

# CONSTRUCTION EQUIPMENT CUSTOMER GROUPS

The image features a silhouette of a construction worker on the left, wearing a hard hat and holding a briefcase. To the right is the silhouette of an excavator. The background is a world map with a sunset or sunrise sky in shades of orange, yellow, and blue. The title 'CONSTRUCTION EQUIPMENT CUSTOMER GROUPS' is written in white, bold, sans-serif capital letters across the top.

December 2021

**Off-Highway**  
**RESEARCH**

# WHO WE ARE

- Specialists in the research and analysis of international construction equipment markets
- The largest consultancy of its kind in the world
- Formed in 1981 as part of the Economist Intelligence Unit
- Now owned by KHL Group
  - Leading media & events company in our industry
- Off-Highway Research offices in China, Germany, India, Japan, UK & USA
  - Further locations with wider KHL Group network



# AGENDA

- Focus on Europe
- Market size & trend
- Market structure by equipment type
- **Market structure by buyer group**
  - Differences from country to country
  - Differences from machine type to machine type
  - Changes over time
  - From the buyer group perspective
  - Machine population estimates

# CUSTOMER GROUPS DATABASE SERVICE



## New database service from Off-Highway Research

- Equipment sales by customer types, such as contractors, rental companies and extraction industries
- Coverage of 15 equipment types in Europe (more countries coming)
- Historic data from 2010
- Five-year sales forecast by equipment type, customer group and country

A screenshot of a web application interface, likely the Off-Highway Research database. It shows a table with columns for 'Size Class', 'Customer Group', and sales data. The table is filtered for 'Europe'. The interface includes a sidebar with navigation options like 'Summary', 'Group Summary', and 'Header 2'. The table data is as follows:

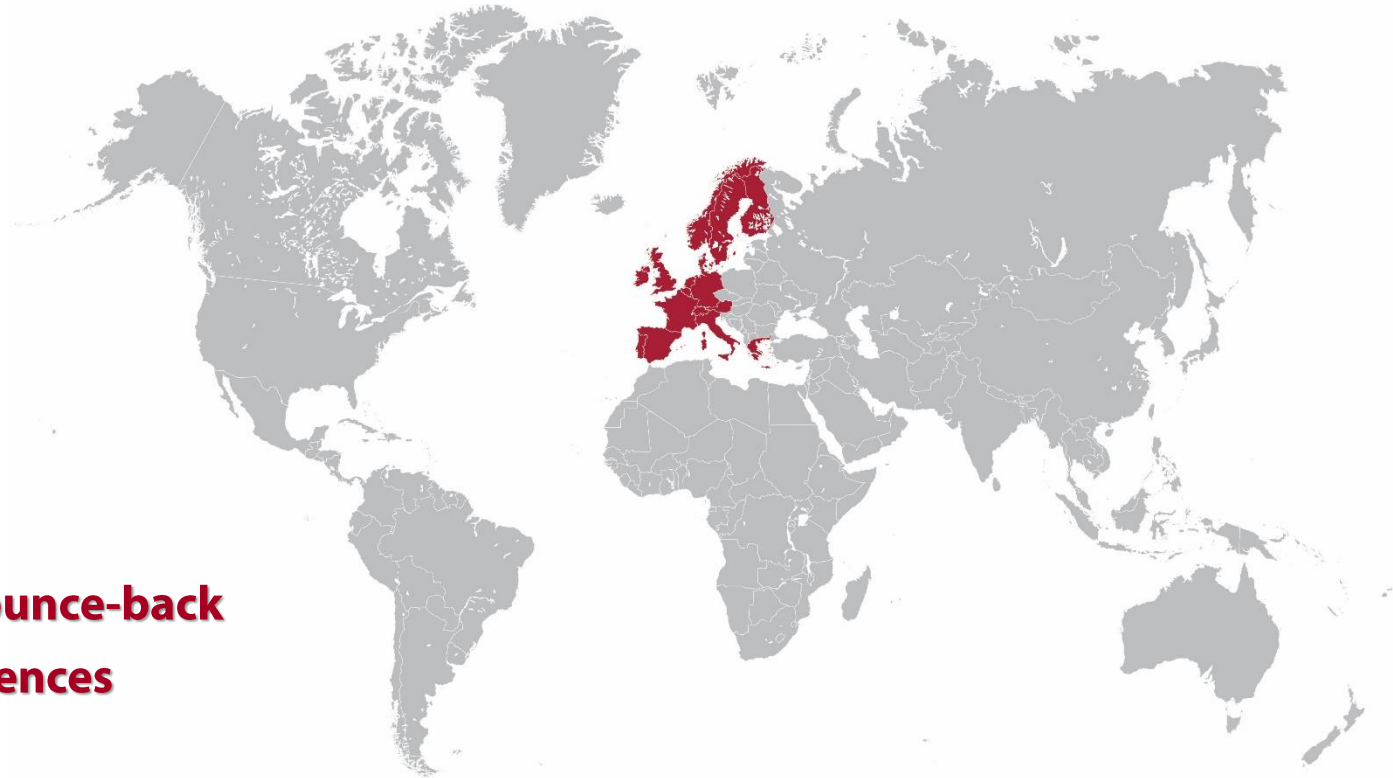
Size Class	Customer Group	2010	2011	2012
Size Class	Contractors	13,159	14,569	
	Landscaping	1,644	2,401	
	Others/not classified	1,105	1,093	
	Public sector	963	1,022	93
	Rental	16,146	21,336	20,569
Waste management, recycling & demolition		29	43	44
Total (US\$ Millions)		1,201.7	1,489.1	1,428.3
Size Class	Contractors	477.3	515.59	48
	Landscaping	60.16	82.52	
	Others/not classified	39.13	36.83	
	Public sector	33.04		
	Rental	500		
Waste management, recycling & demolition				

