

AGRO TRACKER

WHITE PAPER



THANK YOU FOR DOWNLOADING OUR REPORT!



We're excited to share valuable knowledge with you and show how they can be applied to your challenges. This white paper focuses on our Agriculture Tracker which provides extensive market research guidance to companies

both international and domestic that are working in the agriculture space.

With the market dominated by major players like Deere & Company (USA), CNH Industrial N.V. (UK), Kubota Corporation (Japan) and AGCO Corporation

(USA), our Agro Tracker is vital intel for companies operating in this space.

Throughout the rest of this report you'll find an explanation of who we are and the methodology behind the Agro Tracker, as well as a sample of

the information our clients receive through our subscription-based Agro Tracker.

But first up, an explanation of who Bazis Group is and what kind of solutions we offer.

WHO IS BAZIS GROUP?

Bazis Group provides expert market research across the globe, making a positive difference in the world's companies and people by uncovering truly inspiring, effectively-actionable insights into thoughts, feelings and behavior. Our team of highly-skilled research professionals is fluent in both English and Russian and provide international market research expertise to clients around the world from its offices in Chicago, USA and Ekaterinburg, Russia.



TWO SEGMENTS

1. BAZIS INSIGHTS

Composed of global, full-service sector experts, provides full-service research across the world in the key sections of construction, healthcare and agriculture.

2. BAZIS OPERATIONS

Composed of fieldwork and data experts in Russia, delivers a deep understanding of the Russian market by offering highest-quality fieldwork and analysis solutions.

BAZISAGRO

Our expertise in the agriculture market includes a clear, demonstrated understanding of the key business drivers in the market, including such topics as crop seasonality and farmers' lifestyles, allowing us to deliver truly insightful recommendations in this unique sector.

We understand how to reach the many diverse target groups in the agriculture sector, including growers, integrators and industry experts. We collect those insights and share them through the Bazis Group Agro Tracker.

TRACKING AGRICULTURE

TRENDS ACROSS 11 TIME ZONES

Bazis Group created the Agro Tracker to give clients like you valuable insight into the buying size, composition and buying habits of their audience. We run three waves of the Tracker, ending with the third wave in November. So far, this longitudinal tracker of growers is focused on Russia, but we have plans to extend our reach to many more markets, including Kazakhstan, Ukraine, and more.

Russia is a great place to start, since it includes several key agricultural regions, including Central and Central Black Soil regions, and the Volga, South Ural, South, and Western Siberia regions. ▼



TRACKING AGRICULTURE TRENDS ACROSS 11 TIME ZONES

The tracker is composed of a predetermined set of questions that make up the “core block” of the survey. We add to this a customized block of questions collected from our client – this allows us to tailor the tracker to the specific needs of each client.



THE CORE BLOCK GENERALLY INCLUDES QUESTIONS ABOUT THE FOLLOWING

Farm size and specialty

Decision journey

Fleet composition, including machine types, number, wear rate and brands

Future purchase intentions

Importance and factors of decision making

Parts and service segments

To this “core block”, we add questions that are carefully crafted to the client’s needs, which in the past have included specific questions about particular equipment, disposition towards particular parts or services, and much more.

CHALLENGES CUSTOMER SEGMENTATION AND MORE

Ultimately, the questions included in the Agro Tracker are shaped to address the most pertinent issues in the agriculture market. And we've found that one of the main challenges our clients face is the issue of customer segmentation. Often companies operating in the agriculture space know a particular part of the market very well – say farmers growing wheat in the Volga region – but don't know the finer details about that audience, or the rest of the market across the various, vast regions of Russia.

The Bazis Group Agro Tracker can provide data to help the client understand customer segments, size, and more, including which segment has the highest potential for the client. The tracker allows for identification of both the highest short-term potential and highest long-term potential. This allows Bazis Group to help the client construct and identify the most effective communications strategy to use for particular segments.



