pleased with it. Also, he chose the new tractor because it had all the equipment he wanted. Though, the seller might have influenced his choice if he made a good impression and gave Olaison advices, but we do not know anything about that.

Olaison was a bit concerned that the purchase was going to be too expensive, as a tractor is a relatively big purchase. He took an economic kind of risk: a monetary risk. He partly bought the tractor because he wanted to have specific features, so we can say that he took a functional risk too, since it was not guaranteed that the tractor was going to live up to his expectations.

## Case 5: Lars Björsner, Sweden

### *Background*

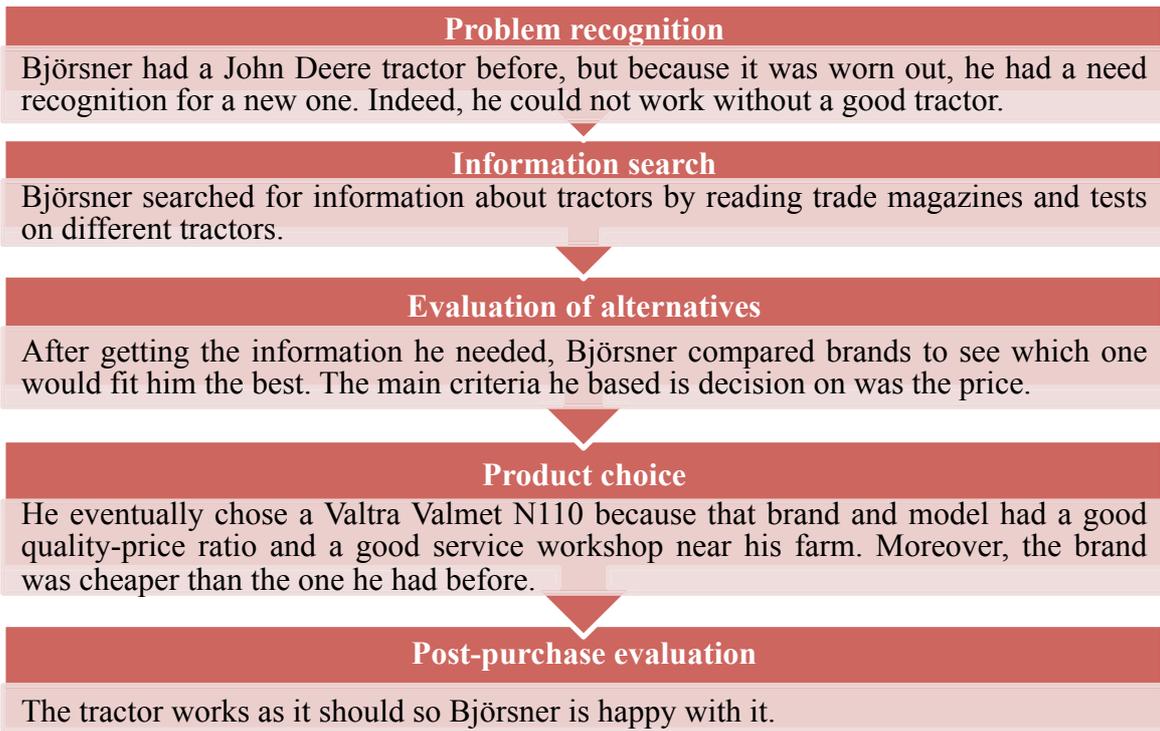
Lars Björsner possess a 300 hectares' farm called "Sya Gård", located in Mjölby. The farm produces grain and forage. Björsner bought a Valtra Valmet N110 to use on his farm.



*Photo 6: Valtra N-series tractor (Source: Valtra, 2016)*

### *Analysis*

Here, another cognition decision-making process occurred.



*Diagram 5: Lars Björnsner's decision-making process*

Björnsner did not indicate any loyalty to his old tractor's brand: indeed, he chose another brand for his new one. This may have been because he could not afford John Deere's brand as it was more expensive. However, a real loyal customer might buy a product even though it is too expensive for him. As far as we know, Björnsner based his choice mostly on the price.

Björnsner said that he made his decision on his own and that he was not afraid of making the wrong decision because he was sure of which tractor he wanted. If we emanate from the answers we got, he was not influenced by any opinion leader and he did not think he took any particular risk. However, we do not know if he talked to a seller that might have influenced his choice, and maybe he actually took risks that he did not think about himself.

## Conclusion

Buying a tractor is an important investment that needs to be well-thought. All the farmers went through a cognitive decision-making process. As we have seen throughout this report, it is a rational and long process that covers five stages: problem recognition, information search, evaluation of alternatives, product choice and post-purchase evaluation.

The farmers were motivated for two reasons: the ones that experienced a need recognition wanted to buy a new tractor for functional reasons (work on the farm) and the ones

that experienced an opportunity recognition were craving for a newer, flashier tractor in order to possess the best on the market. Because of these two types of motivations, the marketers will need to adapt their communication when advertising tractors to fit to the target's expectations. After their problem recognition, the farmers searched for information in order to make a decision. They usually started with a self-search on the Internet or through catalogs, which allowed them to get a moderate knowledge about the available products. However, in order to get a full knowledge, they asked for advices from specialists, relatives or friends.

In order to make the right decision, the farmers always compared different brands, based on evaluative criteria, such as: the price, the quality, the appearance, the brand prestige and popularity, the equipments and the services offered (i.e. part-exchange of the tractor). They then used determinant attributes in order to make their final decision: the quality-price ratio, the features and options offered and the serious of the dealer. Therefore, from our study, we could suggest that marketers who want to attract future tractors' buyers should focus on these attributes while advertising.

A good experience with a previous tractor is also a determinant attribute in the choice to buy the previous brand. Among the five farmers that we have interviewed, one farmer exhibited brand loyalty. One of the rest four farmers did not have a tractor before, but the three that had tractors from before did not buy their new tractor from the brand they previously owned. Some other factors, such as quality and price, like we explained before, made them turn to other brands. The only brand-loyal consumer had a good experience with his former tractor, which made him continue to buy the same brand. Furthermore, one farmer chose his tractor's brand because of its personality. Because he identified himself to the brand and its attributes, he is more inclined to become loyal to it.

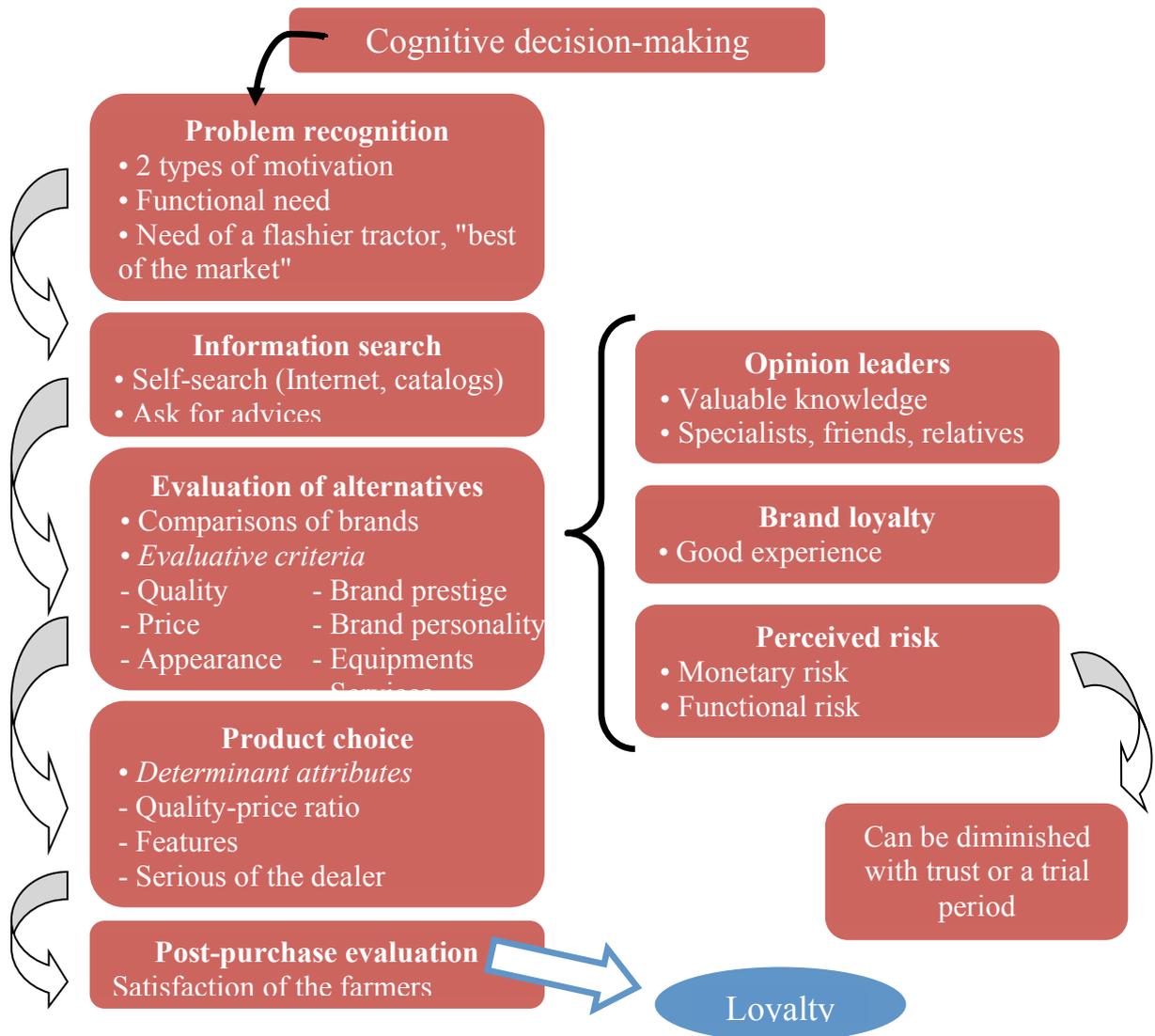
According to the information we have in our study, we could suggest that providing the consumers with good experiences of products and services would benefit the brand with the earning of loyalty. Moreover, in the end, all the farmers were satisfied with their purchase. If this good experience maintains over time, it will contribute to create brand loyalty.

Four of our farmers were somehow affected, more or less, by opinion leaders, such as specialists, dealers or relatives or friends possessing the adequate knowledge. The fourth farmer did though seem to do a lot of research on his own and knew exactly which features he wanted before the purchase. It was only the last farmer who said that he made the decision only on his own. But as we have said before, we do not know anything about what happened during the moment he bought the tractor, because he did not say anything, so a seller could have been involved with the decision anyway.

The two risks that the farmers encountered with the purchase were of a functional and monetary kind. Two of them were afraid that they were going to lose money on their investment or that it was going to be too expensive. The other three, however, said that they did not think that they took any particular risks. They did not perceive any risk because they trusted the brand or the people who had recommended the brand to them (dealer, specialists, friends...). Moreover, they felt safer when they could try the tractor

or watch their friend use it before making the purchasing. Therefore, marketers should find ways to comfort customers so they can trust their brand. For example, providing a one-week free trial period would be a good way to diminish the perceived risks.

Diagram 6. Cognitive decision-making process among farmers



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## Appendix: Farmers' full interviews

### *Interview 1: Christophe Lenfant, France*

**Customer name:** Christophe Lenfant

**Farm name:** La Ferme des Collets

**Location (country, region, address):** France, Normandy, Brosville

**Farm size:** Big

**Farm production:** Poultry farm (particularly ducks) where they sell directly their products: foie gras, rillettes, breasts...

**Did you have a tractor before? Which brand was it?**

Yes. It was a Massey Ferguson.

**Why did you choose to invest your money in a tractor instead of something else?**

The tractor I had before was old and lacked of power.

**Which brand is your new tractor? My new tractor is a Case IH. Why did you choose this specific brand?** I chose this brand for its good quality-price ratio. Also, the dealer was serious. **Did you compare it with other brands?** I compared this brand with New Holland and Massey Ferguson.

**What is special with the tractor brand you chose?**

More options compared to other brands.

**How, in short, did the buying process occur? Who was involved in the decision?**

I went to see the dealer and I got a trial period of one week. I made my decision alone.

**How did you search for information?** On Internet and on catalogs.

**Did you ask advices from a specialist, a friend or family member? Did they influence your buying decision?** I asked my neighbor who owned a Case IH's tractor. His opinion did not influence my final decision.

**Where and when did you buy the tractor?** September 2014 in Conches.

**Which criteria did you base your decision on?**

Mostly the price and the part-exchange of the old tractor.

**Were you afraid of making the wrong decision? Why?**

No, I tried it and I trust the brand and the dealer, who is serious.

**Is the tractor you bought worth its price? Why? Why not?**

I am globally satisfied when I compare the tractor with other brands.

**Are you satisfied with your new tractor? Why? Why not?**

Yes, it is a good tool for my work, it corresponds to my wishes and adapts to the other equipments of my exploitation.

*Interview 2: Diego García Sigüenza*

**Customer name:** Diego García Sigüenza

**Farm name:** Hoya de la muela

**Location:** Spain (Murcia, Jumilla).

**Farm size:** 16 hectares.

**Farm production:** Almond and olive trees.

**Did you have a tractor before? Which brand was it?** No.

**Why did you choose to invest your money in a tractor instead of something else?** Because I did not have a tractor before and I needed it.

**Which brand is your new tractor? Why did you choose this specific brand?** The brand is John Deere and I chose it because even if the price is quite high, it will be very cheap to replace some pieces if they fail over time. Another factor was that if I want to resell the tractor in some years, the price could be the same as when I bought it because it takes a long time to depreciate.

**Did you compare it with other brands?** I compared the brand with others and I liked this one more than the others.

**What is special with the tractor brand you chose?** Its main characteristic is its quality, but also its appearance.

**How, in short, did the buying process occur? How did you search for information?** I searched for information on the Internet (forums, debate pages...) and from authorized dealers (asking professionals).

**Did you ask advices from a specialist, a friend or family member?** Yes, I did. I asked several specialists and I got some advices from an acquaintance who have an experience with different tractors' brands. I also asked my family.

**Did they influence your buying decision?** Yes, they did. Especially my family.

**Where and when did you buy the tractor?** 1st of February 2016 in Spain, Alicante, Elche.

**Which criteria did you base your decision on?** My criteria were a mix of price and place. The price because I had a limited budget; the place because I did not want to buy my tractor far away from my home because of the costs for bringing the tractor to my hometown.

**Were you afraid of making the wrong decision? Why?** Yes, I was. It was a big and difficult decision, I had to make a big investment and I was afraid that this could be a bad decision and that I would lose my money.

**Is the tractor you bought worth its price? Why? Why not?** Yes, it is. It corresponds to my wishes, so it is perfect for me.