# EQUIPMENT COVERAGE

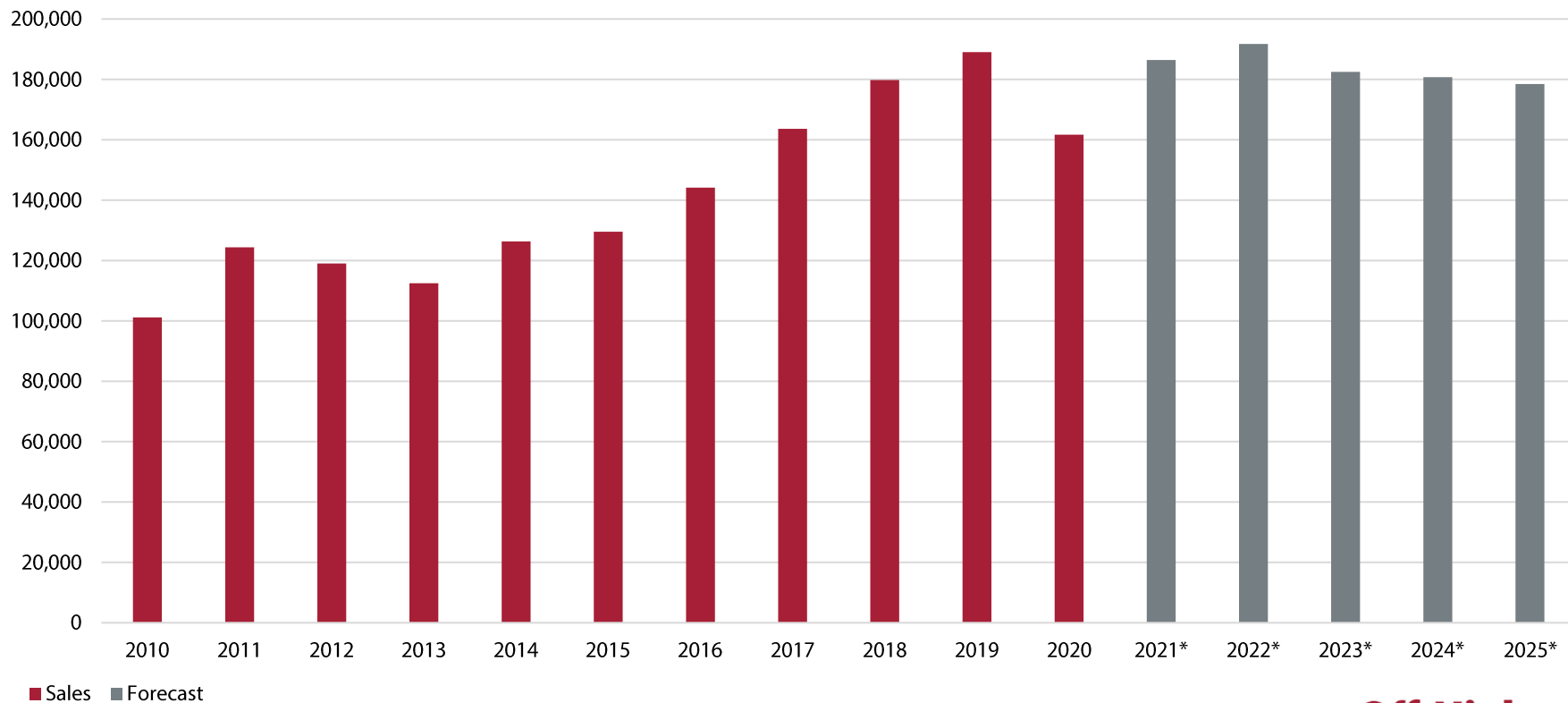
- Articulated dump trucks
- Asphalt finishers
- Backhoe loaders
- Compact tracked loaders
- Crawler dozers
- Crawler excavators (6 tonnes+)
- Crawler loaders
- Mini excavators (<6 tonnes)
- Motor graders
- Rigid dump trucks
- RTLTs – mast
- RTLTs – telescopic (telehandlers)
- Skid-steer loaders
- Wheeled excavators
- Wheeled loaders

# THE EUROPEAN EQUIPMENT MARKET

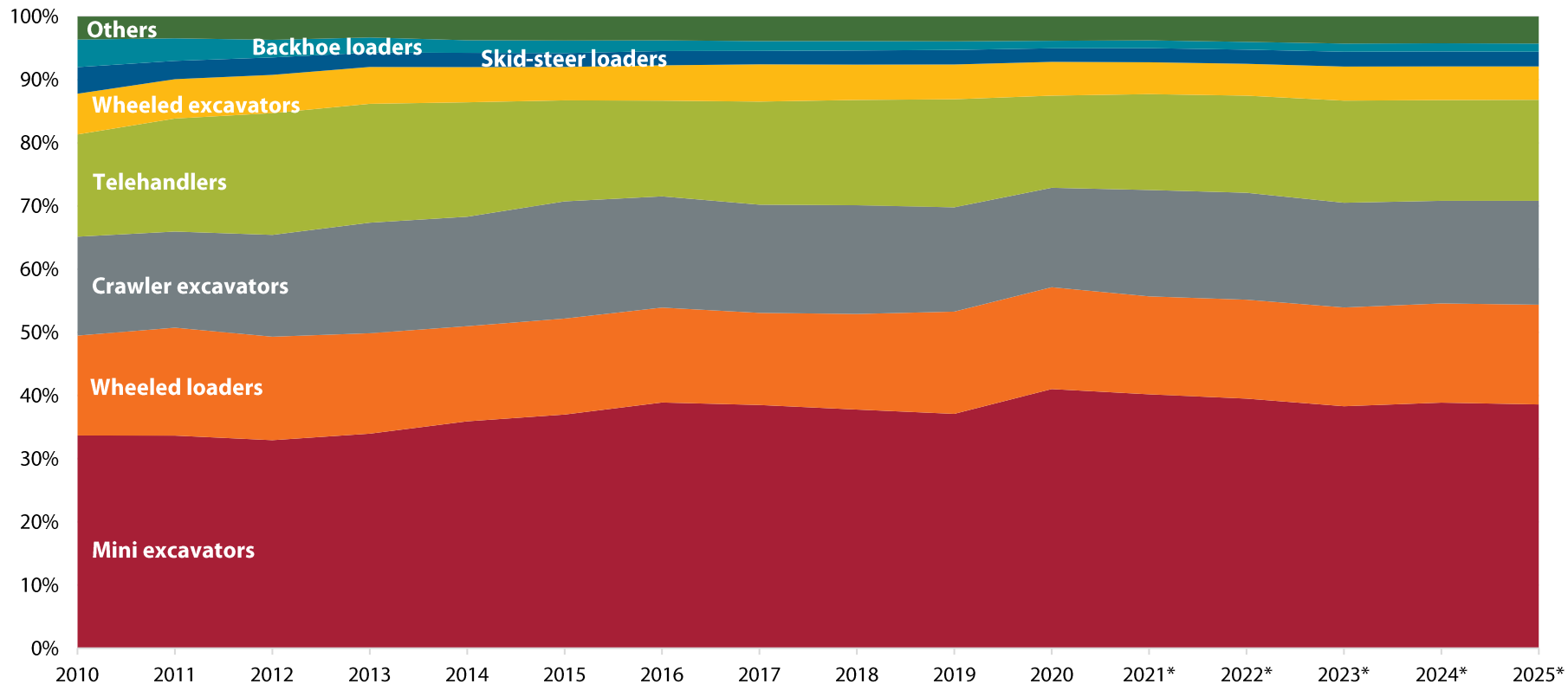
**Long-term trend**  
**Post-pandemic bounce-back**  
**Equipment preferences**