We also know that it can be very difficult for companies to estimate the size and the number of customer segments in a target area, and along with the behavior of customer segments – which is also very difficult for companies – the Agro Tracker can help clients begin to understand the market factors and identify the best strategy for each.

SOLUTIONS ACTIONABLE DATA



Bazis Group's Agro Tracker has an approach to studying segmented customers that is based on fleet size, fleet composition, fleet age, purchasing behavior and crop size, and based on this data, Bazis Group is able to understand and identify the strongest interest and determine which channels of advertising are most appropriate to a client's target customers.

Bazis Group can help the client begin to map the customer journey, understand the decision-making process and successfully target their audience through our tested, fully-scientific approach.

For instance, we may identify that smaller Russian farms purchase no more than 35 percent of spare parts from a dealer, which means international players

would know precisely how to target those customers. Russia and Ukraine are countries containing a very strong share of agriculture production, which is information of very strong interest for international players operating in the agriculture market.

DEMO INFORMATION FROM AGRO TRACKER

THE GLOBAL AGRICULTURE MARKET LEADERS INCLUDED

As an example, we examined the world agriculture industry in 2016, identifying the industry leaders, the industry growth rate, the major customer markets, the most popular machinery and the most promising markets.

We discovered several key conclusions through the Tracker process, including that the types of machinery with a large share of importing were **vegetable harvesters, distributors and spraying machines**.

We also found that the larger the amount of arable land on a agriculture operations, the higher the share of imported machinery was in the fleet. ▼

DEERE &
COMPANY

\$26.6
billion

CNH
INDUSTRIAL N.V.