**Are you satisfied with your new tractor? Why? Why not?** Yes, I am. It is perfect for my land and it works very good.

### *Interview 3: Pablo Javier Gómez Soriano*

**Customer name:** Pablo Javier Gómez Soriano.

**Farm name:** Ecological farm since 1997.

**Location:** Spain (Murcia, Jumilla).

**Farm size:** 105 hectares.

**Farm production:** Almond and olive trees, vineyard and dry land grain.

**Did you have a tractor before? Which brand was it?** Yes, I had. The brand was Ebro.

**Why did you choose to invest your money in a tractor instead of something else?** Because in a cultivable land, it is a first necessity tool and in my case, due to the surface and volume of my exploitation, I need the best of the market.

**Which brand is your new tractor? Why did you choose this specific brand?**

The new brand is New Holland. I chose this brand because the quality-price ratio is the best.

**Did you compare it with other brands?** Yes, I did. I compared different brands to make the correct decision.

What is special with the tractor brand you chose? The level of technology the tractor has, such as handling qualities or its wide angle of turn that other brands do not have.

**How, in short, did the buying process occur?** It was a mix of need and fancy because I have two more tractors.

**How did you search for information?** First of all, I spoke with my friends, who have this tractor, and then I searched on the Internet.

**Did you ask advices from a specialist, a friend or family member?** Did they influence your buying decision? Yes, I asked my friends and of course they influenced my buying decision as I could watch them while they were working with their New Holland tractors.

**Where and when did you buy the tractor?** 15th of October 2015 in Spain, Murcia, Jumilla.

**Which criteria did you base your decision on?** More than the price, I based my decision on the brand because it is a famous one in my region and in Spain.

**Were you afraid of making the wrong decision? Why?** A little bit, just because with time (short/medium term) can appear some fabrication defects out of the guarantee.

**Is the tractor you bought worth its price? Why? Why not?** Yes, it is. The brand is quite expensive but the materials are of quality and the features are worth it.

**Are you satisfied with your new tractor? Why? Why not?** Yes, I am because everything is working well and is up to my expectations. But I have to say that you have to pay the price for technology and quality.

#### *Interview 4: PJ Olaison*

**Customer name:** PJ Olaison

**Farm name:** Åbo gård

**Location (country, region, address):** Sweden, Jönköping, Eksjö

**Farm size:** 132 hectares, whose 105 hectares are forest

**Farm production:** Forest and beef

**Did you have a tractor before? Which brand was it?**

There is a Valmet 605 from 1988 and an old Volvo BM 430 from 1970.

**Why did you choose to invest your money in a tractor instead of something else?**

I also looked on smaller, more flexible loaders and skid steer loaders. There are more applications with a tractor plus loader.

**Which brand is your new tractor? Why did you choose this specific brand?**

**Did you compare it with other brands?**

Valtra A93 with loader. I have good experiences from my other one and they are popular in the forest. Before I decided to buy a new one I looked at some other brands on the second hand market.

**What is special with the tractor brand you chose?**

Good qualifications to use in the forest. Just because they are popular in the forest the second hand value is very high and then it feels like a pretty safe investment.

**How, in short, did the buying process occur? Who was involved in the decision? How did you search for information? Did you ask advices from a specialist, a friend or family member? Did they influence your buying decision?**

**Where and when did you buy the tractor?**

I was searching for a long time on for example Blocket and looked at the prices on different brands and models. I partly talked to friends who have knowledge and different models themselves, then I also talked to a specialist who has experience of serving tractors. After listening to different parts, I could decide which models were interesting and looked a little bit more specifically on these ones on the second hand market. I noticed pretty soon that a tractor that was more than five years old and had a couple of thousands operating hours still do not drop so much value. I then contacted a seller from Lantmännen to get a picture of what a new tractor costs and guarantees etcetera. After some time thinking, I met the

seller at work in Nässjö and decided to make an order with promised delivery right before Christmas.

**Which criteria did you base your decision on?**

I got the equipment I had as a requirement: clutchless both forward and backwards, good loader, the tractor was not too big, good qualifications to use in the forest.

**Were you afraid of making the wrong decision? Why?**

I was a little bit concerned that it would be too expensive at the end. Also that I would forget some equipment and that it would be expensive to complement that afterwards.

**Is the tractor you bought worth its price? Why? Why not?**

I think I got a lot for the money and it feels like if I would change my mind or change the production and want to sell the tractor it will have a good second hand value.

**Are you satisfied with your new tractor? Why? Why not?**

Overall I am satisfied. I am missing some accessories and I think that the seller could have asked a little more questions so it had been more clear which equipment I was going to have.

*Interview 5: Lars Björsner*

**Customer name:** Lars Björsner

**Farm name:** Sya Gård

**Location (country, region, address):** Sweden, Mjölby

**Farm size:** 300 hectares

**Farm production:** Grain and forage(?)

**Did you have a tractor before? Which brand was it?**

Yes, a John Deere.

**Why did you choose to invest your money in a tractor instead of something else?**

It was worn out, and you got to have a good tractor.

**Which brand is your new tractor? Why did you choose this specific brand?**

**Did you compare it with other brands?**

Valtra Valmet N 110. It was cheaper than John Deere.

**What is special with the tractor brand you chose?**

It was made in Finland, the prices for spare parts is low, they have a service workshop near, and a good quality for a good price.

**How, in short, did the buying process occur? Who was involved in the decision? How did you search for information? Did you ask advices from a specialist, a friend or family member? Did they influence your buying decision?**

**Where and when did you buy the tractor?**

I made the decision on my own. I read trade magazines, read tests on different tractors, compared with other brands and prices.

**Which criteria did you base your decision on?**

I got a good price.

**Were you afraid of making the wrong decision? Why?**

No, I was sure of my decision.

**Is the tractor you bought worth its price? Why? Why not?**

Yes, the tractor had been driven as a demo a couple of hours so the seller reduced the price a bit.

**Are you satisfied with your new tractor? Why? Why not?**

I am satisfied, it works as it should.



# Differences in Peru, Germany and France?

*Maggie O'Neill, Sabrina Layachi, Alexia Creancier, Ireney Tung and Jaime Junior Huivin Vasquez (Team B9)*

## Introduction

Five farmers who have recently purchased a tractor were interviewed in order to understand their motivations, decision making process and overall consumer behavior in an attempt to understand why they decided to invest in a tractor. Our aim is to gain a greater insight into the buying behaviors of farmers and what influences them to buy a certain brand. In this report we have analyzed the respondents' decision making process, perceived risks, personality of brand and consumer, status factors and finally, we will discuss the influencing factors. We will also provide key highlights for tractor retailers to consider in order to better understand their consumers.

## Method

Each group member reached out to their networks in an attempt to find farmers who have recently purchased a tractor and would be willing to partake in an interview. We found five farmers, four from France and one from Peru. Each farmer was sent an email outlining the purpose of the interview and the proposed questions before the interview was conducted (see appendix A). This allowed the individuals to review the questions and prepare appropriate responses without feeling ambushed during the interview. We then called each farmer to conduct the interview.

By choosing to carry out the interviews via phone we were able to take a more informal approach allowing for more in depth and detailed answers. A phone interview also allowed for an unstructured approach, meaning we were able to ask follow up questions and provide a chance for the respondent to deviate from our set questionnaire. This provided an opportunity for the interviewees to supply more information that they felt would be relevant to our assignment, or would provide further insight into the context of the purchasing behavior, which

has proved extremely beneficial. Furthermore, being able to follow up questions and follow tangents we were able to remove any chance for miscommunication and were able to better understand their responses.

## Cases

### *Farmer 1: Baudry Benjamin*

Baudry Benjamin the manager of the Château Auzias, located in the south of France. The domain specializes in the production of wine and includes 140 hectares of vineyards. Baudry decided to invest in a tractor because the size of the farm represents a huge work effort which requires technology that provides maximum efficiency. By purchasing a tractor, Baudry was able to increase the mechanization of the wine production, improve overall business operations and create economies of scale. Additionally, the expensive labor workforce in France was another motivating factor, he chose to invest in the technical capital instead of human capital in an effort to save long-term costs.



The quality-price ratio is very important to Baudry and the German brand, Fendt met his requirements. Fendt tractors offer better ergonomics than other tractors which is particularly important as a driver can spend up to 12 hours at work in the tractor at a time (for treatments). He also recognizes that Fendt might be more expensive than other brands, however they provide the most robust and best quality products in his opinion, thus offering a good value-price relation. His purchase was also influenced by a need for high quality standards and the best comfort possible. The following adjectives describe the ideal tractor for Baudry: price, robustness and efficiency.

He chose the Fendt brand consciously. The Château Auzias domain has been leasing Fendt tractors for many years. This brand loyalty allows Baudry to upgrade every three or four years in order to always have tractors in perfect working condition with the latest technology and efficiency. Moreover, Baudry chose this specific brand according to its reputation (best tractor in the world) and to fulfill a

real need in security and performance. Then, after the quality detail, he also pays attention to the status of the brand. Baudry was influenced by his friends, own tests and personal relations with the local dealership.

### *Farmer 2: Victor Chavez Rios*

Victor Chavez Rios, age 57 is from Peru and owns a 40 hectare farm that is located in the region of San Martín in the northeast jungle of Peru which predominantly produces rice. According to the Statistics and Informatics National Institute (2009), the average consumption of rice per capita is 47,4 kg which represents a good demand for this good in Peru.



Chavez decided to buy the tractor as it is very useful for rice sowing enabling time optimization and for the workforce to efficiently prepare the ground. Chavez decided to purchase a Massey Ferguson tractor because there is a company “OR-VISA” (the seller) that offers to assume the guarantee and technical support for a year. An important attribute of the tractor brand, according to Chavez, is that its parts and accessories (post-sale) are commercial and easy to obtain in the region. Chavez believes his investment to be a profitable one as the value created from his purchase means he can gain economies of scale and more efficient business operations.

Chavez mentioned that he does not buy tractors very often because it is a guaranteed brand but he would consider other options if they offer similar or better tractor quality and lower prices. What is appreciated about the tractor for Chavez is its power, safety, strength, pieces easy to find and thrifty. Before he bought the tractor he referred to his network of farmers and they collectively recommended Massey Ferguson as a good brand.

### *Farmer 3: Christine Elichiry*

The next farmer is Christine Elichiry from Ferme Alhary. She operates a 25 hectare farm in south west of France. The farm produces cereal crops, corn, pastures and livestock (cows, sheep, pigs). In the exploitation of cereals at least

one tractor is necessary, thus Elichiry invests in two different tractors for more efficiency. The first tractor she bought is a small power tractor (2WD) from the brand International to enter old buildings (for storing bales of hay). Secondly, she chose a more powerful Kubota tractor (4WD) to tow rotating tools such as the plow. During hay bale harvesting two tractors work simultaneously to handle most surfaces.



Elichiry chose these two brands; International and Kubota due to the fact that they are both mechanical with few electronics, which make them more robust compared to other alternatives. According to her, they have more autonomy and are easier to maintain, thus are less costly. Elichiry needs to buy a new tractor every ten years and reevaluates her needs with each purchase, deciding accordingly as her requirements change overtime. Her key tractor attributes are reliability, robustness, ease of use and last but not least size (it must be bigger than the neighbor!). Each new tractor is chosen due to its functionality rather than simply brand reputation. Moreover, Elichiry admits that during the decision process she referred frequently to her fellow farmers and took into account their opinion before making a decision.

#### *Farmer 4: Stéphane Bordachar*

Stéphane Bordachar is an owner of a small farm (15 hectares) with animals (sheep) and is also a farm work provider in large agricultural fields in the south west of France. His main activities are to provide services to owners of farms, to communities and authorities (e.g. town hall). Thus, the tractor is an indispensable tool for his work. Bordachar owns two large tractors from the brand John Deere 140 hp, they are both efficient to tow large tools for cereal crops, clear brush and maintain fields or steep areas in the mountains (gyrobroyeur) and is also able to work on large surfaces and travel long distances.



Due to being a farm work provider, he needs to renew his tractors every three years to ensure he has the best equipment possible that is at the forefront of innovation. Bordachar regularly changes tractors and consistently chooses a specific brand. He told us during the interview that he has kept the same brand of tractor since his first purchase, the reason was his long relationship with a tractor dealer (friend) of the John Deere brand.

Despite having purchased the same brand for many decades, Bordachar still reviews all alternatives when deciding on a new tractor to ensure he buys the most appropriate tractor according to his ever-evolving needs. The tractor has to be powerful, versatile, secure with many accessories, comfortable with soundproof cabin, air conditioned and easy to handle. He insisted on the security ability of the tractor because usually when the communities require his help, he has to work in dangerous fields located in the mountains. Additionally, due to spending all day in the tractor he requires comfort and many accessories. Bordachar continues to choose the same brand as it meets all his criteria; functionality, reliability, innovation and the service provided by the company (close to maintenance, training).

#### *Farmer 5: Oyhenard*

Oyhenard is a retired man and the owner of 3000 square meters of land located in the south west of France, and was previously a farmer. Nowadays, he is using a tractor to assist with the management of his garden, wood and fruit trees.

Oyhenard uses a small tractor, however he uses it for different activities compared to the other farmers interviewed, as his purpose is not business focused.

Oyhenard chose to invest in a tractor because he owns a large garden and wanted to take care of it more efficiently. Moreover, he wanted to reduce physical efforts and as such decided on purchasing a small tractor. His decision making process was unguided as he was less concerned about quality opting for efficiency and ease unlike the other interviewees. His motivation was influenced by a comfort need and a status exhibition, the tractor is here more visualized as an accessory.



Oyhenard has a little tractor from MTD (German brand) with big wheels, for more practicality in the slopes. He is changing tractors every four years and buying them by following its habits, since he is satisfied with the brand. MTD provides good quality tractors, with robustness and affordable prices in his opinion. His ideal tractor should be practical, resistant, simple of use, without gadgets, and with a Ferrari red colour (the red he loves and makes his neighbours jealous). Here again, we can notice the importance of status demonstration. He chose this particular brand for the origin of the company, Germany, as the country has a reputation for producing products with high technology that provide good performance and effectiveness. Additionally, Oyhenard grants importance to the brand status, the brand environment and ethics, as well as its reputation in the world. Our correspondent also said he was not really influenced in his choice. He compares the different brands and tractors models on the Internet.

## Analysis

### *Theory 1: The three 'buckets' of consumer decision making*

Decision making is defined as a process that chooses a preferred option or course of actions from a set of alternatives on the basis of given criteria (Wang and Ruhe, 2007). There are several ways a consumer can arrive at their purchasing decision. Solomon (2015) posits the three buckets of consumer decision making model. These 'buckets' help explain how consumers arrive at their decision and classifies the purchases on their decision-making process into either cognitive, habitual or affective.

#### *Cognitive Decision Making*

Cognitive decision making is in accordance with the information-processing perspective whereby, it is believed consumers evaluate as much information as possible about all potential products, ranking each option to arrive at a satisfactory decision (Solomon, 2015, p. 69). It is a deliberate, rational and sequential process. However, there are some criticisms to this view with many theorists being of the opinion consumers simply collect as much information as required

to make an efficient and effective decision. There are several steps in the cognitive decision-making process; problem recognition, information search, evaluation of alternatives and lastly product choice (Solomon, 2015, p.69).