# EUROPEAN EQUIPMENT MARKET (UNIT TERMS)

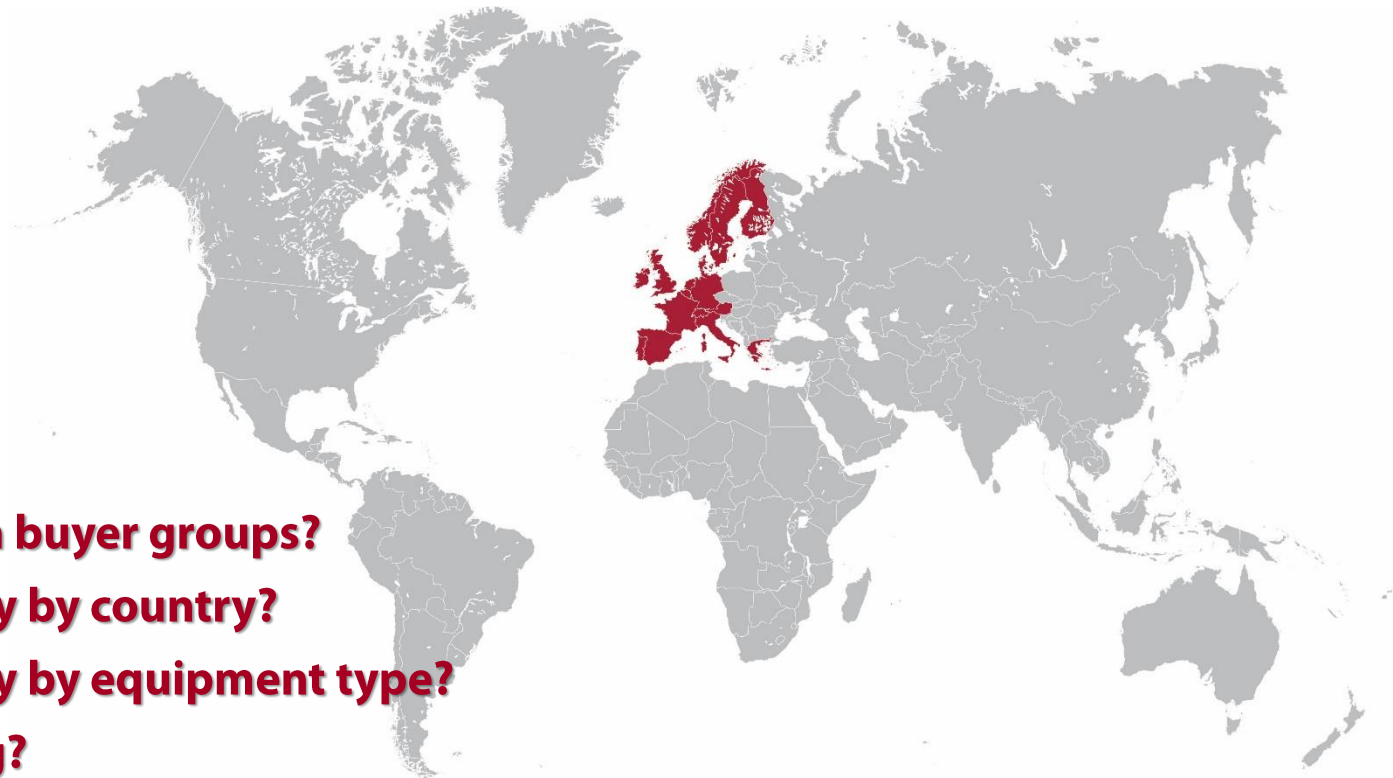


# EUROPEAN MARKET STRUCTURE (UNIT TERMS)





# EQUIPMENT BUYERS IN EUROPE



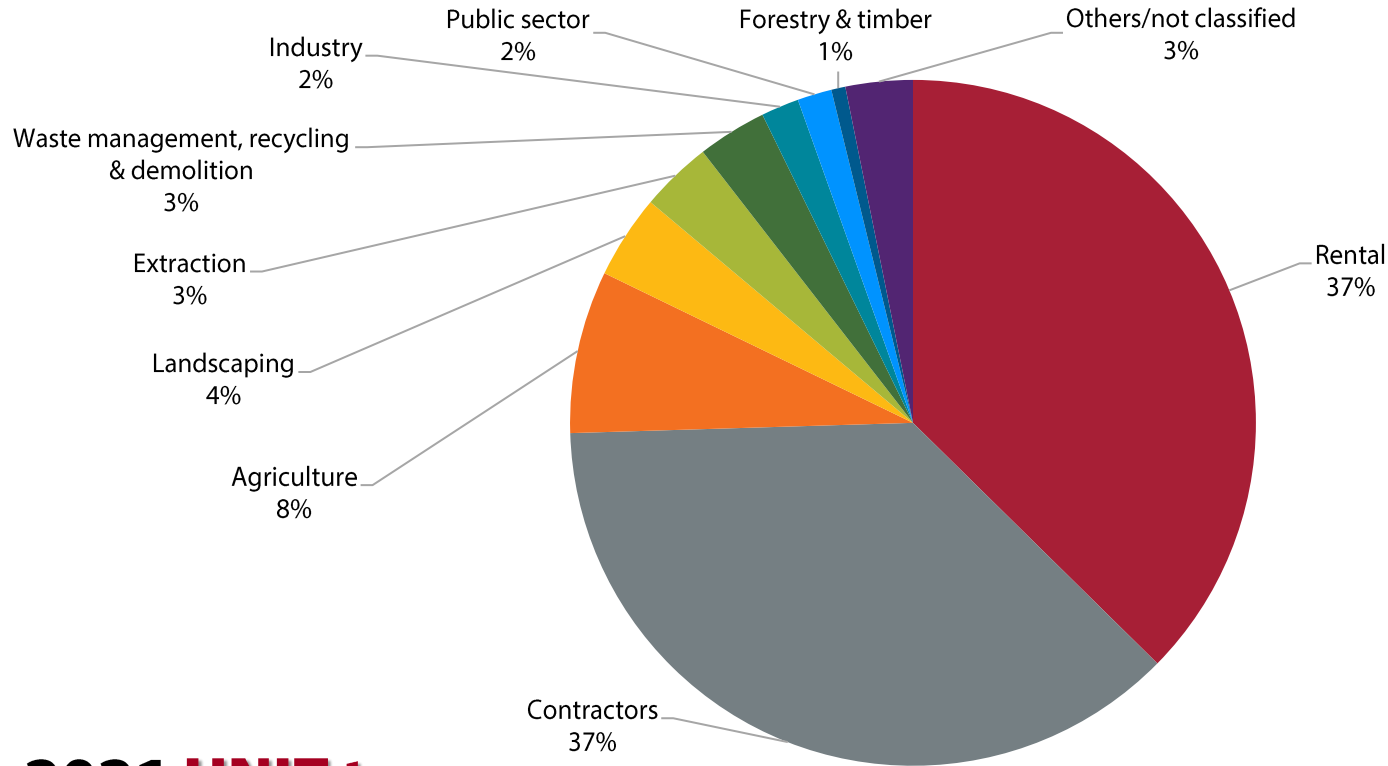
**What are the main buyer groups?**

**How does this vary by country?