\$25.3
billion

KUBOTA
CORPORATION

\$13.3
billion

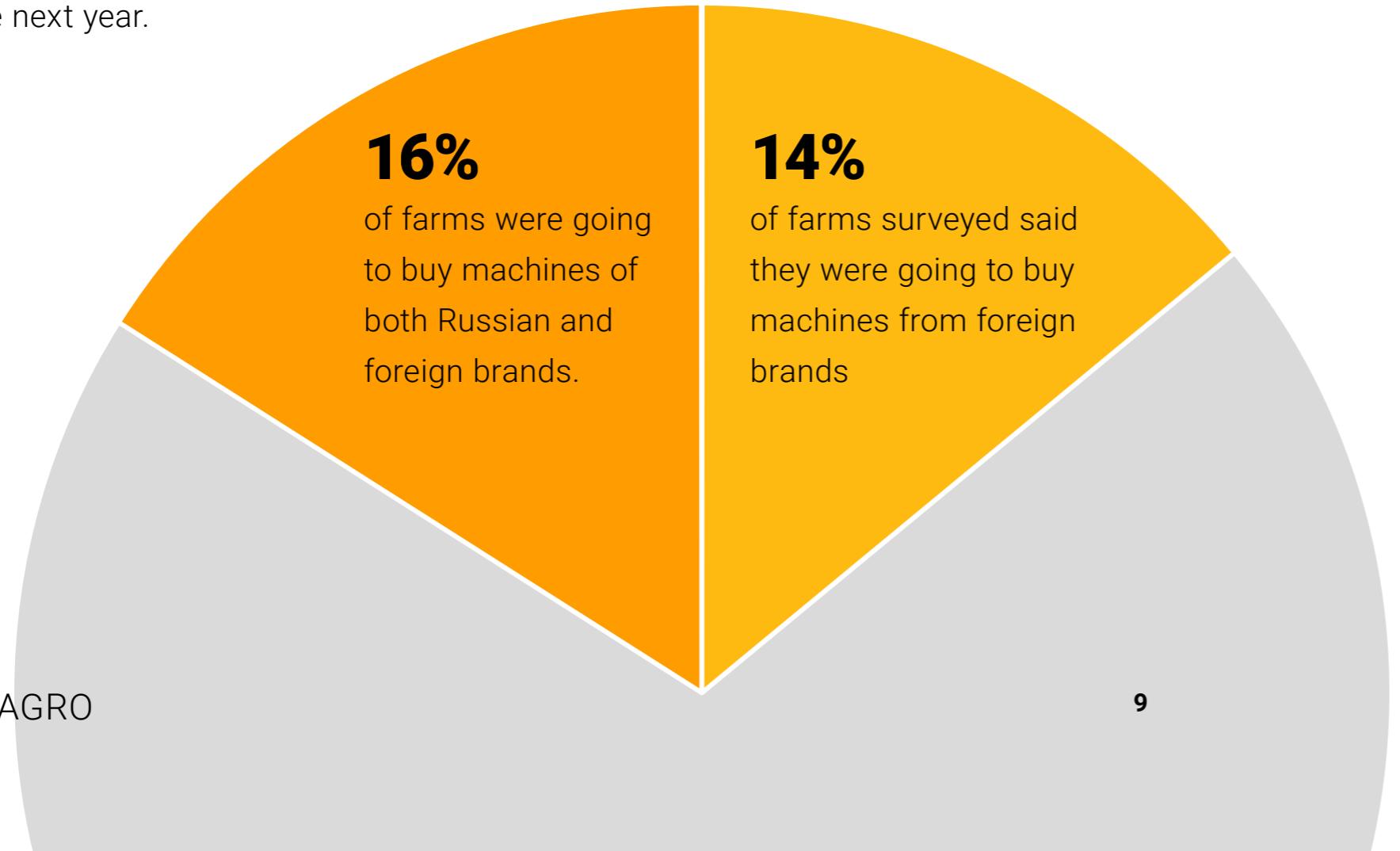
AGCO
CORPORATION

\$7.4
billion

DEMO INFORMATION FROM AGRO TRACKER

**1/3
of farms**

surveyed said they were planning to purchase machinery over the next year.



80%
of all maintenance service works were performed by farms internally

66 000 ₽
was the average amount one farm spends annually on spare parts for one machine.

**71 farms spent
334.000.000 ₽**
on spare parts for 5,035 machines in the last year.

~ 65% of farms
participate in specialized trade shows, mainly attending Russian specialized trade shows like Field Days, YugAgro, Golden Autumn, Agrosalon and others.

THE ONLY GAME IN TOWN

Clients who have made use of our Agro Tracker have told us that they see an abundance of benefits, including the fact that they receive answers to their thorniest research questions quickly, effectively and at an affordable rate – costs run approximately 2000 Euros for the core block, with an additional 100 Euro per additional question in the customized block. Additionally, clients have told us that the tracker shows a very accurate regional split, giving a truly representative sample of the agriculture market in Russia. The tracker also boasts full coverage of the main Russian crop segments – all of which helps the decision-makers come to conclusions based on demonstrable data.

OUR RESEARCH METHODOLOGY FOR THE AGRO TRACKER IS AS FOLLOWS:

- Sample size has grown to 120 growers per wave.
- The sample source is Bazis Group's agriculture database, which contains more than 1800 growers.
- The wave launch is February 10, customized question submission occurs between February 20 and March 3, and report delivery follows shortly on April 5.
- Quotas include region, farm size, and crops grown.
- Regional split covers Central, Volga, Siberia, South, Far East and North West regions.

Our Agro Tracker is the only tracker of Russian farmers' equipment needs, attitudes and buying behavior. It also addresses key information needs, including future brand buying intentions. The tracker is a cost-effective approach, combined with a robust sample design, all with the ability to add a client's customized questions. Furthermore, Bazis Group is a well-established expert in the field of agriculture research, so you can be assured that our sample sources, methodology, and all other aspects of the Tracker are of the highest quality.



BAZIS AGRICULTURE CONTACTS

The Agro Tracker is truly just one facet of Bazis Group's expertise – contact us to find out more about the vast array of services we offer.

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