Firstly, a consumer must *recognize a problem*, this occurs when there is a sizeable difference between the current state of the consumer and their desired state. This recognition arises either through need or opportunity. For four of our farmers their problem arose out of need. Their current tractors were no longer operating at their optimal state and an upgrade was required to continue farm operations effectively. Elichiry commented that without regular upgrades she wouldn't be able to efficiently or effectively complete the yearly harvest. However, Jean Marie, farmer 5, saw the opportunity to purchase his small tractor because he simply *wanted* a tool to make routine tasks easier.

Once a consumer has identified a gap between where they are and where they want to be, they must begin to *gather appropriate information* to help them satisfactorily solve their problem. Each farmer noted that they collected their information from the internet, their friends and family as well as from past purchases. Nowadays, there are many applications to assist with information searching and filtering to make it easier for consumers to compare alternatives. These online communities have been labelled 'cybermediaries' and make the consumer's process more efficient. Farmer 5, spoke of how he uses the internet to compare MTD models and to review feedback of other consumers. The MTD website has a comparison tool that assisted Oyhenard in his information search.

After all the information and data has been collected the consumer must *evaluate each alternative*. Some decision-making models such as the rational decision making model state that a criteria system needs to be established prior to this stage so the consumer knows how to rank their options. In Solomon's (2015) model, during this stage consumer's identify what they require in the product by determining which characteristics are most important to them. The consumer can then best match a product in accordance with these requirements. Generalizations and 'rules of thumbs' help simplify this evaluative stage. These shortcuts are also applied during habitual decision making process and are explained below.

Once all the data has been assembled and evaluated the consumer must *choose a product*, one that hopefully meets the requirements and closes the gap between actual and ideal state. After the product has been purchased, the consumer *reflects on their decision* to close the decision-making process. This reflection occurs once the individual has had an opportunity to experience or use the product and can decide if it has met their, or even exceeded their expectations. We asked each of the farmers to reflect on their purchases, questioning if they would buy the same brand again. Farmer 4 is adamant that he will continue to purchase

the same brand and is very satisfied with his past and current purchases. He does however, realize that this is largely due to a strong brand loyalty he has built over the years. On the other hand, farmer 3 continually reassesses the market for different brands and tractors that better suit her changing needs. She wasn't unsatisfied with her purchase but comments that she won't continue to buy the same brand unless it is the most appropriate for her at the time of purchase.

#### *Habitual Decision Making*

A habitual decision is almost automatic, it's a behavioral and unconscious decision made that commonly develops over time through repetition. Human beings as a generalization tend to be lazy, looking for the easy way and as such often make shortcuts to arrive at a decision earlier. This perspective is called 'bounded rationality' and is often known as the "good enough" approach to decision making (Solomon, 2015, p. 81). These mental shortcuts that consumers make are referred to as heuristics. These shortcuts are 'rules of thumbs' and allow for quick decisions with little thought, for example, if a product is more expensive we assume it is of better quality. Other shortcuts include, the country of origin, for example farmer 5 opted for a German brand as they are well known for their high technology, effectiveness and performance. Farmer 1 on the other hand utilized the lexicographic rule. This heuristic explains that consumers select a brand if it is the best at meeting the consumers most valued characteristic. A lot of weight is attached to ergonomics for farmer 1 and as such, he opted for a Fendt tractor as it far exceeds all other alternatives on this characteristic.

Since the product in question is a sizeable investment it is difficult to class the decision process as habitual. However, farmer 5 buys tractors on a regular basis purchasing one every four years. Oyhenard says he is likely to buy the same brand again as he hasn't had any issues in the past. Farmer 5 now associates MTD as a reliable, durable and hassle-free brand and has built a strong loyalty with them.

#### *Affective Decision Making*

Affective decision making occurs when the decision is motivated by our emotional responses to a product. Our emotions hold significant influence over our decisions, positively and negatively. This process is not particularly applicable to our respondents as they made their decisions based on fact and prior experience, however when the alternatives were evaluated in the third step of the cognitive decision making process, emotional responses played a role in the final rankings in particular through brand loyalty (farmer 4) and comfort (farmer 1) (Solomon, 2015, p. 85-89).

After analyzing the responses from our interviews it is clear that whilst some attributes from each bucket are applicable, ultimately, each farmer arrived at their

decision through a cognitive process. Each farmer deliberately and carefully evaluated multiple options before arriving at their final decision.

### *Theory 2: Perceived Risk*

According to Bauer's initial proposition in 1960, "consumer behavior involves risk in the sense that any action of a consumer will produce consequences which he cannot anticipate with anything approximating certainty, and some of which at least are likely to be unpleasant" (1960, p. 24). Perceived risk can be defined as the level of uncertainty a consumer has and occurs when a person believes that there may be negative consequences if he or she chooses the wrong option. Perceived risk is higher when a more expensive purchase is going to be made, as is the case with tractor investments. There are five types of perceived risk according to Solomon (2015), monetary, functional, physical, social and psychological. Each of these risks are explained further below.

Monetary risk boils down to a fear that a potential purchase can tax or outstrip a person's monetary resources, now or in the future. Monetary risk operates on both a subjective and objective level. A person with low or variable income can experience a high level of subjective financial risk, even with low-cost items. The purchase of a home, on the other hand, often means an objectively high level of risk, even for those with stable finances. However, generally people with little income are most sensitive.

Functional risk refers to the fear that a product or service will fail to deliver promised functions or benefits. A new computer, for example, might fail to run the resource-intensive, audio editing program a sound engineer needs to perform their job. Practical consumers are most sensitive. Physical risk refers to the perceived potential for a purchase to cause bodily harm to a person or loved one. A firearm, for example, might create a high level of perceived physical risk in the minds of some customers. A book or magazine, by contrast, prompts physical risk concerns in few customers. Elderly consumers are most sensitive.

Social risk refers to the possibility that buying a product or using a service can reduce a person's status with friends, family or neighbors. If, for example, someone purchases fake products and finds his friends consider support the genuine is the right things, he suffers a loss of status. Risk capital consists of self-esteem and self-confidence. Those who are insecure and uncertain are most sensitive.

Psychological risk refers to the mental reaction after the purchasing process. Customers have to face whether a purchase decision is morally right. For example, a customer may want to buy from a particular company because it offers inexpensive alternatives, but feel ambivalent due to the company's labor

practices. Consumers have a lack of self-confidence and self-respect are most sensitive.

According to all the respondents' responses, we found that all five are highly sensitive to functional risk. Tractors are typically purchased for their ability to perform a specific task, as such consumers lay emphasis on their functionality. This was clearly demonstrated by all five interviewees. During their decision making process, they care about its robustness and whether it is easy to handle. They are afraid of investing money in tractors which may be broken easily or difficult to handle. Additionally, tractors providing warranty seemed to be a favorable attribute. Besides functional risk, some of our respondents are sensitive to social risk as well. Consumers who have high self-esteem or self-confidence may be sensitive to social risk. In our case, farmer 5, Oyhenard decided to buy a red tractor as its appearance has many similarities to that of a Ferrari. Consumers who have this kind of mental situation is afraid of falling behind others therefore he or she decide to invest in products which can prove their social status and wealth. See appendix B for more details of each farmer analysis.

### *Theory 3: Brand Personality vs Customer personality*

In this marketing study, it is also important to look into the psychological conditions of the purchase decision. Did the farmers actually buy the tractor according to their personalities? Or to a defined image/personality of the brand? We used two approaches to study the psychological variables of our farmers. Many contemporary psychologists believe that there are five basic dimensions of personality, often referred to as the "Big 5". The five broad personality traits described by this theory are extraversion (excitability, sociability, talkativeness), agreeableness (degree of altruism, trust, cooperation), openness (imagination and insights, adventure), conscientiousness (control, organization and mindful of details) and neuroticism (degree of sadness, emotional instability, anxiety) (Cherry, 2016). This theory states how many different personality traits exist.

The second theory used is the lifestyle dimensions is an important concept used in segmenting markets and understanding target customers, which is not provided by the study of demographics alone. Many researchers have focused on identifying the lifestyle of the consumers to have better information about them. These lifestyles deal with everyday behaviorally oriented facets of people as well as their feelings, attitudes, interests and opinion. A lifestyle marketing perspective recognizes that people sort themselves into groups on the basis of the things they like to do, how they like to spend their leisure time and how they choose to spend their disposable income (Krishnan, 2011).

According to **the 5 personality dimensions** customers can portray openness to experiences, conscientiousness, extraversion, agreeableness and neuroticism (Solomon, 2015, p.270). Farmers Baudry and Chavez demonstrate “openness to experience” as they are open to new ways of doing things and prefer innovative products. During our interview, Baudry commented that he is anticipating the utilization of drones in the future. They also show an “extroversion personality” as they frequently talk with different people to build their knowledge and receive advice on future purchasing decisions. Farmer Elichiry and Bordachar show attributes of “conscientiousness” as they are highly organized and structured, are always prepared and have clarified needs. Oyhenard demonstrates “agreeableness” as he differs from other people in his product choices, preferring to conduct his own research and not simply conform to those around him.

According to the **lifestyle dimensions** (for example superstition, willingness to spend money, need for cognition, need for affect, impulsiveness, need for uniqueness and extroversion) (Solomon, 2015, p.272), farmers Baudry, Elichiry, Chavez and Bordachar show a need for cognition as they enjoy thinking about their purchase in relation to how it best fit their needs. They are motivated to spend time processing the data and reading the “fine print” so they are sure to make the right purchase. Oyhenard and Baudry present a need for affect (enjoyment of processing feelings) as they like to test the product and to know the tractor firsthand. Also, Oyhenard shows a need for uniqueness, by bringing importance to the brand personality, reputation and seeking information about brands and products from other people.

A brand personality is the set of traits people attribute to a product as if it were a person. Forging a successful brand personality often is key to building brand loyalty, but it’s not as easy to accomplish as it might appear (Solomon, 2015, p. 225). Many of our respondents demonstrated brand loyalty for example Bordachar continues to buy the same brand for many years (John Deere). However, the farmers that show more interest in innovation such as Baudry and Chavez are not so loyal to their brand and could change brands if they find a better product to fulfill their needs. The brand personality of the tractors such as Deere, Fendt, MTD, International, Kubota and Massey Ferguson are promoting quality, proximity and comprehension of the farmer’s needs. Managing brand reputation of tractors is easier in comparison to other sectors as they aren’t commonly caught in media scandals.

In the table below we outline the company’s personality dimensions and compare them with our farmer’s personalities:

|                | <b>International</b>   | <b>Kubota</b>      | <b>MTD</b>              |
|----------------|------------------------|--------------------|-------------------------|
| Old fashioned, | Promotes power, relia- | Dedicated to engi- | Values stewardship, in- |

|                                    |   |  |   |
|------------------------------------|---|--|---|
| wholesome, traditional             | bility, high production standards. Innovative, market leader.<br><br><i>Elichiry (3) - values traditional products</i>  | neering excellence.<br><br><i>Elichiry (3) - values security &amp; traditional brands</i>                    | tegrity and innovation. German brand respected worldwide.<br><br><i>Oyhenard (5) - values country of origin but still requires status element</i> |
|                                    | <b>Fendt</b>  | <b>Massey Ferguson</b>   |   |
| Serious, intelligent, efficient    | Promotes innovation, strength and be market leader “leaders drive Fendt”<br><br><i>Baudry (1) - values efficiency, performance and modernity</i>  | Promotes modernity, high performance, expertise.<br><br><i>Chavez (2) - values modernity and performance</i> |   |
|                                    | <b>John Deere</b>   |  |   |
| Rugged, outdoorsy, tough, athletic | Promotes uniqueness, pride, expertise, power and robustness.<br><br><i>Bordachar (4) - values power and reliability. prefers performance and equipment over brand personality though.</i> |  |   |

This customer personality/brand personality congruence table suggests that we choose products when their attributes match some aspect of the self. These models assume a process of cognitive matching between product attributes and the consumer’s self-image. Here our farmers had a good vision of their self-image and achieved to match the good brand personality to their own.

#### *Theory 4: Status Factors*

##### *Social status and Taste Cultures*

In the purchase process two types of codes motivate consumers to buy certain products. On the one hand, the taste of culture influence consumers in terms of their aesthetic and intellectual preferences (Solomon, 2015, p477). On the other hand, the social status which represents the position or rank of a person or group, within the society, implies a social stratification. Status can be determined in two ways. First, the status can be ascribed which is assigned to individuals at birth without requirement of special abilities (sex, age, race, family relationships, or birth). Or, the status can be achieved, it requires special qualities and gained through competition and individual effort (education, occupation, marital status, accomplishments, or other factors) (The Editors of Encyclopedia Britannica, 2015). The two types of code permit to people to create distinction in their consumption among the social classes. Diagram 1 below illustrates the fact that, not all taste cultures are created equal.

To illustrate the differences in status between the farmers and the different tastes depending on their culture, we have transposed the theory of Pierre Bourdieu regarding resources and capital (Solomon, 2015, p. 78). For instance, farmer 1 has high social status with huge capital, according to Baudry (farmer 1) his tractor is the best one on the market. He owns the newest model as he is strongly aware of the latest innovations and new technologies, he anticipates that in the future he will abandon the use of tractors and instead use drones and helicopters. Farmer 3 in contrary to the above prefers to keep using traditional tractors as they are more mechanical. On the other hand, farmer 4 does not have the choice of owning a traditional tractor due to the demands of his job. He must have a modern, functional and innovative tractor in order to sell his services. Lastly, farmer 5 belongs to the high social status and chooses to buy a little tractor for the maintenance of its garden as a symbol of distinction compared to the neighborhood.

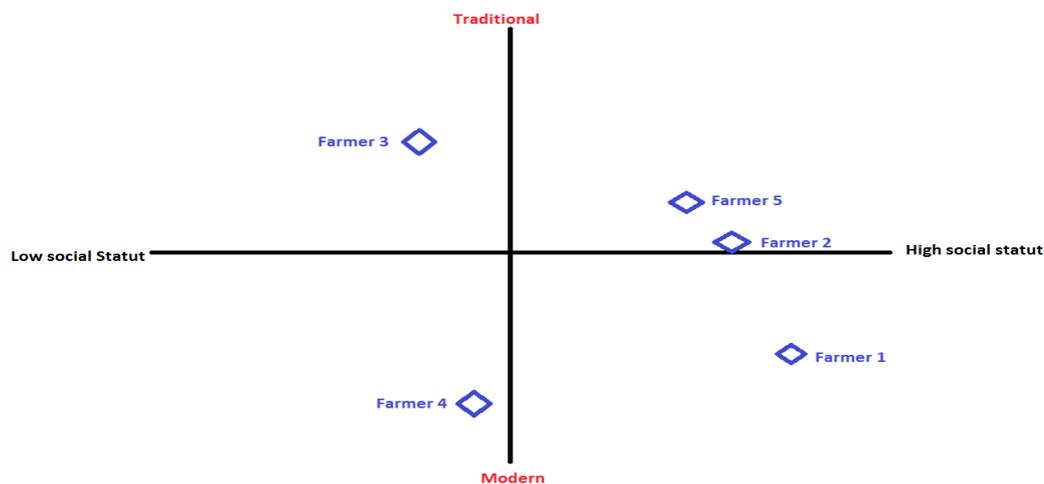


Diagram 1: Tastes verse Social Status

### *Consumer Confidence*

The confidence in the future, as well as in the overall economy, determines how people decide to buy some types of products. In our analysis of the behavior of different farmers we observed a sense of confidence in the usefulness and cost-effectiveness of the purchase of a new tractor. Indeed, all the farmers were optimistic in their future health and their prediction after a new purchase. These beliefs are essential because of the fact that they influence farmers to invest heavily in their new purchase to eventually save less. Due to the high cost of a new tractor, farmers take their new investment seriously. Some farmers are more confident than others in terms of future wealth. For instance, we identified farmer 1, to be quite confident with his purchases. To ascertain his confidence through the years we chose to use the questions from the Survey Research Center at the University of Michigan (Solomon, 2015, p457).