**

**How does this vary by equipment type?**

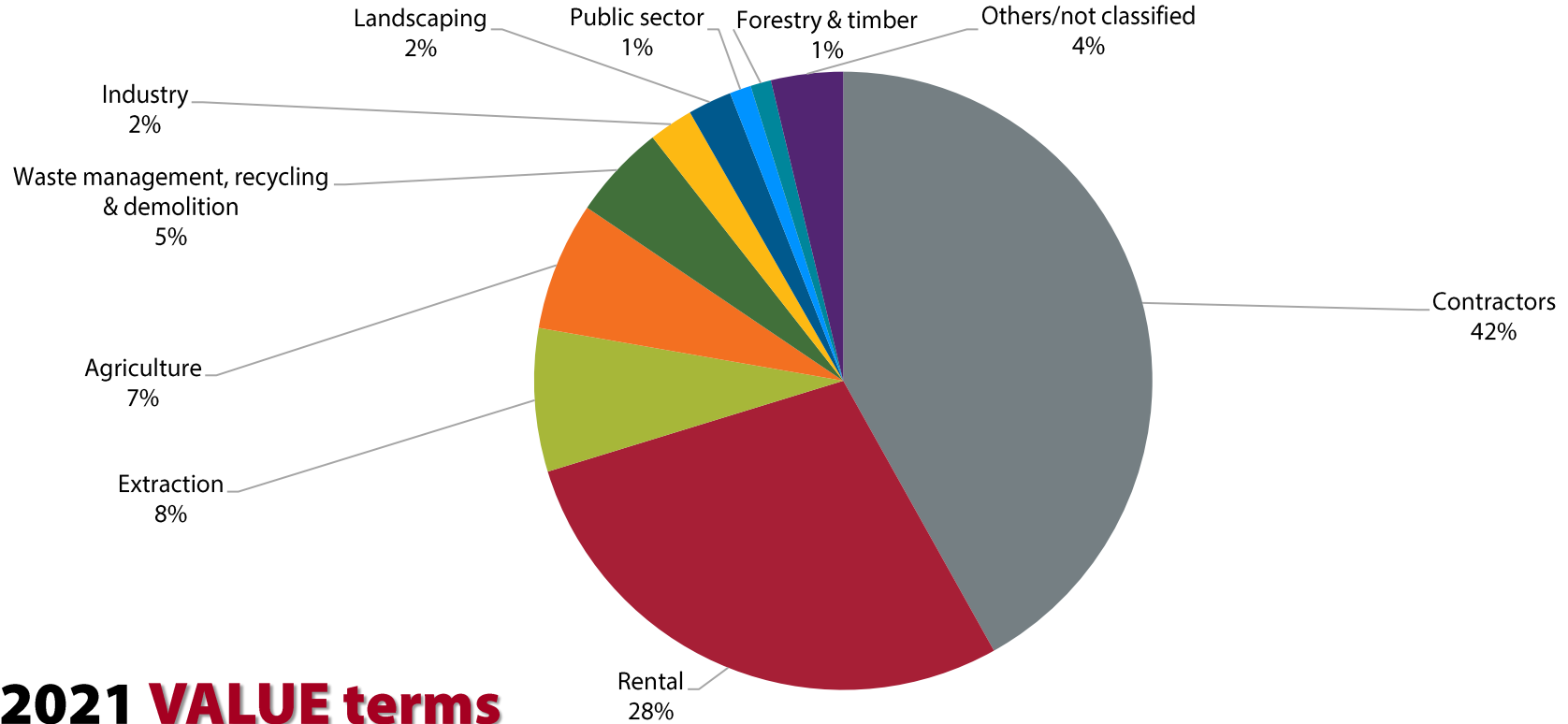
**How is it changing?**

# WHAT ARE THE MAJOR BUYER GROUPS IN EUROPE?



**2021 UNIT terms**

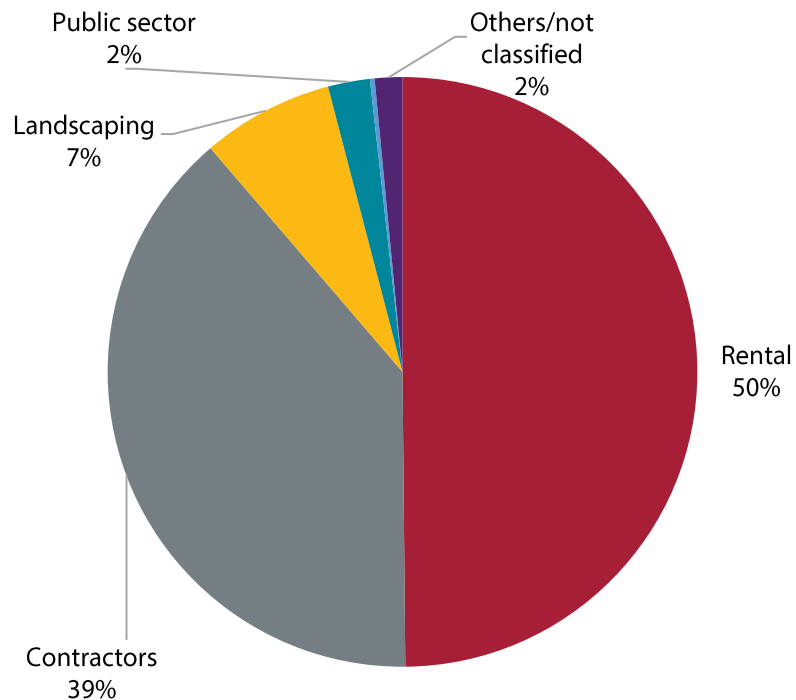
# WHAT ARE THE MAJOR BUYING GROUPS IN EUROPE?