BAUDRY RESPONSES TO CONSUMER CONFIDENCE SURVEY

*Would you say that you and your family are better off or worse off financially than a year ago?*

Two years ago the company was victim of a natural disaster which led to wasting 90% of the harvest, this negatively impacted the farm's capital. After two years the company has recovered from this misadventure, and in 2016 was successful with rebuilding its capital.

*Will you be better off or worse off a year from now?*

The next year promises to be prosperous due to the good recovery and expansion of his network over the last year.

*Is now a good time or a bad time for people to buy a tractor?*

The issue is to predict the future outcomes of an investment, in this case the company bought the most expensive and efficient tractor (same price as a Ferrari) two years ago, just before the loss of the harvest. In hindsight, taking into account the financial loss from hail damage Baudry confessed that if he had been aware of this incident, he would not have bought this tractor or would have delayed purchasing it. In conclusion, it is difficult to affirm that it was a good time to buy the tractor because it's purchase strongly linked to the weather.

*Do you plan to buy a tractor in the next year?*

Baudry plans to buy a new tractor next year, in accordance with its new business strategy and operations. He proposed to the brand dealership of his tractor to add an additional accessory that will allow him to operate the tractor 24 hours a day. In doing so, he will be able to streamline his tractors and hire more employees resulting in lower costs and less unemployment.

Having analyzed his answers, it is clear that Baudry was confident with his decision at the time of purchase, however due to unforeseen circumstances, in hindsight it would have been more beneficial to delay the purchase. Baudry stresses the need to be able to accurately predict the future needs and requirements of the farm as well as anticipate possible setbacks. This is a very difficult and often impossible task however with years of experience, Baudry is confident that he can withstand another disaster as he has improved his saving strategies to ensure he has capital reserved in the event it occurs again.

### *Theory 5: Influential Factors*

Despite every advertising effort, it is important to mention that there are many other influential factors on consumer behavior. Word of Mouth (WOM) marketing is one such tool. WOM occurs when product information is transmitted

between individuals and often comes with social pressure to conform to these recommendations. It influences two-thirds of all consumer good sales according to Solomon (2015, p.524). The more positive information consumers get about a product from peers, the more likely they will be to purchase the product. WOM is especially powerful when the consumer is relatively unfamiliar with the product category.

An opinion leader is someone who is knowledgeable about products and whose advice others take seriously and are frequently able to influence the attitudes or behaviors of consumers (Solomon, 2015, p. 530). Opinion leaders are extremely valuable information sources because they possess expert knowledge power and they are highly active interconnected individuals in their communities, especially online. They tend to be similar to the consumer in terms of their values and beliefs, so they possess referent power (homophily). The opinion leaders may or may not be purchasers of the products they recommend, be involved in a product category or all types of information as we will see in the different types of opinion leader.

Innovative communicators are early purchasers of products that aren't yet 'trendy'. They aren't afraid to take risks and enjoy trying new things. According to Solomon's (2015) study of college men for fashion, innovative communicators are used to buying new products first, then the receivers are likely to follow their lead when they make their own purchases (p. 531). Opinion seekers, another type of opinion leader, are more involved in a product category and they actively search for information. They generally talk about products with others to solicit their opinions. It is important to mention that most of product-related conversation occurs in the context of a causal interaction rather than as a formal one (Solomon, 2015, p. 532).

Market maven opinion leaders like to transmit marketplace information of all types. They tend to have a solid overall knowledge of how and where to procure products as well as what is happening on the marketplace (Solomon, 2015, p. 532). Lastly, surrogate consumers are a class of marketing intermediaries that often guide what we buy. This surrogate term refers to an external part we retain and usually compensate to provide input into our purchase decisions, for example interior decorators and stockbrokers (Solomon, 2015, p. 532)

After analyzing the consumer's responses, it is clear that the majority of the interviewees talked with people before making their buying decision. As such, it is clear that WOM marketing has played an influential role in the consumer's decision making process, as the theory implies.

The first two farmers interviewed were heavily influenced by homophiles or opinion seekers during the decision making process. They considered the advice of friends who are not tractor experts but are familiarized with the tractor category and are constantly looking for new information and offers. Farmer 3 however, was influenced by his fellow farmers who have the experience and knowledge of the tractors to recommend others as experts. We can consider Bordachar's (farmer 4) friend as an innovative communicator because he chose the brand first before anyone in his network. Bordachar then followed his purchasing decision and has now developed a strong alliance with the brand and local tractor dealer. Lastly, farmer 5 was influenced by digital media, he looked for product information online for easy comparison of alternatives before making a decision. It was observed that surrogate consumers are uncommon in the tractor sector because consumers need to be sure of the products functionality, consider the risks and know the characteristics they are looking for before purchasing.

## Recommendations and Summary

There are many influencing factors and ways a consumer arrives at their decision to purchase a product. It is important to understand these factors in order to anticipate their potential behavior. This report has interviewed five farmers who have recently purchased a tractor and analyzed their behavior in order to provide insight into the buying habits of consumers.

There are three key decision making processes, cognitive, habitual and affective. It is clear that the majority of farmers follow a cognitive process, making considered and deliberate decisions. This is largely due to the fact that a tractor is a sizeable investment and as such, much consideration is required to ensure the product best suits the farmers' needs. From our analysis, it is recommended that retailers focus on the second stage of the buying process, information search. At this stage, consumers are gathering appropriate data on possible products and it is here that retailers can grab the attention of potential customers. Our respondents indicated that they commonly referred to their friends, farmer network and the internet for information and advice. Subsequently, it is essential retailers have a strong presence online that clearly outlines the benefits of their product and is simple to navigate. Care should be taken in the products position on comparison sites and ensure the best attributes and value-add qualities are clearly highlighted. Furthermore, it is important tractor sellers take functional risk seriously as tractors are primarily bought as a result of a need for practical use. Functional risk can be minimized by reinforcing a product's warranty and guarantee. These factors are highly valued by Baudry and Chavez as they felt more secure with their purchases. Experiential marketing is also recommended in an effort to con-

vey a tractor's functionality, this can be done through exhibitions, fairs and test drives and allows farmers to develop first hand perceptions about a brand.

It was repeatedly stated by the farmers that they referred to others for opinions and advice. As such it is suggested companies manage their reputation and public sentiment, ensuring WOM marketing is of a positive nature. Opinion leaders were referred too frequently, as such engaging with a relevant, influential community leader could assist in influencing a consumer's decision to buy your product. Consumers are not just influenced by opinion leaders but also their culture and desire for social status. These two elements can persuade an individual to purchase specific products in order to gain higher social status or simply cultural preferences. For example, Diagram 1 shows each farmer has different preferences (traditional or modern) and different levels of desire for social status resulting in five different buying decisions. It is important to understand the culture in which you are operating in to better determine consumer preferences and important product characteristics.

It was observed that many of the respondents have developed long term relationships with their local dealers, creating a strong loyalty to a specific brand. This relationship is important to nurture to enable long-term, repeat purchases. Relationship marketing is a relatively new concept that has proved hugely beneficial for companies that get it right. This relationship also influences the consumer's perception of the brand and its personality. As outlined in the report, customers choose a product according to the best fit to their needs and psychological insights. Brand personalities must be taken into account and correspond to the target market's personality. Our farmers developed a brand-focused vision, to select the brand and product that closely aligns with their values, lifestyle and overall personality. For example, the brands chosen by Oyhenard and Bordachar demonstrate incongruences with their psychology state. Tractor retailers should clearly define their brand personality in order to provide the right product to the right customer, as well as develop a good advertisement campaign with the right adapted message.

In summary, customer-company relations are the most important aspect in the tractor purchasing process. Tractor brands should collect as much information as possible on their customers, needs, personalities and feelings in order to target the right segments and add the best value. Farmers should try to achieve the best updated information through distributors connections in order to be confident with their new product and improve their business.

## Appendix

## *Appendix A: Questions Asked to Interviewees*

Name

Farm name

Farm size

Farm location (country, region, address)

Farm production (crop, animals, combination)

Photo (if possible)

Why did you choose to invest your money in a tractor instead of something else?

Why did you choose the specific brand among tractors?

Why choose that size (=price level) of tractor?

What is special with the tractor brand chosen (according to the customer)?

Please comment on value-price relation?

How, in short, did the buying process occur?

How often do you buy tractors? Do you make purchases out of habit/always buy the same brand or do you consider other options each time?

Give 5 adjectives that describe the ideal tractor for you

Why do you choose the brand/type of product - eg functionality or status/brand or by word of mouth or country of origin?

Did anyone influence your decision? (eg friends, family, celebrity)

Are you satisfied with your purchase? Would you buy the same brand again?

## Appendix B: Details of Perceived Risk Analysis

### **Farmer 1: Baudry Benjamin**

This farmer may be sensitive to:

**Monetary risk** -The quality-price ratio is very important to him. He bought the tractors in order to cost down the labor expense therefore he chose the one which was not only affordable but also efficient.

**Functional risk** - He is functional focus. The brand he chose allows him to upgrade his tractors every three or four years in order to ensure that his tractors are in perfect working condition.

**Social risk** - The brand he chose was the most famous in the world. He uses this famous brand in order to show off his status.

**Psychological risk** - His farm had gone through a natural disaster which caused a big loss to his company therefore he has low confidence to the unpredictable climate change. He mentioned that if the disaster was predictable then he wouldn't have bought that expensive tractor. Those extreme weather changes may influence his mental condition and self-confidence which influences his purchase decision in serial.

### **Farmer 2: Victor Chavez Rios**

This farmer may be sensitive to:

**Functional risk** - He chose this brand because it is useful and it is very universal in his region. Besides he chose this brand due to its one-year warranty.

### Farmer 3: Christine Elichiry

This farmer may be sensitive to:

**Monetary risk** - She chose the one which was less costly and functional. Comparing with other brands, this brand is affordable for her.

**Functional risk** - She cares about the functionality and whether the tractor is easy to handle. Besides robustness is considered to be an important factor.

**Social risk** - She bought this brand of tractor due to its big size. She thinks it is important to own a larger size of tractor than her neighborhood.

### Farmer 4: Stéphane Bordachar

This farmer may be sensitive to:

**Functional risk** - He chose it because it can work on large surface and it is easy to handle. He bought for its functionality, reliability.

**Physical risk** - Brand security ability is considered to be an important factor for him, because sometimes he has to work in dangerous locations.

### Farmer 5: Jean Marie Oyhenard

This farmer may be sensitive to:

**Monetary risk** - He chose this tractor because the price is affordable.

**Functional risk** - He chose this brand because it is easy to handle and the functionality is efficient. Besides he also took the origin of the company in to consideration, he purchased MTD which is a brand originates from German.

**Social risk** - One of the reason why he he chose this tractor is because of its red color. The red color makes that tractor looks like Ferrari, which is a famous race car brand in the world.

**Psychological risk** - He lays emphasis on the brand ethic.

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# A survey of farmers from Vikbolandet, Sweden

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## Introduction

The Swedish farming industry plays an important role in the Swedish economy, representing 1,4 % the country's GDP in 2014 (Landguiden, 2014). Throughout technology advancements since the beginning of the industrial revolution, farmers have been able to make their farming activities more efficient and thus generating greater returns on their lands. An important aspect of being able to run the farming business as a farmer, is the investment of quality vehicles. Tractors play a crucial role in several farming activities, such as transportation of goods, ploughing and seeding. By investing in quality tractors, farmers can then increase output to keep up to the increasing demand of their products.

By analysing farmer's consumer behaviours when purchasing a tractor, one can get an insight on what drives these types of purchases in order to direct marketing efforts more efficiently in the future. The aim of this paper is therefore to increase the knowledge of the factors that drive farmers in deciding to purchase a tractor. In order to get an even greater understanding of tractor purchase processes, this paper will also focus on the tractor-retailer perspective, i.e. from the marketer's point of view.

## Method

Through personal contacts with a tractor-retailer, four farmers, which had recently bought a tractor, were mapped on the eastern outskirts of Norrköping in a village called Vikbolandet.

A semi-structured interview was used by asking the farmers the same questions from a developed questionnaire that would cover all aspects of a tractor purchase. Questions that were asked concerned their buying habits when investing in tractors, as well as what factors influenced them in making those buying decisions.

ions. Research has also been conducted by interviewing two tractor-retailers by phone, located in Norrköping and Jönköping.

By using the information gathered throughout the four interviews, the paper will answer the following questions:

- Why do farmers buy what they buy and how do they choose a specific brand among a product category?
- How do they select the kinds of products they invest their money in? And why, do they act as they do?
- What are the buying motives?

## The cases

### *Farmer interviews*

#### *Case 1: Gustav Jonsson - Lindeberga Gård*

Our first interviewee is named Gustav Jonsson, a farmer specialized in cattle- and corn production. The farm is called Lindeberga Gård, has a size of 210 ha, and is located in Vikbolandet, a peninsula in the outskirts of Norrköping.

Gustav Jonsson recently bought a Valtra tractor of the model N123, which is used mainly for farming and ploughing during summer season, but also for transport of animal feed in the winter. He needed a new tractor since the current tractor was becoming out-dated. He mentioned that the purchase was not affected by any specific attributes, but rather by the fact that the farmer had been loyal to the Valtra brand throughout his farming career. He has been driving two Valtra tractors before buying the N123 model. The purchasing process took approximately three weeks.

Prior to the purchase, Gustav Jonsson pointed out that he had been involved in discussion with his retailer as well as with colleagues about the specific model, i.e. the N123.

#### *Case 2: Dag Nilsson - Berga Gård*

The second interviewee's name is Dag Nilsson, another farmer whose farm, called Berga, is also situated in Vikbolandet, in a village called Kuddby. The main activities on the farm revolve around milk- and corn production, on an area of 152 ha, out of which 52 ha are let out on a lease.

Due to the farmer's previous tractor being out-dated, he decided to buy a new one from the Valtra brand. Dag Nilsson has been satisfied with the performance of Valtra tractors so far, which was one of the reasons why he bought a tractor of

the same brand again. The farmer has also been satisfied with the customer service from the retailer Lantmännen in the past, which is why he turned to them when considering a new purchase. Dag Nilsson values the proximity of customer service, a need that is satisfied by the Lantmännen retailer. He has also been partially influenced by colleagues in his purchase decision.



*Photo 1: Tractor Valtra N123. Photo: Dag Nilsson*

The Valtra N123 suited Dag Nilsson's needs mainly because of two reasons: it is easy to handle compared to other tractors from other brands, and doesn't pack the soil. Packed soil could potentially inhibit the growing of crops. When assessing other brands, Dag Nilsson came to the conclusion that most of brands are more expensive than Valtra tractors, but that the price premium is not reflected in the performance of more expensive brands. The interviewee argued that Valtra gives "the most bang for the buck".

#### *Case 3: Per Helgesson - Svensksund säteri*

The third interviewee was the Swedish farmer Per Helgesson, owner of the "Svensksund säteri", whose farm is situated in the same area as the two previous interviewed farmers, i.e. in Vikbolandet. The farm stretches over an area of 450 ha. The farm's activity focuses on cultivation of crops, but Per Helgesson indicated that there will face a shift in production from crops to cattle in the near future. The purchase of a new tractor was partially motivated by the future need of effective cattle transportation.

Per Helgesson therefore recently invested in a Valtra N163 tractor. An interesting aspect of the purchase was the fact that Per Helgesson had always purchased John Deere tractors in the past, but that those types of tractors were too heavy to use for cattle transportation, partially because of their bigger 6V-engine.



*Photo 2: Per Helgesson in his Valtra N163. Photo: Per Helgesson*

Due to the lack of manoeuvring control of John Deere tractor, Per Helgesson had to assess other investing possibilities among other brands. After having tried three different brands, Per Helgesson came to the conclusion that the Valtra N163 was the tractor that suited his specific needs. The purchase was therefore based on an objective analysis of each model's transportation ability.

Per Helgesson couldn't assess any potential risks of buying a new tractor. One potential risk could be that the tractor does not live up to the highly set expectations regarding transportation of cattle, which is a process that has not yet been tried at the Svensksund säteri.

#### *Case 4: Håkan Skog - Åsvittinge Gård*

The fourth and last interviewee's name is Håkan Skog, manager of the Åsvittinge Gård, situated in Vikbolandet. The farm focuses on the productions of milk, cattle and crops, where the milk division has continuously decreased in importance due to the milk crisis, which are characterized by decreasing profitability among Swedish milk producers.

The farm's tractors are mainly used for snowploughing the streets of Söderköping municipality during wintertime, and round bale pressing during spring and summer seasons. Since the farm currently has business ties with Söderköping municipality, Håkan Skog has the obligation of meeting certain claims regarding the tractors' carbon dioxide emissions. Håkan Skog must therefore invest in new tractors every eighth year in order to keep his partner contract with Söderköping municipality.

Håkan Skog pointed out several aspects that made him investing in the Valtra brand: the N163 model is cheaper than comparable models from other brands such as John Deere which according to Håkan Skog require significant maintenance during the lifetime of the tractors, which entails higher costs. Another design aspect that played an important role is the space between the N163's whe-

els, which was crucial for the task conducted on the fields. The third, and maybe most important aspect, was the potential second-hand value of Valtra tractors. As mentioned above, Håkan Skog is obliged to procure himself new tractors every eight year, which puts pressure on his ability to sell used tractors at an attractive price. The buying process took a few weeks, due to Håkan Skog dwelling on whether buying new or used equipment.

Håkan Skog mentioned that despite buying Valtra tractors, he prefers Fendt tractors because of the enhanced driving. The transmission technology in Fendt tractors is somewhat more advanced, which leads to a smoother driving. But the smoothness in driving was not enough to pay a higher price for an equivalent model of the N163.

The most apparent risk associated with tractor purchase was according to Håkan Skog the second-hand value. When buying several N163 tractors, the farmer is never sure that the second-hand value be high enough to justify such an important investment. The Valtra brand has switched owner a couple of years ago. The former owner, the MF-group, installed hydraulics from Bosch, which were then replaced by cheaper versions when Fergesson acquired Valtra. Håkan Skog fears that the change of owner will decrease the second-value of his tractors.

### *Retailer interviews: Thomas Lifberg at Lantmännen & Johan Niklasson at Rosenqvist Maskin*

#### *Case 1 - Tomas Lifberg, Lantmännen*

Thomas Lifberg states that the most important factors that farmer's value when purchasing a tractor are the brand and the price. Having already bought a tractor, farmers do appreciate the proximity of retailers and the availability of potential spare parts.

The buying process of a tractor can take anywhere from a week to several years, according to Thomas Lifberg. Weather conditions, the general level of interests rates as well as the price of corn or milk do play an important role whether a farmer decides to invest in a new tractor or not. Interest rates and price of crops do vary on a monthly basis, which make future investments harder to predict.

The Lantmännen retailers mostly sell Valtra tractors, which is the most common brand among Swedish farmers and Fendt tractors, which are seen as more exclusive.

#### *Case 2 - Johan Niklasson, Rosenqvist Maskin*

According to Johan Niklasson, functionality and brand loyalty are the most important aspects of a tractor purchase. Many of his customers base their purchases on prior experiences with a certain brand.

The purchasing process starts with an inquiry from a customer, having specific needs. The retailer then asks even more detailed questions about the customers needs in order to get a deeper understanding to present different models. Johan Niklasson states that more questions are asked to customers today compared to 20 years ago, since tractors have become more complex.

Valtra and John Deere are the two most popular brands on the Swedish tractor market, where John Deere models represent a more exclusive segment.

## Analysis & Theory

### *Theory*

#### *Stages in the consumption process - consumer and marketer's perspective*

The consumption process isn't finished when the transaction occurs. The whole process takes place before and after the purchase. Both the purchaser and the marketer have *pre-purchase issues*, for example the consumer has to decide if the product is needed and how to find the best sources of information about the product. The marketer's issues before the purchase is whether the attitude from the consumers towards the product has changed or is the same. The difficulty is also how the consumer comes to the conclusion which product is superior to the rest. (Solomon 2015, 29)

According to Solomon (2015, 29) *purchase issues* arise when the actual transaction takes place, if the procurement is an activity that is pleasurable or stressful for the consumer. For the marketer the questions are how factors such as time and store display affect the decision of the purchase.

The last stage in the process is the *post-purchase issues* are how the product performs and if the product provides pleasure to the consumer. From the marketer's perspective the issues are what determines the consumer's satisfaction and eventually if they will buy the product again. (ibid.)

#### *Consumer decision making: three buckets*

During a lifetime, every single one of us takes millions of decisions in more or less complex situations. Some of which we carry out with ease whilst some takes weeks to evaluate before a decision can be made. Subconsciously we therefore evaluate the cognitive effort needed to take a decision, against the possible gain, something more known as constructive processing. (Solomon 2015, 60)

To simplify, Solomon (2015, 60) choose to describe the process with three "buckets", one for each of the three ways consumers takes decisions. First out is

the *Cognitive* bucket where we find deliberate-, rational- and sequential-thinking. This bucket is characterized by decisions well thought through, where the consumer can argue pros and cons, in addition to carry out the process over a longer period of time.

Secondly, the *Habitual* buckets content is behavioural-, unconscious- and automatic- decision-making. Looking at patterns of e.g. feeding or sleeping habits, it can in some cases be said to be of habitual nature. The same goes for opening doors or chewing, decisions taken automatically. (ibid.)

Last out is the *Affective* bucket. In it we find decisions taken in affect, with emotional and/or instantaneous grants. Drives in this segment could be previous events resulting in personal trauma. Solomon (2015, 60) stresses the importance of such behaviours, foremost in a negative aspect where e.g. stress and comfort eating becomes a problem. Contrary we find the positive aspects, e.g. the love to a specific car brand that leads to further sales of the same.

Taking a broader view on the buckets we can see that they cannot always be seen as separate ways of making decisions. Rather the decision making process is often affected by more than just one bucket. (ibid.)

#### *Conceptualizing involvement*

According to (Zaichkowsky, 1985) in Solomon (2015, 61) involvement is “a person’s perceived relevance of the object based on their inherent needs, values and interest”. The antecedents of involvement depend on three things; person factors (needs, importance, interests, values); objects or stimulus factors (source of communication and differentiation of alternatives) and situational factors (purchase/use and occasion). Possible results of involvements with products can for example be preferences for a particular brand and results of involvements with purchase decisions can be influence of price on brand choice and amount of information search. (Solomon 2015, 61)

A consumer’s level of interests in a particular product is product involvement. If marketer’s can tie a brand closer to an individual, the higher the involvement they will create. If there are perceived risks, the customer will be more involved with the decision-making. (Solomon, 63). Brand loyalty is when a customer continues to purchase the same brand, and consumers who are highly involved with a specific product exhibit brand loyalty (Solomon, 64).

#### *Five types of Risk*

Functional risk affects those consumers that are most practical due to the existence of alternative means of performing the function or meeting the need. Purchases most subjected to functional risk are services or products where the purchase and demand the exclusive commitment of the buyer. (Solomon 2015, 65)

Physical risk involves those who are weak, frail and elderly, the actual risk derives from the physical force, health and liveliness. Most sensitive to this risk are mechanical and electrical goods as well as medical treatment and eatable items. (ibid.)

#### *Steps in cognitive decision making*

1. *Problem recognition*  
The consumer realizes that her preference has changed and she needs a new product.
2. *Information Search*  
To resolve the “problem” that has occurred the consumer starts gathering information in a specific product segment.
3. *Evaluation of alternatives*  
The consumer now has several different options that could satisfy her needs. By evaluating the specifics for each product she recognize the pros and cons of the same.
4. *Product Choices*  
The consumer decides which alternative fits her preferences the best.
5. *Outcomes*  
The consumer hopefully buys the product.

(Solomon 2015, 70)

#### B2B purchasing decisions

“Organizational buyers are people who purchase goods or services on behalf of companies for the companies’ use in manufacturing, distribution, or resale.” (Solomon 2015, 397).

Solomon mentions differences between organizational purchases and individual consumer decisions. Impulse buying is rare in a B2B context, since buyers are professionals; they base their decisions on past experiences and carefully weigh alternatives. Decisions are most of the time risky, since the purchase has future consequences on the buying firm’s activity. Emotional aspects can furthermore play a role for organizational buyers, i.e. they can base their decisions on long-term relationships with a specific supplier and can often be based on brand-loyalty. (Solomon 2015, 398).

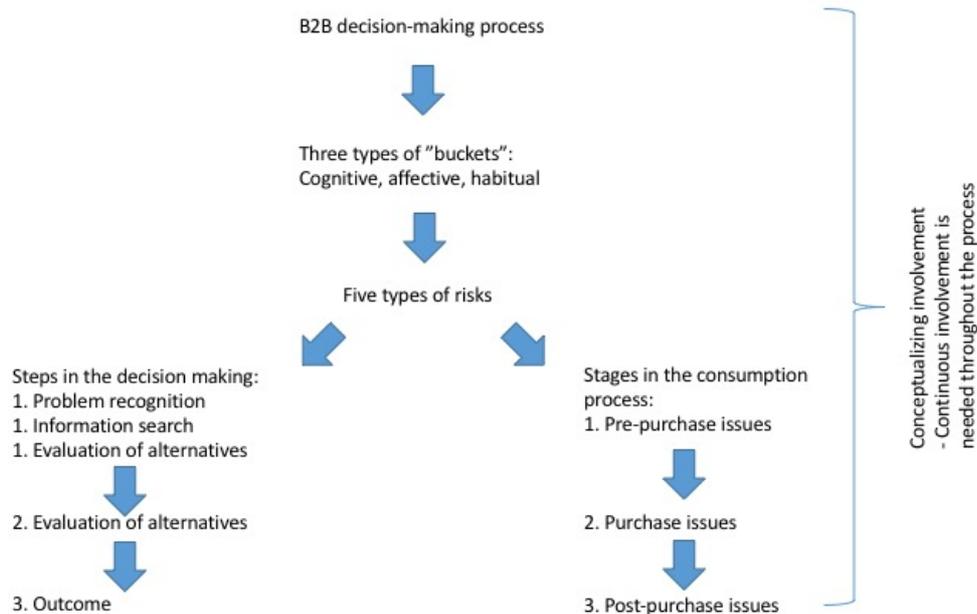


Diagram 3: Summary of theories from Solomon, 2015 composted by Group B10.

## Analysis

### *B2B framework applied on farmers*

A farmer can be seen as a sort of organizational buyer since they purchase goods on behalf of their own companies and to use these purchased goods in their manufacturing and distribution process. The farmers' decision making process will therefore be analysed from a B2B- perspective.

### *B2B decision-making process*

The farmers in the empirical data all emphasize the importance of the information search and to evaluate different alternatives about a specific brand before a purchase can be done. This type of purchasing behaviour shows that the tractor that is to be purchased, plays a vital role in the day-to-day activities on the farms.

The farmers pointed out the importance of choosing the right tractor for their farms, since the purchase is such an important investment for the functioning of the farming businesses. By potentially buying a tractor that do not live up to expectations, there might be negative consequences on the farms' productivity. There are therefore substantial risks associated with such a purchase.

All the farmers buy from the same tractor-retailer with whom they have a long-term relationship. One reason is the proximity of the retailer to the different farms. By having a competent and experienced retailer, that understands the far-

mers needs and therefore giving them good customer service, enhances the farmers' relationship with the retailer.

### *Buckets*

Solomon's three buckets well describes the different ways of making decisions. In the four cases it can be concluded that the farmers touch upon all three to describe their motives.

#### *Case 1 - Gustav Jonsson*

**First out** is Gustav Jonsson, who states that his decision to buy a Valtra wasn't affected by any special attributes connected to the machine itself. Instead Gustav argued that the main reason for his purchase was brand loyalty. The process therefore takes a step away from the rational, Cognitive bucket, and instead tends towards the other two. Nevertheless, Gustav's statement doesn't make it clear whether or not the decision is Habitual (he's been buying the same brand several times before), or Affective. However, since the purchase took Gustav up to two weeks, it's most likely that the decision was affectual, that brand loyalty heavily weighed in on the decision.

#### *Case 2 – Dag Nilsson*

**The second farmer** was Dag Nilsson. The farmer has been driving Valtra before and states that he is somewhat brand loyal. His main purchasing reason however, was not the brand, but other factors. He takes into account different specific qualities that he claims to be brand specific, as well as arguing for a good price–value relationship for the Valtra brand. The way Dag takes deliberate and rational decisions based upon detailed statements about the product, locates him in Solomon's first bucket, the cognitive one. At the same time it's worth to highlight that Dag, just as Gustav, has some brand loyalty, (affective bucket), and that it's hard to determine how much this influenced him when deciding upon the Valtra.

#### *Case 3 – Per Helgesson*

**The third farmer** interviewed was Per Helgesson. He had one specific task that he required his new equipment to be able to handle, the ability to pull cattle carriers. Per's way of conducting his own market research stands out in the crowd, he tried several brands before settling for the Valtra N163. This could be interpreted as if he wasn't driven by factors such as brand loyalty or design, but foremost searched for the product most suited for his needs. Compared to the other farmers interviewed Per is more easily placed in a specific bucket, the cognitive one.