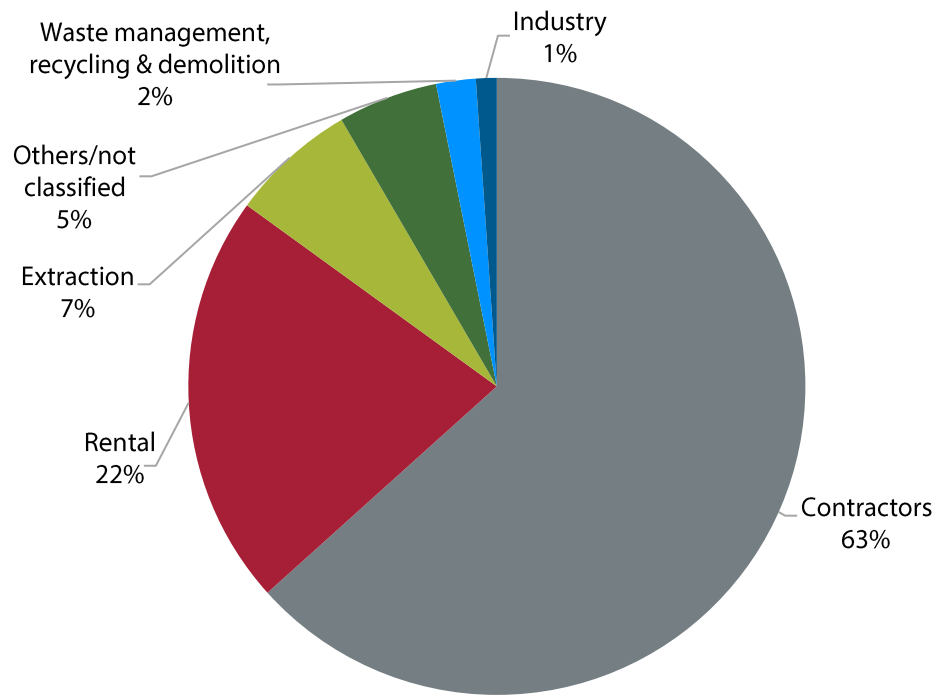
**2021 VALUE terms**

# HOW DO PRODUCTS DIFFER?

## MINI EXCAVATORS

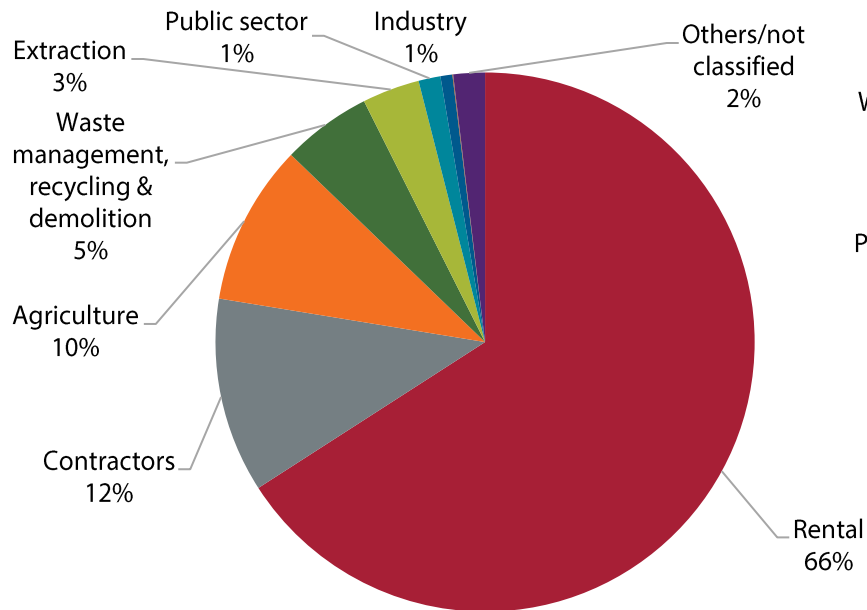


## CRAWLER DOZERS

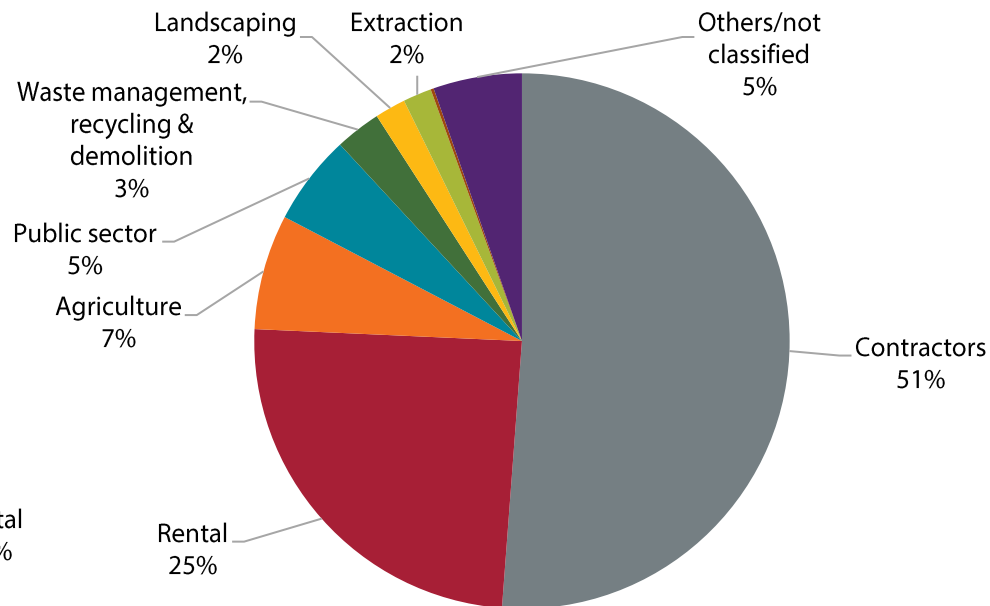


# HOW DO COUNTRIES DIFFER?

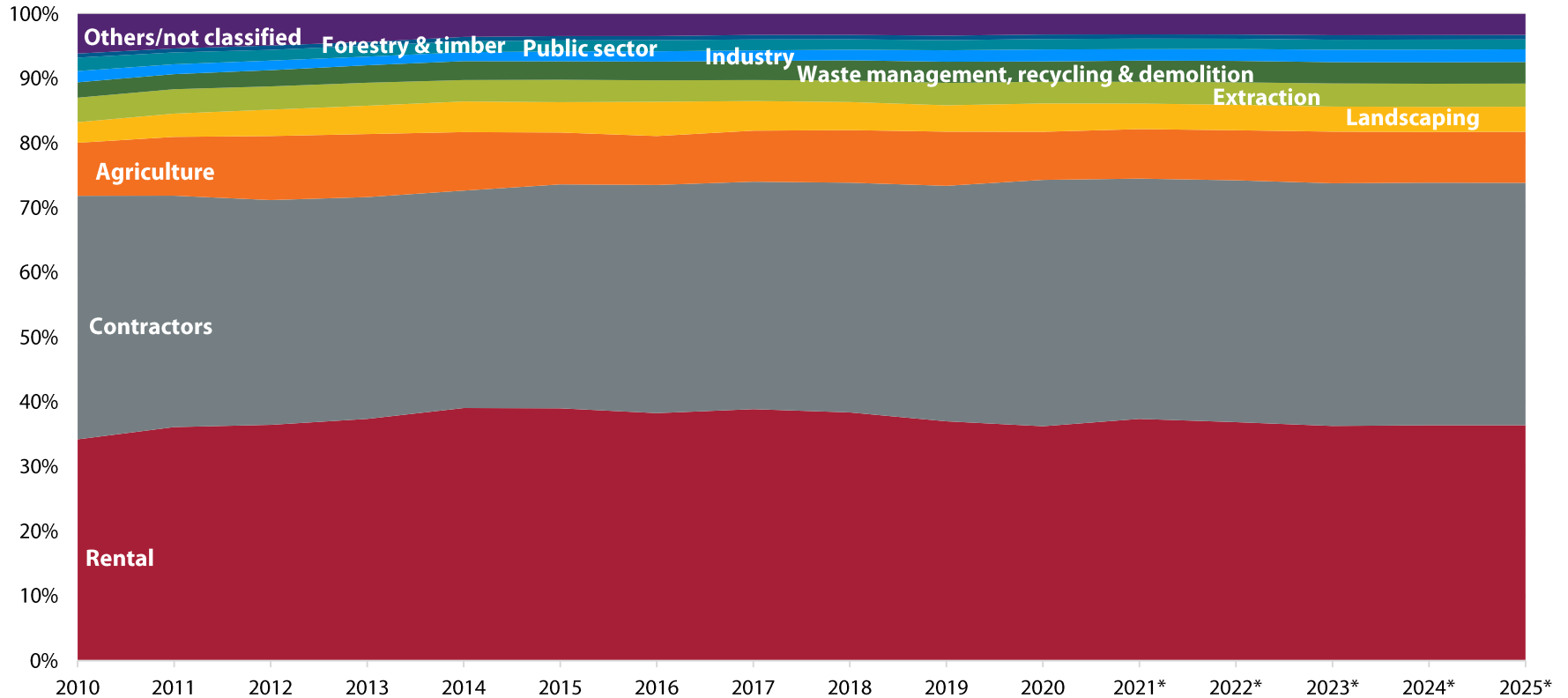
## UK



## ITALY



# EUROPE - CHANGES IN BUYER GROUPS(UNIT TERMS)



# EUROPE - SHARE OF SALES (UNIT TERMS)

	2010
<b>Rental</b>	<b>34%</b>
<b>Contractors</b>	<b>38%</b>
<b>Agriculture</b>	<b>8%</b>
<b>Landscaping</b>	<b>3%</b>
<b>Extraction</b>	<b>4%</b>
<b>Waste, recycling &amp; demolition</b>	<b>2%</b>
<b>Industry</b>	<b>2%</b>
<b>Public sector</b>	<b>2%</b>
<b>Forestry &amp; timber</b>	<b>1%</b>
<b>Others/not classified</b>	<b>6%</b>

# EUROPE - SHARE OF SALES (UNIT TERMS)

	2010	2021*	2025*
<b>Rental</b>	34%	37%	36%
<b>Contractors</b>	38%	37%	37%
<b>Agriculture</b>	8%	8%	8%
<b>Landscaping</b>	3%	4%	4%
<b>Extraction</b>	4%	3%	4%
<b>Waste, recycling &amp; demolition</b>	2%	3%	3%
<b>Industry</b>	2%	2%	2%
<b>Public sector</b>	2%	2%	2%
<b>Forestry &amp; timber</b>	1%	1%	1%
<b>Others/not classified</b>	6%	3%	3%



# SHARE OF SALES (UNIT TERMS)

	2010	2020	2025*
Rental	34%	37%	36%
Contractors	38%	37%	37%
Agriculture	8%	8%	8%
Landscaping	3%	4%	4%
Extraction	4%	3%	4%
Waste, recycling & demolition	2%	3%	3%
Industry	2%	2%	2%
Public sector	2%	2%	2%
Forestry & timber	1%	1%	1%
Others/not classified	6%	3%	3%

- Rise of rental vs. contractors
- Rise of landscaping
- Rise of waste/demolition
- Niches unchanged



# EUROPE - SALES (UNIT TERMS)

	Change, 2010-2021* (%)	CAGR (%)
<b>Rental</b>	<b>104%</b>	<b>7%</b>
<b>Contractors</b>	<b>82%</b>	<b>6%</b>
<b>Agriculture</b>	<b>93%</b>	<b>6%</b>
<b>Landscaping</b>	<b>141%</b>	<b>8%</b>
<b>Extraction</b>	<b>72%</b>	<b>5%</b>
<b>Waste, recycling &amp; demolition</b>	<b>160%</b>	<b>9%</b>
<b>Industry</b>	<b>92%</b>	<b>6%</b>
<b>Public sector</b>	<b>43%</b>	<b>3%</b>
<b>Forestry &amp; timber</b>	<b>109%</b>	<b>7%</b>
<b>Others/not classified</b>	<b>3%</b>	<b>0%</b>
<b>Overall</b>	<b>88%</b>	<b>6%</b>