#### *Case 4 – Håkan Skog*

**The last farmer** interviewed was Håkan Skog. His contract with the municipality of Söderköping forced him to renew his equipment every eight-year. Following, the most important thing for him was the second hand value of the machines.

This fact forced him to act within the cognitive bucket, in addition with the fact that he searched for the best design and price – value ratio.

Any values that argue for consistency amongst the farmers interviewed can't be seen. However, there is a trend where the different needs outweigh such things as brand loyalty, the farmers will choose function over brand in most cases. On the other hand, when presented with two equal options, naturally brand weighs in. The fact that a tractor most often is a very expensive product makes it hard to argue for the purchase to be habitual. The interpretation made of the theory is that habitual purchases are made more often than e.g. every eighth year and that it requires minimal thinking processes. This means that the theory is partially inapplicable.

### *Risks*

The typical tractor buyer doesn't cover all the different types of risks in Solomon's extensive model. In fact, given the empirical data only two risks can be identified, which are *Functional* and *Physical* risks

#### *Functional*

Obviously, the purchase of a tractor includes a risk assessment of its reliability to work over time. The empirical data shows how the farmers carefully weighs pros and cons against each other before settling and taking their final decision, picking the brand and function best suited for their cause. At least this stands for true in most of our cases. The farmers who are highly brand loyal tend to down prioritize their functional need in favour for their preferred brand. They can therefore be said to be more liable to risks than their counterparts.

#### *Physical*

All of the farmers interviewed consider the physical risks connected with their purchase. Both Håkan Skog, as well as Per Helgesson argues that the highest risks are physical. Håkan is concerned with the second hand value of his machine, whilst Per has high expectations regarding the tractor's ability to pull cattle carriers.

The two other farmers do not mention any specific risks regarding their purchase. However, they mention how they expect their tractors to function, transporting food-ploughing snow etc., activities that are highly physical to their nature. Dag also mention how he values good customer service from his retailer, giving him the possibility to eliminate possible risks in a hasty manner

*Stages in the consumer decision making and stages in the consumption process*

Step one in the model of *Stages in the consumer decision making*, is to recognize a problem. Gustav Jonsson recognizes his need for a new tractor since his current tractor was getting too old; Dag Nilsson also had an out-dated tractor. Per Helgesson observed a need for a new tractor due to the approaching change of the farm's activity. Håkan Skog is compelled by the municipal regulations to buy a tractor every eighth year.

A tractor is a very capital-intensive product, therefore it's important to know as much as possible about the product before the purchase. This leads to the second stage in the stages in consumer decision making, *information search*, Gustav Jonsson talked to several colleagues as well as his retailer to get information and advice to which model and brand he should buy.

He previously owned two tractors of the same brand, so the farmer already had some experience and information about the brand, so called *internal search*. Dag Nilsson has been satisfied with the Valtra brand earlier and therefore was only interested in that specific type of brand when collecting information. Alike the first farmer, Dag Nilsson discussed his purchase with colleagues. With the approaching change of the farms activity, Per Helgesson's criteria for a tractor also had been changed. The heavier John Deere isn't suited for cattle transportation; therefore a larger search was needed. To gather information Per Helgesson did an objective analysis by examining three different brands. Håkan Skog did a substantial research where many attributes and criteria were included; the buying process took a few weeks.

The third step of the model is *evaluation of alternatives*. The purchasing process for Gustav Nilsson took almost three weeks, which shows that the farmer had product knowledge, and therefore didn't need to do a larger amount of information search. Discussions with colleagues and retailer were important when evaluating the alternatives. When Dag Nilsson assessed his product choices, one of his criteria was the proximity to service of the retailer, Lantmännen. The other criteria the farmer had were the weight of the tractor and the manoeuvrability. When the purchase was done, the price had played an important role as well. Per Helgesson did an objective analysis when gathering information; his criteria were weight of the tractor due to the size of the engine and manoeuvring control. Due to the regulations of purchasing a new tractor every eighth year, Håkan Skog placed the second-hand value as important criteria. Price and lifetime cost also played an important role in the evaluating process as well as the designs of the space between the wheels. Comfort was not worth the increased price to the farmer.

These first three steps are similar to the first stage of the model *stages in the consumption process*, the *prepurchase issues*. The aim of the first stage is to decide the consumer's need of the good and what the best sources of information are about the alternative choices.

The first learning point from the pre-purchasing process is that the need can derive from a variety of reasons; majority is to fit the need of the farm. Second learning point is that most farmers gathered information from colleagues and in some cases retailers. The second learning point is that all the farmers have knowledge of the product and the evaluative criteria and determinant attributes are different but they all seem to use the conjunctive rule, by choosing the model and brand which meet all the criteria.

The fourth step in the stages in the consumer decision-making is *product choice*. This is comparable with the *purchase issues in the consumption process*. The reason behind the product choice differs from one farmer to another. Both Gustav Jonsson and Dag Nilsson have used tractors of the Valtra brand before and have been very satisfied with their prior purchases, therefore their decision were somewhat driven by their brand loyalty to the Valtra brand. Dag Nilsson appreciated the specific functions of his Valtra tractor, which can be seen as a way of purchasing his tractor with regards to functionality. On the other hand, Per Helgesson's product choice was driven by functional issues and not by the tractor brand. He needed a tractor which suited his specific needs for the change in his production, which is why he chosen to change tractor brand from John Deere to Valtra. Håkan Skog's purchase decision depended on both the tractors price and design. Compared to the other farmers mentioned, Håkan's decision also depended on an external factor due to the regulations of the municipality, which forced him to think of the potential second value of tractors when purchasing it.

We can see that the product choices for the farmers' depends on different reasons, but they all have been highly involved in their decision making process. They have realized their need for a new tractor depending on different reasons, used their previous knowledge and values on tractor purchases and in the end, showed a high interest in finding the right tractor for them. To purchase a tractor is both very expensive and difficult, which is why high involvement is needed. Therefore, it's been necessary for them to seek the right information, test and evaluate different tractor brands so that they finally could make the perfect product choice.

#### *Post-purchase issues - Outcome*

As the heading suggests there's both problems and possibilities when disposing of a product, in this case farm equipment. Most often there's a second hand value to consider, as in Håkan Skog's case. In others the consumer face troubles with services and repairs from their retailers. Unfortunately the survey performed in this study only shows a snapshot from the larger timeframe that needs to be considered to thoroughly evaluate the outcomes of the purchase.

Overall the farmers interviewed appears to be pleased with both their products and services, taken that they return to both the same brand and retailer continuously.

## Conclusion

The study shows many interesting findings and presents a complexity around the process of buying a tractor that was previously unknown of, at least for the authors.

Firstly, tractor purchases of a certain brand depend mainly on two factors: brand loyalty and functionality. Farmers can only be brand loyal to a certain extent, as brands may have models, which can't perform the tasks that are required to run the farms. The interviews clearly state that some of the interviewed farmers have changed brands when a specific need have arisen, e.g. change in production. Secondly, the purpose of buying a new tractor for the farmers were due to older tractors being out-dated which meant that they needed to buy new tractors in order to continue their production.

The majority of the interviewed farmers state that they value the proximity of their tractor retailer, which means that the retailer has an in depth know-how of the conditions that farmers face in the environment of Vikbolandet. Tomas Lifberg, the contact person at Lantmännen, also asserts that the easy access to spare part plays an important role when choosing a retailer.

The decision of investing in a tractor comes with a comprehensive analysis of different tractors models capabilities as well the pricing of those models. One could say that the farmers conduct cost-benefit analyses, in order to buy a tractor having the right specifications at the right price. In order to choosing the right tractor, the farmers need to be highly involved within the whole buying decision process. The interviews show that the involved farmers do their analysis in different ways: testing of different models, intensive discussions with retailers and taking into account word-of-mouth recommendations from colleagues are ways to assess to potential capabilities of different tractor models.

Buying the right tractor is an important asset for any farm that has the ambitions of growing and in over increasing competitive landscape. This paper has increased the knowledge of the factors that influence the decision-making process of tractors from farmers' as well as a retailers' perspectives.

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## Appendix

### *Questionnaire Farmers*

#### 1. Background

- Location and name of the farm?
- What's the farms main out put?
- Will the tractor be used for other purposes than at the farm?
- Size in ha?

2. Why did you choose to buy a tractor instead of other farm equipment?

3. Which brand did you buy?

4. Why did you choose that specific brand? What makes that brand stand out in a crowd?

5. Which factors did you consider when you bought the tractor?

- Did you get affected by others who've had previous experience with that specific brand?
- Do you have any prior experience?

6. Which factors affected your purchase decision?

For example:

- Brand loyalty
- Functions
- Design
- Price sensitivity

7. Do you know about any other brands? What's your opinion about them?

8. How did you carry out the buying process?

9. Are you satisfied with you purchase? Does the product meet you expectations?

10. What risks do you consider when buying a tractor?

## *Questionnaire Tractor-retailers*

1. What factors affected your customers when they decided to purchase a tractor?

For example:

- Brand loyalty
- Functions
- Design
- Price sensitivity

2. How did the buying process carry out?

3. Which brand is most popular?

# An interview study of farmers in France and Sweden

*Amanda Pfeiffer, Caroline Uveskog, Jonas Lindroos & Violaine Gragy (Team B11)*

## Introduction

The aim of this assignment is to understand the behavior of the consumer, in our case the tractor buyers. We want to understand what makes them choose a specific tractor among a variety of brands and models. *What do the consumer search for in the first place and how does the buying process occurs?*

## Method

We decided to do semi-structured interview, which means that we asked all the interviewed persons the same questions. The questions were then answered differently, depending on the person's experience and desires. The semi-structured interview gives the interviewed person a chance to have whatever opinion they like and are not affected by our opinion (Bryman, 2002). To begin with, we searched for tractor buyers on Google and at the same time we were talking to our personal contacts to see if anyone near us knew someone who had bought a tractor recently. We found two of our tractor buyers thanks to personal contacts, and the third one by a blog when we googled. Then we did the interviews over the phone because of bad accessibility. If we felt that we had missed any information, we wrote them an email and asked them some more questions. We divided the interviews and the work fairly and used the course literature as a base structure for information.

## *Interviews*

This section presents three interviews with farmers and their different thoughts and answers.

### *Inger Sundberg*

**Location:** Sweden, Stockholm County, Vinterhälla 7, 15392 Hölö

**Farm name:** Vinterhälla

**Farm production:** Dairy farm

**Costumer:** Arla Foods

**Farm size:** 70 hectares

#### *Why did you buy a tractor?*

It is all part of an investment plan. They are replacing machines when they get too old, but still not too old otherwise they lose all the secondhand value. One of the tractor they had been using was more than 10 years old, so this time it was a new tractor that was needed.



#### *Why did you choose that brand?*

They evaluated different alternatives and focused on tractors that would fit well with the other machines at the farm and the equipment they had and fell for a Tractor from Case IH. They thought that it had a nice design and a lot of smart features. The hydraulic system was one of the most important things because it made it easier for them to do multiple tasks at the same time and that saves both time and money (gasoline). Another very important feature was the automatic gearbox.

They really liked the size of the driver's compartment and Inger told us that she was a short human being, and with this tractor she was able to reach "stuff" without ruin the ergonomic. The size and motor capacity matched their needs and with smart features like Bluetooth, 42 gears and the ability to drive the tractor without even using the clutch

or accelerator pedal and instead using buttons on a control board, it became an easy choice.

Another important aspect was that, in the future, the tractor should have a good second-hand value. Even if they bought a new tractor, they did not think it was important to have the newest and most equipped tractor, so that is why they picked one which fulfilled their present needs.

When it came to the price, they thought that they found a tractor which was really good in the “*value-price relation*” and the low interest rate made it possible to purchase it.

*How did the buying process occur/ look like?*

They realized it was time to sell their old tractor and buy a new one, so they went to the reseller they usually go to when it is time to buy a new machine and was offered to use a demo tractor for a while. One year before, they actually bought the tractor they picked up at the demo tractor from *CASE IH*. The demo tractor did not have an automatic gearbox, but they got the right feeling about it anyway. They looked and tried other brands, like *MF* and *New Holland* as well and evaluated the alternatives but did not find any that was as good as the demo tractor from *CASE IH*. Eventually, they called up the reseller and confirmed that they wanted the tractor and later drove in with their old tractor and picked up the brand new tractor with an automatic gearbox called *Maxxum 110CVX*.

*François Gragy*

**Location:** Féricy, region: Seine et Marne, France

**Farm name:** EARL Gragy

**Farm production:** Cereals producer

**Farm size:** 135 hectares

*Why did you buy a tractor?*

It is part of a replacement plan of material. The investment is managed according to the material he has already, and what is urgent to replace. He has a lot of equipment that has to be managed, but the tractor is a big investment, so it is necessary to plan it. François decided to buy a new tractor when he thought that he had too much cost on one his other main tractor.



*Why did you choose that brand?*

He already bought a harvester from the brand *Claas* and he was satisfied with this German brand and that is the reason why he decided to buy a tractor of the same brand, an *Axion 820*. After buying the harvester, he has been invited by the brand, to visit the factory in Germany, which really reinforced his confidence in the brand. Moreover, this reseller is located close to his farm, which is very convenient for him.

Regarding the importance of technology, he said that it progresses very quickly. For the farmer, it brings precision to his work, a quality of work, and it enables the tractor to communicate with the equipment hung behind it. Moreover, the on-board computer registers the information which can be useful for the farmer. However, the technology is not always profitable, the farmer has to find the right balance between technology and price. Indeed, some technological options are very expensive. Even if they can be convenient, they are not useful, so not profitable for the farmer.

*How did the buying process occur/ look like?*

Francois knew for a few years that he wanted to buy a new tractor, he had some criteria's in mind. It had to be a light tractor, but very powerful to harness the material.

Francois has compared the offers according to the power, technical characteristics, and the quality price ratio. According to him, what really determined the purchase is the reseller. Indeed, he said that the farmer chooses a reseller which is closed to the farm, and which has skillful and competent employees. A brand can be of good quality but not present in the geographic sector, so the farmer will choose the closest reseller. However, the big brands are reliable, so, there is a kind of habit with the chosen brand. If the farmer is satisfied with a brand, they will continue to buy it.

*Sune Hansson*

**Location:** Sweden, Uppsala County, Ånö 209, 74292 Östhammar

**Farm name:** Roslags Mjök

**Farm production:** Dairy farm

**Customer:** Arla Foods

**Farm size:** 140 hectares

*Why did you buy a tractor?*

On this farm in Östhammar, Sune told me they had three tractors. One of these tractors is used for loading the animals feed and is used 5-6 hours a day. Sune said that they were very dependent on the tractor to work well because of the importance that it had in their everyday job. Because they were dependent on this tractor, and because the tractor is driven so many hours a day, they buy a new one every six year.