# EUROPE - SALES GROWTH (UNIT TERMS)

	Change, 2010-2021* (%)	CAGR (%)
Rental	104%	7%
Contractors	82%	6%
Agriculture	93%	6%
Landscaping	141%	8%
Extraction	72%	5%
Waste, recycling & demolition	160%	9%
Industry	92%	6%
Public sector	43%	3%
Forestry & timber	109%	7%
Others/not classified	3%	0%
Overall	88%	6%

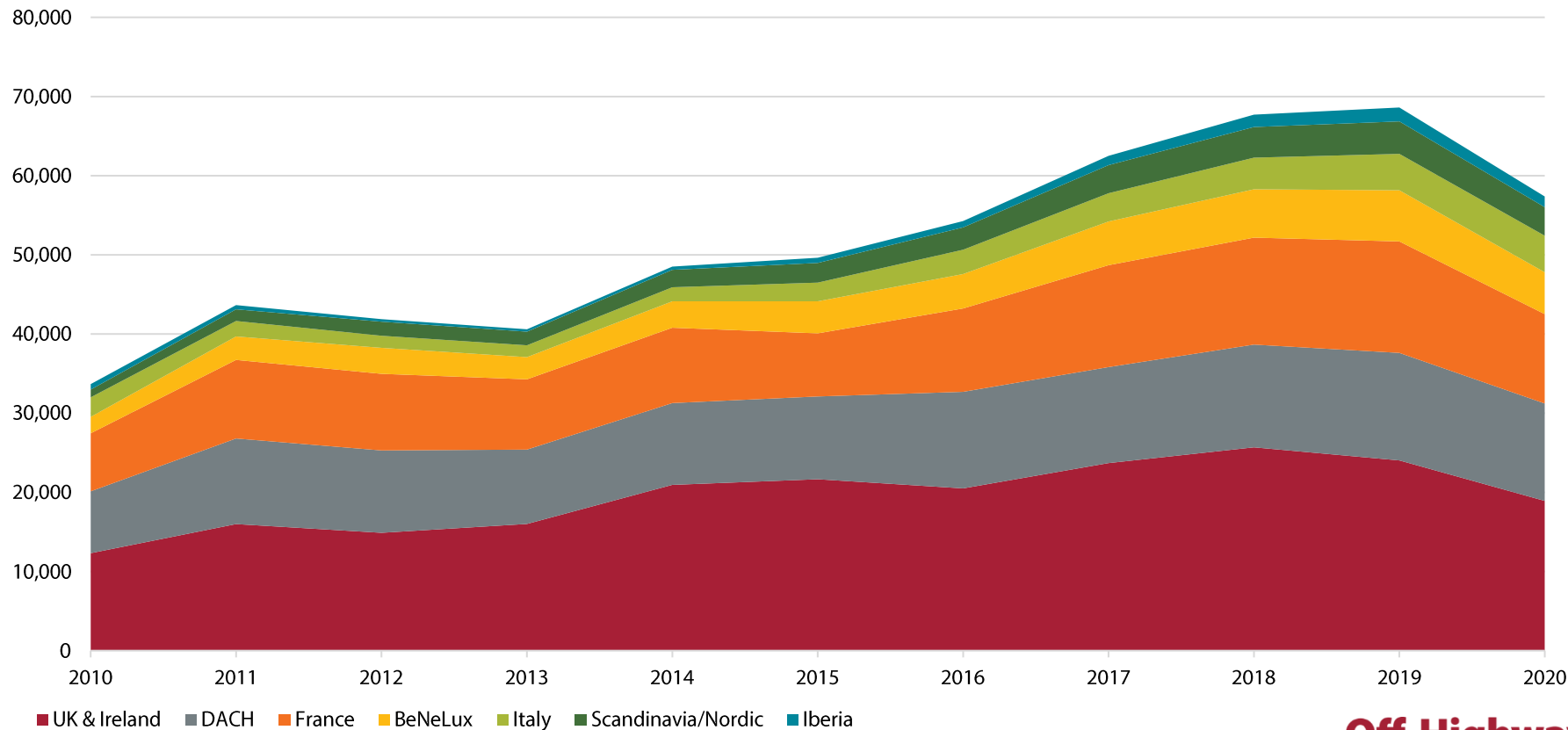
- Rise of rental, landscaping, waste & forestry
- Relative decline in extraction & public sector



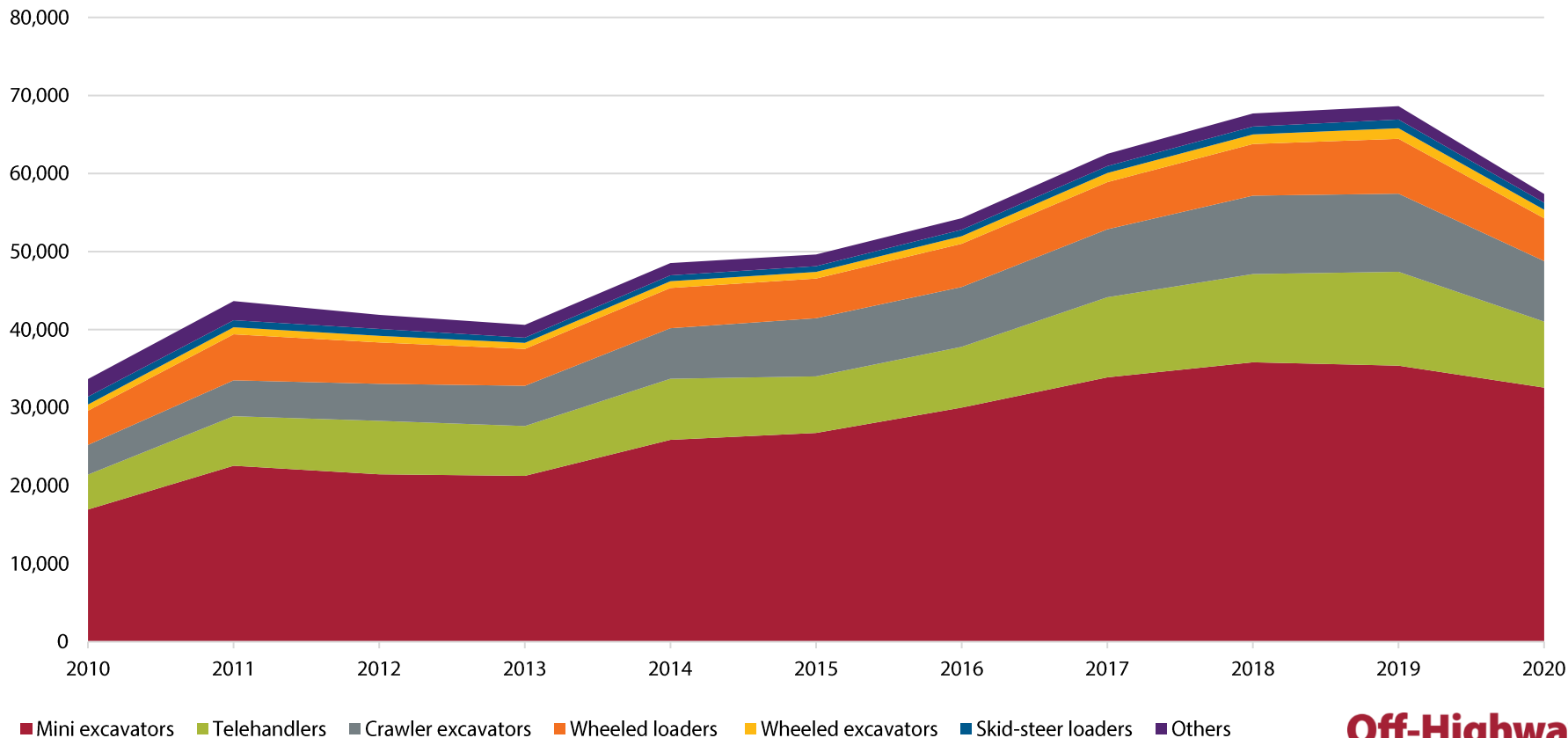
# SALES TO A SINGLE BUYER GROUP

- Where are the big rental, extraction, agricultural markets (etc.)?
  - The biggest market for a given customer group is not always the biggest equipment market
  - The highest selling machines are not always the highest selling in a given sector