*Why did you choose that brand?*

The brand and model of this tractor was a *John Deere*, model *6125r*. Sune said that John Deere was a high-quality brand, which was important for the purchase decision. One thing though that was even more important when they were going to decide which brand to buy, was that they wanted to be close to the reseller. The tractor-brand they had before this one was a *McCormick*, which he said been good, but the accessibility was bad. The John Deere reseller had its central warehouse in *Knivsta*, one hour away from the farm.

*How did the buying process occur/look like?*

When it was time for Sune to buy the tractor, three different tractor-sellers came to his farm so that he could test the different brand and models for himself. After trying the different tractors, he chose the John Deere tractor.

This John Deere tractor was quite expensive, it costs a bit over 1 million SEK. According to Sune, the choice had not been different with a different income. This specific model, the *6125r*, was the most expensive alternative, and that was mostly because the tractor was missing a gearbox. Without a gearbox, you only have to drive forward and backwards, which was both ergonomically and saved diesel. Because of the amount of time he spent in the tractor, the extra cost (100 000 SEK) for these necessities was all worth it.

## Analysis

This section presents the analysis of the group assignment. We will present the interview study's empirical data and connect it to theories.

### *B2B and B2C*

Business 2 business is about commerce transactions between businesses, for example between a manufacturer and a wholesaler as in our case. B2B is characterized by relatively long and complex customer relations, personal selling (*face-to-face contact*), no or few intermediaries, high risks and many people involved in the decision making (Köpbeteende, 2011). However, the similarities between organizational buyers and consumers do not tend to be that different. Organizational buyers are, likely end consumers, influenced by both internal and external stimuli when doing their decisions (Solomon, 2015). Because our farmers have a sole proprietorship, their decision-making process is more like the end consumers than the organizational. The decisions do not go through many different stages and the farmers in our cases are doing the steps of decision-making for themselves, just like end consumers do. We see the farmer's operation as a business, but are going to evaluate their decision-making process as an individual consumer and look closer to different things that affects the decision. To begin with, we are going to take a closer look at the three “*buckets*” of consumer decision making.

### *Bucket, cognitive*

There are several angels you need to look at when deciding if you want to buy a product. The three decision-making categories for consumers are habitual, affective and cognitive (Solomon, 2015).

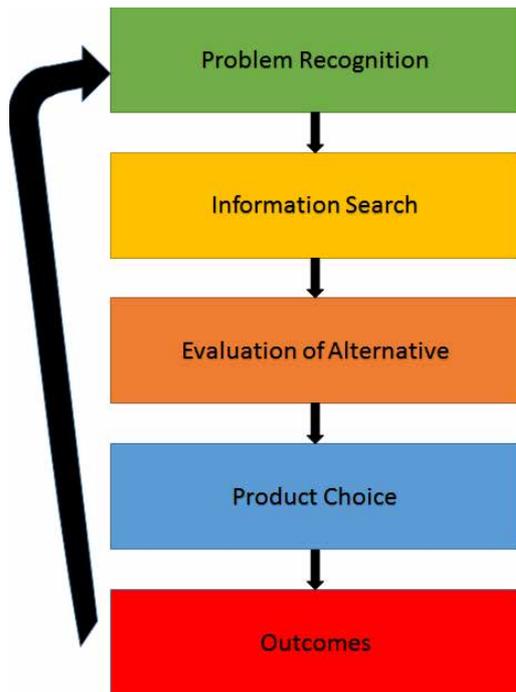


Figure 1 - The consumer decision-making process

We drew the conclusion that our three customers all chose the cognitive way because they all evaluated their alternatives carefully. There are five stages in consumer decision making:

The first stage can arise in two ways. The first way is that the farmer experience a decline in quality of the farmers actual state → they *need* a new tractor. The other way is that you start to crave a newer and better tractor with more features to increase your ideal state → they *want* a new tractor. In both ways the consumer recognizes that there is a problem (ibid). Our three cases was a mix of the two ways. They started to notice the lack of quality, mostly because the tractor they use had been used for a lot of hours (>5000h). Another factor was that they needed to fix small things all the time and that started to become expensive and time consuming. The interviewed farmers also increased their ideal state when they heard about the many features that appear in newer tractors like Bluetooth, automatic gearbox and better ergonomic environment.

The second step of the decision-making model is the information search. When they decided to buy a tractor they started collecting important information by the web, brochure and they also asked their local reseller and friends what they recommended.

In the third step when it was time for evaluation of the alternatives, the local reseller tried to make it as easy as possible for the consumers to choose their new tractors. We learned that it was a big difference in how the reseller affected each of the farmers. One of the farmers got a demo tractor from *CASE IH* to evaluate

it, another farmer were able to get three different enterprise tractors to the farm so he could evaluate them to see with fit his needs best. The third farmer went to the nearest reseller and tried different tractors on site. All of them evaluated other brands and models but in the end the nearness and the reseller's effort made the difference.

The fourth step confirmed our conclusions when all the farmers bought the tractor from the brand they had been testing (ibid).

So far all of the farmers are happy with their purchase, but it has only been almost a year from when they bought it so we can't draw any conclusion on the outcome, which is the fifth step, until they have used it for a few more years.

### *Elimination-by-aspect rule*

According to Solomon (2015), step three in the cognitive decision-making process is to evaluate alternatives. When we make habitual or emotional decisions we may use a *noncompensatory rule*. In our cases we considered the rule to be the "*elimination-by-aspects rule*", which means that the buyer evaluates brands on one important "*must have*" attribute. In our case, all of the farmers thought that the most important attribute was that the tractor must have an automatic gear-box. (Solomon, 2015)

### *Geographic proximity with the reseller*

The geographic proximity is important because it fosters face-to-face communication and strengthens the relationship between the reseller and the buyer. The farmer needs to be reassured while he or she buys a tractor, since it is a big investment. Being able to have a discussion with the reseller is a very important aspect for the buyer. Moreover, in case of any mechanical problems, it's much easier to get the new pieces from a near reseller to fix the tractor. We have noticed this important aspect throughout all three cases in which the farmers expressed that the geographic proximity of the brand from their farm was the main purchasing determinant.

The buyer and the seller build a trusting relationship and from this relationship, it often develops to a brand loyalty when the customer is satisfied (Ganesan, Malter & Rindfleisch, 2005).

### *Brand loyalty*

The book talks about brand loyalty as the repeat purchasing behavior that reflects a conscious decision to continue buying the same brand (Solomon, 2015).



Figure 2 - Brand loyalty

In the Diagram we can see that consumer satisfaction increases consumer-brand relationship quality and the relationship increases the brand loyalty.

Through the cases we have noticed that the relationship between the reseller and the buyer is very important. When farmers are satisfied with a brand and the seller's knowledge and skill, they are willing to buy the same brand again. For example, Inger Sundberg went to the same reseller she usually go to when buying her new tractor. Moreover, Francois Gragy used to have a harvester from the brand *Claas*. He was very satisfied with the brand, and then he was invited to the *Claas factory* in Germany, which reinforced the relationship with the brand. He was very impressed by the quality of the production process. Because of that he became very confident in this brand, so that's the reason why he decided to buy a tractor of the same brand.

## Discussion and conclusion

This section presents our own opinions on the information we have analyzed.

### *General discussion*

One thing that we discovered throughout this assignment was that all the tractor buyers found nearness to the retailer as the most important aspect in the purchasing process. We consider that it can lead to brand loyalty, because most of the retailers only have one specific brand. Something we noticed was that brand-loyalty was an important part, but the farmers could also be affected and persuaded by the right argument to switch brand, as in Francois case. Another thing we noticed was that the retailer could influence the farmer's decision-making pro-

cess in a small way, by which tractor they were able to try. Finally, we came to the conclusion that the relationship between the retailer and the customer was important, and that the retailer had their best interest at heart.

Another thing we discovered was that the farmers considered the technical development of the tractors as important. All of them searched for tractors with features that would fit with the society's demand of efficiency. One feature that increases the efficiency is the automatic gearbox that our farmers searched for. Another feature that could increase the efficiency is the hydraulic system that one of our farmers had, which made it possible to do multiple tasks at the same time. In a society where we value efficiency, features like the automatic gearbox and a good hydraulic system gets more desirable and needed, which we noticed during this assignment. The Bluetooth feature we think could play a greater role in the future, for example when connecting the tractor with other features such as wireless driving.

### *Quality*

For a more conclusive result we would have liked to interview more farmers, which would have given us a broader perspective of the situation. In this case, we may have interviewed the only three persons in the world that have totally different opinions than the rest of the farmers. We also would have liked to go deeper in the interviews to see if the personalities could have affected their decision making, or if any other information would arise if we were going to dig deeper.

### *Critics*

We would have liked to interview some retailers and manufacturers to have another perspective than we got from the farmers. We felt that the 10 pages were a bit limiting due to that the size of the assignment. We also had problems finding farmers, and some information from a fourth interview was handed to us too late to be able to apply it properly to the assignment.

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# Farmers in England and Belgium: What do they say?

*Emma McQueen, Emma Watson , Marie Choumil, Isabelle Frey and Victor Verboogen (Team B12)*

## Introduction

Our interpretation of the question why buy this tractor was to analyse the consumer behaviour and preferences of the buyers. Looking from farmer's perspective the information collected highlighted the reasons that pushed farmers to buy tractors; what were their motivations, their point of view about the different brands, what factors influenced their decisions. Responses were evaluated and applied to marketing concepts. The method in collecting the data ranged from emailing the farmers to phone calls as this proved to gain greater precisions in the answers. Through the assessment selection we managed to analyse three farms from England and one from Belgium.

## Case 1: Calvo Farm

Calvo Farm is located in Cumbria, situated in the North West England and the farm 375 acres in size. Whilst researching we discovered that farm owned 5 other tractors which helps to deal with the different needs the farm faces due to being a mixed farm.

Bowe owns a mixed 375 acres farm; this size of farm will require a heavy upkeep in order to be efficiently economically and productively viable. He stated how becoming more economically viable was an important factor to keep his business running and so investing in a tractor rather than to use other methods was a productive choice for overall farming efficiency. In order to keep operating costs at a minimum Bowe based his purchase evaluation based on the financial aspects. The importance of achieving a highly cost effective purchase weighed heavily on his decision. While considering the short term pricing of the purchase, the decision of an economically sustainable tractor over the long term influenced his purchase. Fuel consumption is an accurate measure of a vehicles performance. This

shows Bowes tractor of choice was made with high recognition of cost effectiveness, as the less money he would have to spend on fuel the better

When speaking to Bowe we focused on the tractor from the brand CASE Red. The reason given for this chosen brand was through the locality of the dealership to the farm. This practical issue focuses on the forward thinking of the farmer as he has taken into account if the worst-case scenario happens. Bowe has taken into consideration the ease of if he would need either a replacement tractor if it were to break down or the availability to obtain spare parts. In the farming industry tractors are seen as a major part of farming equipment, as is a necessity in the running of the farm therefore when obtaining a tractor the practical issues need to be considered.

Bowe previous purchase of tractors can be attributed to his familiarity to the brand. His previous purchase of tractors and its accessories influenced his decision. Through positive experiences from previous use and the practicality of purchasing from the same brand Bowe gravitated his interests towards the brand he understands and is experienced with. The individual choice is determined through how well the tractor will satisfy his needs. In this case a practical tractor with no electronics that is simple and functional to use was Bowes ideal characteristics. The choice Utility Farmall C Series was selected to be a reliable, cost-effective model ideal for productive use on long farming hours.

As established the locality of the dealership played a major role in the purchase of the specific tractor however Bowe also researched the brand before making his final purchase. CASE Red has large brand awareness within the farming community and has done this through advertisements within farming journals and through company sponsorships at farm shows. This highlights that Bowe obviously had a positive image of the reputation of the brand before starting his research. As Cumbria is seen to be farming county Bowe was also able to research through the attendance of local shows and farmer events.

Bowe's buying process can link directly to the consumer decision-making process. In the problem recognition stage, Bowe highlighted the need for a new tractor was due to the breakdown of his previous one. Especially due to the size of the farm having a full functioning tractor is essential to maintain the daily upkeep of the farm. Within Bowe's information search he focuses mainly on the advertisements on which he has been exposed to through the local farm shows and events however there is also the suggestion of using farming journals. Whilst researching the product Bowe would have weighed up the alternative brands before deciding CASE Red however as the practicalities on the dealership and availability of achieving a good deal are the main reasons for the Bowe's choice. The overall outcome of this product is that Bowe decided to purchase the CASE Red

tractor, as this was most appropriate for the practical and economic needs of this farm.

Through Bucket analysis it can be identified Bowe's purchase decision was typical of a cognitive purchase evaluation. This model involves many steps in the purchase decision. The first realisation that a new tractor is needed to replace the broken tractor, this comparison of states identified the problem. Considering the decline in quality of his previous tractor, Bowes standard of comparison from his ideal state to his actual state shows the problem to be need recognition, where he moves his ideal state downwards to the actual state. As Bowe can be attributed with expert knowledge, during the information search this suggests a selective search where there is a lesser amount of time spent evaluating alternatives efficiently. As Bowe purchased a tractor of the same brand this suggests his consideration set was predefined and his knowledge and experience were more effective in this stage than other alternative options of search. Bowe post purchase evaluation could be recognised as positive the value for money and practical attributes satisfied his needs and expectations resulting in overall customer satisfaction.

Linking to the five types of perceived risk the most appropriate ones are monetary, functional and psychological risk. As discussed one of the main deciding factors Bowe considered is the financial factor of this purchase. Tractors are considered to be an expensive but compulsory item therefore consideration is needed to ensure a wrong decision will not leave the farm in a vulnerable state. Functional risk focuses on the tractor being used for practical needs therefore this item could leave the farm helpless if this was to obtain problems. Having a 375 acre farm it is essential to have constant tractor use. Throughout the whole case it is highlighted that gaining a financial deal on the purchase of the tractor was largely taken into consideration this directly links into the psychological risk as expensive items could bring up a sense of guilt as this money could be spent elsewhere on the farm.

How a customer spends his money is reflected through a customer's lifestyle choices of consumption to signify their individual identity. Bowes lifestyle as a farmer and his ability to purchase sensible, easy to use goods reflects his values and preferences. Consideration of status symbols present as an influencer of purchasing this tractor is not convincing. Due to his practical and modest needs it can be assumed that Bowe purchased this tractor based on functionality rather than to have any social gain.

A consumer's purchase decision can be influenced through the projection of personal characteristics onto the product. Through the assignment of personal traits brands can be perceived to develop personalities. Throughout the interview process Bowe's personality is shown to be a practical and rational thinker. When

asked why the specific brand Bowe purchased he emphasised the functionality and fit for purpose. Evaluation of these attributes assigned to the chosen tractor will result in an association between the brand and Bowes personality. Opinion leaders are defined as being the ones that influence people in their product decisions. It is unclear whether Bowe was a decision leader or influenced by decision leaders. However it can be highlighted that Cumbria is a close farming community that Bowe could have been unconsciously influenced by his surroundings.