# EUROPE - SALES TO RENTAL (UNITS)



# EUROPE - SALES TO RENTAL (UNITS)



# WHAT DRIVES THE CHANGES?

- Year-to-year changes in any given product and country are **SMALL**
- Typically 1-2% swing per year (if that) from one customer group to another
- European-level changes in customer groups tend to be due to
  - Big rises or falls for individual countries (particularly big markets)
  - Big rises or falls for specific products (particularly high volume products)

# BUYER GROUP CHANGES

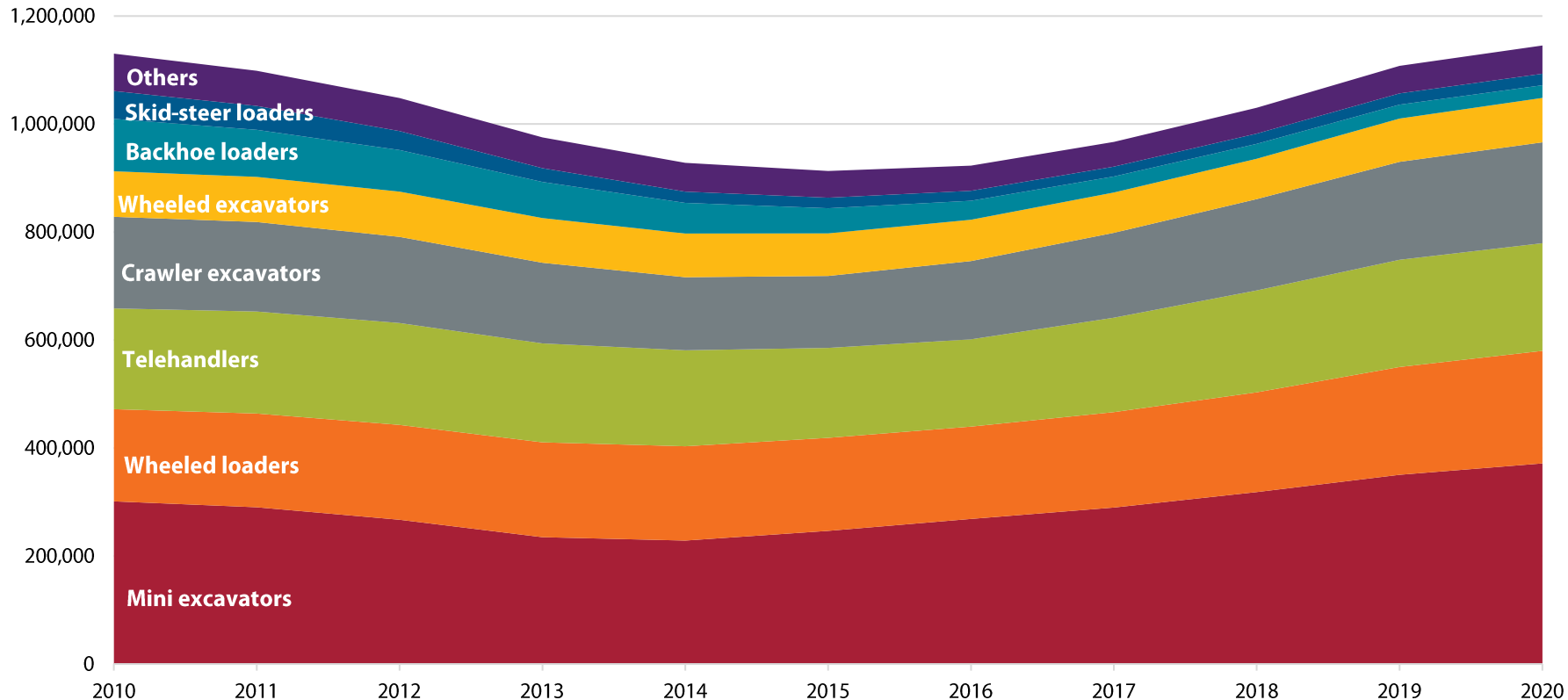
- There are clear trends in changing buyer patterns
  - Rise of rental vs contractor ownership of equipment
- Growth in certain niche applications
  - Rise in mechanisation of forestry & landscaping
  - Increasing importance of waste management, recycling & demolition



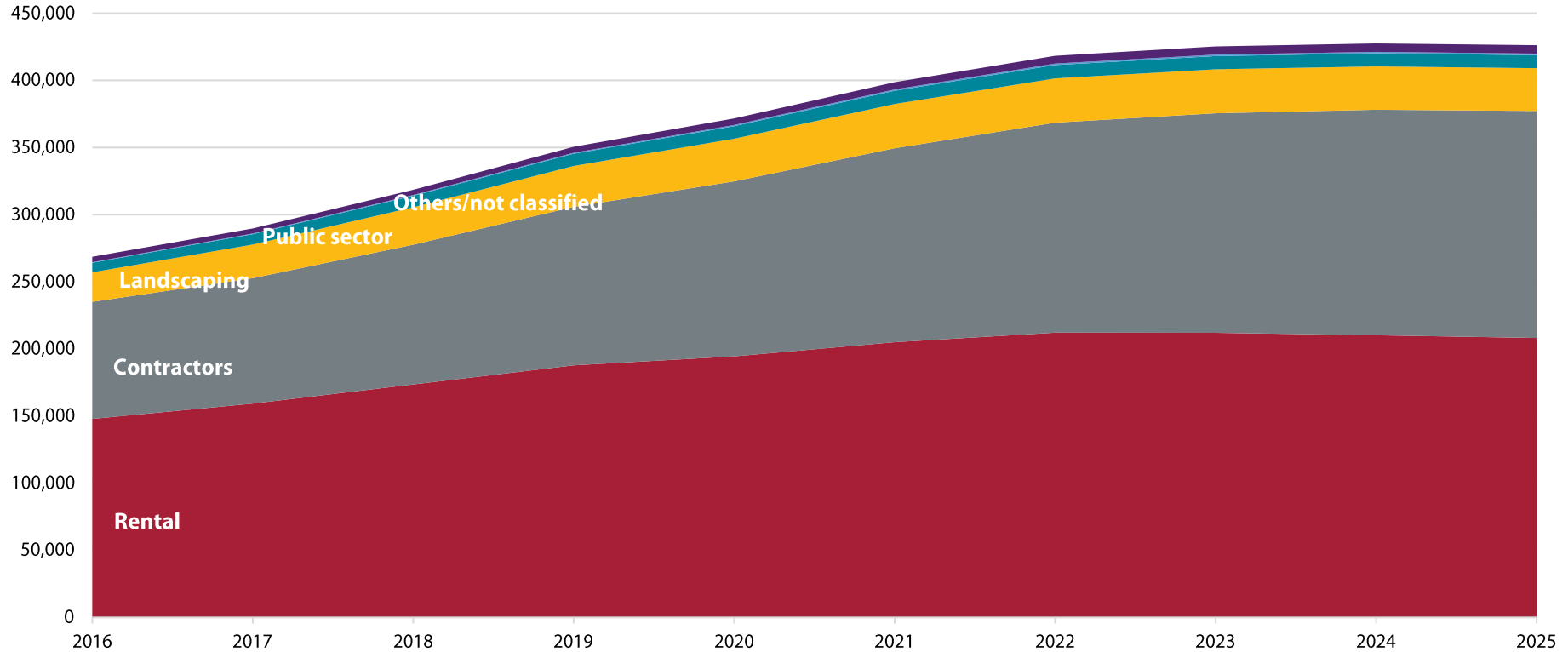
# MACHINE POPULATIONS

- You can already estimate machine population with our data, based on assumptions of average lifespan by equipment type
  - Now estimate machine population by customer group
  - Model different scenarios
    - Different lifespans for different customer groups

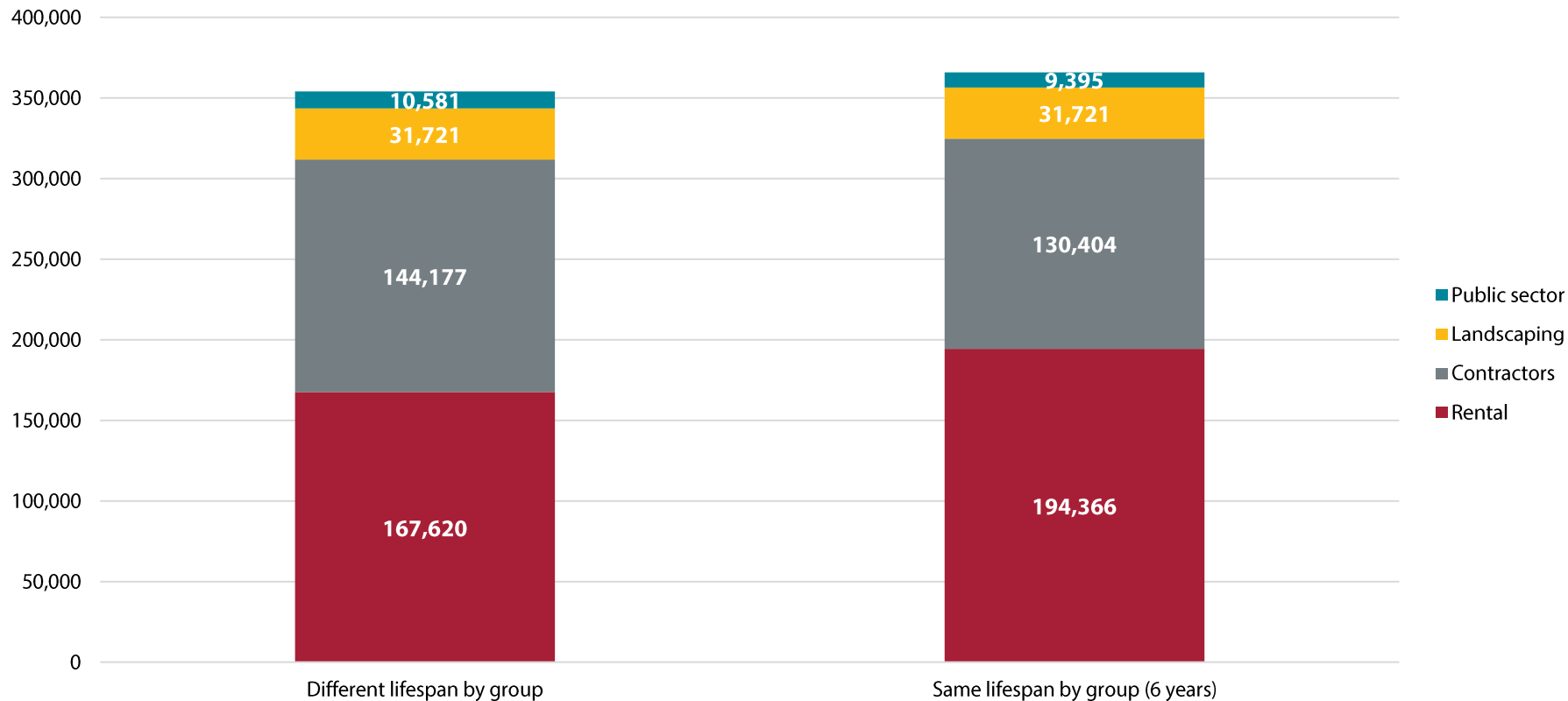
# EUROPE – EQUIPMENT POPULATION ESTIMATE



# MINI EXCAVATOR POPULATION ESTIMATE



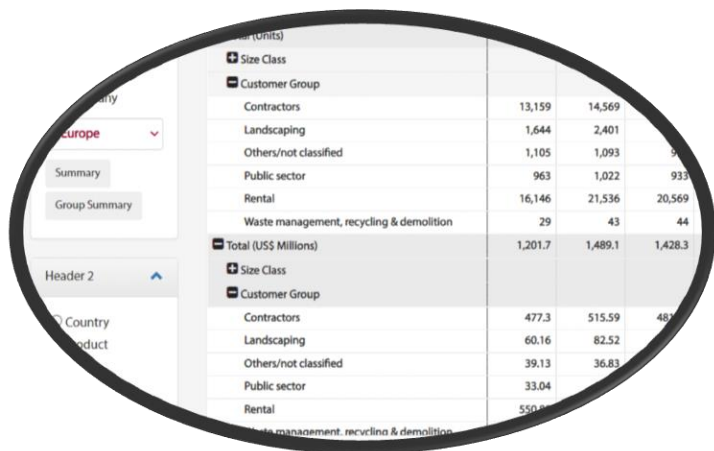
# EUROPE – MINI EXCAVATOR POPULATION



# ACCESSING THE DATA

Available as a subscription service

Contact: [mail@offhighwayresearch.com](mailto:mail@offhighwayresearch.com)




The screenshot shows a web application interface with a sidebar on the left containing filters for 'Region' (set to Europe), 'Summary', 'Group Summary', 'Header 2', 'Country', and 'Product'. The main area displays a table with columns for 'Size Class', 'Customer Group', and three numerical columns representing sales data. The table is divided into two sections: 'Total (US\$ Millions)' and 'Size Class'.

Size Class	Customer Group	13,159	14,569	
Total (US\$ Millions)	Contractors	13,159	14,569	
	Landscaping	1,644	2,401	
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Size Class	Waste management, recycling & demolition	29	43	44
	Total (US\$ Millions)	1,201.7	1,489.1	1,428.3
	Contractors	477.3	515.59	481
	Landscaping	60.16	82.52	
	Others/not classified	39.13	36.83	
Customer Group	Public sector	33.04		
	Rental	550.00		
	Waste management, recycling & demolition			

SUBSCRIPTION SERVICE

## THE CUSTOMER GROUP DATABASE SERVICE



**WHAT IS IT?**

- Database of equipment sales by customer types, such as contractors, rental companies and extraction industries
- Coverage of 15 equipment types in a range of countries
- Historic data from 2010
- Five year sales forecast by equipment type, customer group and country

**APPLICATIONS**

- Establish the market for your products by customer group
- Analyse changes in buying trends
- Identify growing customer groups
- Identify market opportunities
- Use forecasts to inform strategic plans

**Off-Highway RESEARCH**

[www.offhighwayresearch.com](http://www.offhighwayresearch.com)

# THANK YOU – QUESTIONS?

More information at [www.offhighwayresearch.com](http://www.offhighwayresearch.com)

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