## Case 2: Clappers Farm

Clappers' farm is a 300 acres farm owned by John Brough. The farm is located in the North West England in the country of Cumbria. It is a predominantly animal based farm including sheep, cows and pigs.

During the interview process the importance of the use of a tractor was revealed. Brough stated how a tractor was the most essential vehicle on the farm. This demonstrates the commitment he would have put in to ensuring the decision to purchase a tractor was the right one, while also demonstrating the significance of choosing the right tractor, which will allow Brough to fulfil his needs. The transaction could be referenced to have provided Brough with value, through the satisfaction of needs.

The size of the farm would suggest how much a tractor would have a functional and practical use in improving the efficiency and reducing time spent completing daily tasks. The tractor bought was a highly modern well equipped in size to handle daily work covering large distances effectively. This tractor is loaded with innovation; with up to 99HP this tractor is designed to be effective in saving time, efforts and costs while it is also intended to be perfect for work with livestock. This description gives reason why this tractor was chosen on practical reasons, the value for money, fit for purpose functions are envisioned to suit Brough's needs perfectly. As Brough lives in a local farming community, the opinions and views towards the appearance of owning a tractor could predetermine a factor of brand knowledge consideration before the buying process occurred. Judgements concerning purchase would have been affected to reflect how society feels people should define themselves. This mix of voices of a small knit community suggests a certain psychological need to conform to the overall perception of what is acceptable and ostentatious to exhibit themselves on a social level.

Brough purchased a Massey Ferguson tractor, the well-known and popular branding is certain to have an influence on his purchase decision. The interview with Brough established a psychological attachment to this brand. The beginning of his farm in 1962 brought about the first purchase of a tractor. The growth of his

farm has developed into the 300 acres at present; at this time a decision to purchase a tractor was made. This Massey Ferguson tractor was bought to fulfil and reduce the lesser demanding but still challenging work on his farm. The use and evaluation of this can be argued to have led to an increasing in brand awareness, which contributed to a positive brand image. The overall customer satisfaction can be seen through his recent purchase of the current tractor through the same brand. This awareness and fondness combined with the social need for approval from his peers could have drawn his attention and sparked his interest when considering options to solve his problem. As Brough purchased his tractor at a local dealership, this strengthens the theory of local influence.

A purchase decision characterised through the emotional side is defined as the affective bucket. In this case Brough acted through an emotive assessment. The love and commitment demonstrated to continuing a loyalty with the same brand demonstrates this process was firstly decided through the trust built with the positive experience of a reliable, value for money tractor. Secondly it can be considered that a second step of a more cognitive bucket was present. The choice of choosing a tractor from this brand which best suited his needs of functionality, performance and durability to fit his expanded size of farm, demonstrates the practical and rational thought process.

Throughout the buying process Brough's main research method revolved around his local community. The view and opinions of others would have an influence and combined with the purchase occurring at a local dealership shows how the local influence could factor in a social risk. The risk of making the wrong decision and not having a tractor owned by a brand known and approved for positive aspects with his peers can be shown to have influenced Brough's purchase decision. Functional risk could also factor into Brough's assessment, even after the decision on which brands are most favourable in his evaluation. The practical choices Brough stated was important factors in his decision show how a functional risk was considered to ensure the risks are minimised.

Opportunity recognition occurred within Brough's change of actual state shifted towards his ideal state. As Brough became dissatisfied with his current tractor he envisioned an idyllic form of modern tractor that had increased innovation of features, high performance and was cost effective. The classification of social status can be evaluated through the idea of status symbols, where a major motivation to purchase an item due to the symbols that come with that purchase. It could be analysed Brough's choice of tractor could be inspired with the appearance and power, which could come with owning a superior tractor. A reason why motivation for purchasing items to is the build up of a person's self-concept. A person's self-concept can be described as the attitudes towards themselves. Products purchased by individuals can often reflect the customer's outlook. Concerning the

relation of Massey Ferguson, a strong brand personality is vital for developing customer loyalty over time. The perceived personality of Massey Ferguson by Brough has clearly had a long lasting positive effect. The indication regarding the influence of opinion leaders can be argued to be present. The leaders whose knowledge and expertise are highly persuasive on Brough's purchase decision through advice or social need to fit in.

### Case 3: J Watson and Son

J Watson and Son Farm are located in Cumbria in the North West of England. The farm is a family run business and is on its third generation. The farm is relatively small at only seven acres however does contain five thousand free-range hens.

Watson stressed the value that the tractor had on the farm. This was stated through the example of at certain times of the year a mass cleaning of the hen shed. In this process the use of a tractor is essential for the assistance with the removal of dirt that has built up within the shed and also as it is used to power a pressure washer, which is used to disinfect. A tractor makes this process efficient, as without the tractor this would be a lengthy procedure. Nevertheless compared with most farms J Watson and Son have found alternative reasons to exploit having a tractor, for example it can be used to power generators and pressure washers on the farm. This has proven that the purchase is economical viable and the endless practicalities for the farm.

John Deere is a large, international tractor brand and is the one chosen at J Watson and Son. Watson highlights the reputation of the brand and from this focuses on the reliability of the tractor. For the farm size the most practical size of tractor would be considered to be medium. These conclusions were gathered through the extensive research carried out by Watson before the tractor purchase. Watson expressed his research outlets for example the use of the Internet, visits to local dealerships and further to this speaking to other local farmers. Speaking to other farmers shows the influence of word of mouth. In some cases word of mouth could be used as a manipulation tool to promote the brand and create social conformity. Being part of a farming community, like Cumbria, it could be thought that Watson was manipulated by his surroundings.

Factors picked up within this case focuses on the reliability and value for money aspect of the tractor buying process. As the tractor is only used at certain times of the year means that it is not imperative for the tractor to be functional throughout the whole year. Fuel consumption at J Watson and Son was expressed not to necessarily a deciding factor when choosing their tractor. The reason given

for this was that the tractor was not in constant use compared to other farms. However this factor was considered as to make the tractor economic viable the tractor needs to have at least reasonable fuel consumption.

Whilst talking to the owner of J Watson and Son it is apparent that the tractor is not functional throughout the full year. The buying process model that is most relevant in this case is AIDA. However it was expressed that at those times where the cleaning is needed it is essential for this process to be as quick and effective as possible. Watson stated that he was attracted to the company through reputation of the brand through word of mouth about the trait of being reliable. The interest is sparked through the number of John Deere dealership spread throughout the county therefore the ease in researching the tractor. The desire for the tractor is created through the realisation of the time process of cleaning and the other ways to exploit the tractor to be extremely beneficial to the company. Finally through the purchase of the tractor this completes the AIDA model.

As purchasing a tractor is an expensive decision consideration into the type, model and brand needs to be researched before making an informed decision. Linking this to the bucket model, the bucket that applies the most in this case is the cognitive bucket. Purchasing decisions on this scale are often believed to go through an extensive thought process. Taking into consideration the attributes that Watson described to of great importance along with having an extensive research process this reinforces this point. In addition to this it gives a sense of relief to the farmers. The reason for this is it provides efficiency on the farm throughout some of the farm's most significant times of the year.

The personality of the brand fits to the consumer's; they both defend hard work and integrity. Both personalities perfectly match. Farmers are hard workers and have a lot of integrity. The brand personality reflects this idealism. They sell high quality machines and are honest about the products they sell. Sincerity is a characteristic of the brand promises high quality machines and that is what they provide. Combining with competence shown through FENDT tractors are known to be high quality, long lasting and effective tractors. Through the purchase of the tractor it highlights the attributes and the qualities wanted by the company. The John Deere brand has a positive reputation within the farming community, as this is practical and durable. These factors are needed for the tractor to practical and economically viable therefore this factor can further then be linked to the personality traits creating a brand personality.

All purchases are perceived to have risks comparing this to the five perceived model the most relevant are monetary and functional risk. Due to the scale of the purchase there is a high level of monetary risk that is linked to this. Although before making a purchase of this value, business expenditure was considered and

coming to the conclusion that buying the tractor was economically viable. Analysing functional risk highlights practical consumers to be the most vulnerable therefore making this extremely relevant. Purchasing a tractor in the farming industry is a practical and functional decision that focuses on providing efficiency throughout the farm. At certain times of the year it is essential that the tractor is in working conditions as has short turn around dates having problems at these times is detrimental.

Watson has identified the necessity to have a tractor and therefore this creates an actual state. Considering that the tractor is not used throughout the whole year when switching tractors there is the ability to wait compared to farms with constant use. This wait can build into an ideal state when purchasing further tractors, as the farm is able to wait for the best possible deal. When purchasing the tractor it was expressed that it was not bought for the social status that would be created through the obtainment of a John Deere. The main thought process is through the attributes of having a reliable tractor this is as purchases like tractors tend to be a long-term expense. Although it cannot be proven opinion leaders could have been an influencing factor in the choosing of the tractor. Through the word of mouth Watson could have been manipulated by the external surroundings into making the subconscious decision to choose the John Deere brand.

## Case 4: Joly Farm

The farm Joly is located in Poesele, Belgium with a size of 75 hectares. The overall profile of the farm production is mostly animals; they have 180 milk-cows and 130 young cattle (aged between 0 and 2 and which will produce milk afterwards). In addition, they grow corn and wheat. The owner of Joly Farm works on the farm with his wife and his mother, and the farm previously belonged to his father. During spring the owner hires two people to work in the fields and help with sowing and growing. The family has two tractors from the brand FENDT, one to feed the young cattle and the other one for the fields' activities. The owner bought his tractors from FENDT as the brand is well known for the quality of its products. Tractors from this brand are attributed for high quality and a longer lifetime. The owner also bought his tractors from this brand because he thought that the quality/price ratio was more than fair.

Throughout the interview the farmer told us that the use of a tractor was necessary as without the machine he could not work, so the tractor is a need in the farmers work. This farmer's high regard for the brand shows a highly positive brand image, where through experience of the awareness and evaluation the quality of the products combined with the importance of the economical

price/quality ratio was considered positive so the purchase of a tractor from FENDT was worth the investment.

The physical purchase of the tractor was conducted directly through a tractor dealership. This farmer's awareness and knowledge of this brand stems from the experience and evaluation from his father. As he was the previous owner of the farm his expertise helped the owner determine the quality of the tractor and gain information attributed in helping him to be able to complete his tasks efficiently and resourcefully, such information about the characteristics for a preferred tractor such as the width of the tyres which enables to have a good pressure to make duties easier. Consideration of economically viable tractors were not present in his decision process, the fuel consumption of the machine did not play any role as his opinion stated that eco machines are bad quality and do not last as long as regular machines. Longevity of a tractor was an extremely important factor in his decision; the owner of the tractors purchase was made in reference to the scale of the farm. The chosen tractor was bought to complete tasks such as leaving large furrows in the fields in a reduced timescale and so a larger tractor was purchased to enable this.

Through bucket analysis in this case the buckets that are the most relevant for the decision of this farmer is the cognitive and the habitual buckets, due to the practicality and the psychical factors which establish a need for the purchase of a tractor. The tractor purchase is a rational purchase; it is a need. Without it they simply cannot work. Therefore, the cognitive bucket is the best way to define the decision-making. The habitual bucket is also acceptable since the decision is influenced by his father and is therefore automatic and somewhat unconscious. Considering the perceived risks for the farmer are essentially functional risks; his main concern is about the lasting duration of his tractors. When purchasing this kind of product the farmer will be more sensitive to the functional risks. The farmer is very dependent on the functioning of his machines. If his tractor doesn't work, he can't work in the field and can't take care of his cows. He is extremely dependent on the quality and the duration of the tractor.

The farmer's situation is a need recognition situation. The farmer absolutely needs a tractor to work. He can lower his expectations from the ideal product to the actual product because he has no other choice. He has more to lose from waiting to get the ideal tractor than to get one who is of lower quality than the ideal, the "actual" tractor. This shows how the status factor is secondary, maybe not even relevant in this case. A tractor is not a fashionable product from this owner's perspective; it is built to complete duties. The opinion leader that oriented the decision is the father because of the tractor knowledge he passed down. His influence from the previous purchase of tractors from FENDT was the star-

ting factor in his consideration and information search. It suggests he had a previous knowledge, which refined his search and provided guidance.

## Evaluation

Comparing the main points made in the analysis of each of the cases we have been able to make overall comparisons between the cases. An example of this is the use of opinion leaders within the cases. Through analysis it shows that a family member influenced the owner of Joly Farm. Similarly to this in the Clapper's farm case Bough was directly affected by local farmers throughout his research process. Although in comparison the appearance of opinion leaders is not as clear it can still be argued that each of the two other cases are still subconsciously influenced through their external environment. Examples of this are through the word of mouth and brand advertisements at local shows as although the farmers were not aware that they were being manipulated into the purchase of a specific brand.

The majority of the cases focused on the practicality and the durability of the tractor however this is not the case when regarding the Clapper's Farm case. Brough stated that the purchase of his tractor was a way of creating social status throughout the farming community. This links into idea of actual and ideal state, as Clapper's Farm is the farm that is willing to wait for the particular tractor that is wanted rather than in the other three cases where it focuses on the requirement of the most practical tractor as soon as possible even if this means lowering expectations.

Due to the nature of the purchase all cases express the desire for the tractor's practical reasons. All five of the cases link into the cognitive bucket for the reason of this decisions being thought out and this can be seen through the research methods explained within the four cases. However further to this the first case of Joly Farm in Belgium highlights the habitual method in the choosing in the brand of the tractor. This is shown through continuous buying of the FENDT tractor brand. The affective bucket is also linked into the fourth case, Clapper's Farm. The brand loyalty expressed by Brough is shown through the purchase of the tractor brand Massey Ferguson for the continuous number of times since 1962.

In all four cases when comparing to the five perceptions of risk functional risk is shown to be crucial in the decision making process. The tractor is a necessary purchase in the efficiency in the farm therefore should be the most practical option. As tractors are expensive purchases the monetary risks in this process is high, especially as the tractor is essential in the upkeep of the farm and is needed to run efficiently. Monetary risk is shown to directly link to cases two and three,

as they are both concerned with obtaining the best possible financial deal. Further to this it can link to psychological risk which is seen in Calvo Farm as the purchase is expensive there can be a sense of guilt that the money was not spent on something else.

## Conclusion

Most of these cases share a lot of similarities. Whether the farm is in Great Britain or in Belgium, the buying processes seem to be very close, with a few differences of course. The similarities that stand out can be explained by the fact that these persons have the same job and therefore the same needs. These same needs justify the fact that they go through the same buying process. The farmers have each created a very strong connection with each brand. They put their trust in the product. They have already experienced with the brand's products and in some cases, the brand personality matches perfectly with the customer's. There are of course some differences such as the perceived risks. The functional is the same for every case because of the need, but for some farmers, there are monetary risks and psychological risks. For the social status, there is only one case that stands out. For most farmers, the tractor is not a creator of social status because it is a necessity. However, one of the farmers clearly stated that the social status feeling played a big part in his buying process. Buying processes, in a professional environment, is mainly influenced by the needs as proved by these cases but we cannot set the personal factors aside.

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