How can companies increase their market shares?

A case-study in the vehicle testing equipment markets in Japan, Russia and Italy

Charlotte Wallin
Abstract

This master’s thesis is the work of Charlotte Wallin at Blekinge Institute of Technology the summer and autumn 2007.

The aim of this master thesis is to show how important it is to make deep market investigations of the present situation before expensive market activities are decided and entered into the market in question. Many industrial market plans are released without a complete knowledge and is not positive to the growth of market shares. To increase market shares, the best approach is to combine a detailed knowledge of the market with established market analysis theories like SWOT, Porter and Kotler.

MAHA Maschinenbau Haldenwang GmbH & Co. KG (MAHA) is the company which this master’s thesis has been executed placed in 150 km southwest of Munich Germany. MAHA is a global company that designs, produces and sell vehicle repair and testing equipment to vehicle repair facilities stations, government and private testing organizations as well as the automotive industry. MAHA has businesses in over 130 countries and has a good position in the market due the high quality of its products. However, MAHA have not in the past put resources in investing the markets prior to heavily market investments but have realized its necessity to be able to increase their market shares in markets with high competition.

The investigation includes three different markets: Japan, Russia, and Italy. The markets have in common a complicated bureaucracy and complicated countries for foreign companies to entry. The differences between the countries are the geographical location, culture, selling actions, service demand and marketing activities plus the mature of the technical level.

By using information sources like printed literature, sources available on the Internet and branch organizations, interviews and questionnaires with qualities and quantities methods for both employees, distributors, competition and end-customers a huge volume of collected data has been summarized and analysed by using different marketing models ending up in conclusions and suggestions for MAHA to make the right marketing decisions aiming for a larger share of the market.

The result of this master’s thesis research has shows that the three markets should be treated different because of that the markets are in different levels of their development. The markets demand different products and is needed to be treated different. The Japanese market is much closed for foreign companies, need to be approached in the Japanese language, demand high quality and quick service plus has the highest technical level. The Russian market is a market, which is increasing at the moment. The Russian market involves a lot of potential and MAHA has a good market share in the market. The Italian market is the market, which involves most competitors. In the Italian market the main European competitors are active.

For all three markets Japan, Russia and Italy, the conclusions for MAHA vary. In Japan the most important factors is to find a partner or find an extreme high technical niche product, which doesn’t have any correspondence in the existing Japanese market. In Russia should MAHA’s organization expand and increase, but there is no need for large changes. In Italy MAHA should stake on one product group and specialize on it.

Thanks to

I would like to say “vielen dank” to all employees at MAHA Maschinenbau Haldenwang GmbH & Co. KG. that have helped me with this master thesis and an especially thanks to:

- Johan Siwers, who has been a great support of knowledge, inspiration and experiences.
- Joque Soskis, who has had a great patience and corrected the grammatical language.
- Stefan Hellmer, who has given good advices.
- Britt Aronsson, for spending her time and helpful advices.
- Anders Nilsson, for capability of making decisions.
• Claes Hanson with college, which have given me a great support, help and advices.
• Mr. Yoshitaka Tsutsui, Mr. Oleg Spiridonov and Mr. Andrea Vezzini for specific information about the investigated markets.
• The employees by the sales apartment and marketing apartment by MAHA Germany.
# Table of Contents

1.1 Background ............................................................................................................ 10  
1.2 Research problem ............................................................................................... 11  
1.3 Aim ..................................................................................................................... 12  
1.4 Limitations .......................................................................................................... 12  
1.5 Terminology ........................................................................................................ 12  
2 Methodology ............................................................................................................ 14  
2.1 How the master thesis has been carried out ....................................................... 14  
2.2 Data Collection ................................................................................................... 15  
2.3 Theoretical models and analysis methods ......................................................... 15  
2.4 Validity and reliability ....................................................................................... 16  
3 Theories .................................................................................................................... 17  
3.1 Marketing ........................................................................................................... 17  
  3.1.1 Business-to-business marketing .................................................................. 17  
  3.1.2 Understanding the market ........................................................................... 17  
  3.1.3 Marketing channels ...................................................................................... 18  
  3.1.4 Types of marketing activities ...................................................................... 19  
3.2 Markets ............................................................................................................... 21  
  3.2.1 Differences between countries .................................................................. 21  
  3.2.2 The five competitive forces ....................................................................... 22  
  3.2.3 Competitor benchmarking ......................................................................... 24  
3.3 Methods for description of companies and competitors .................................. 25  
  3.3.1 The SWOT-model ....................................................................................... 26  
  3.3.2 Kotler’s P’s ................................................................................................. 27  
  3.3.3 Strategic Analysis ....................................................................................... 28  
  3.3.4 Competitive advantage ............................................................................... 29  
4 MAHA Maschinenbau Haldenwang GmbH & Co. KG ............................................ 31  
4.1 MAHA’s products ............................................................................................... 32  
4.2 MAHA’s organization ......................................................................................... 33  
5 Presentation of the three markets ........................................................................... 36  
5.1 Introduction of the three markets ....................................................................... 36  
5.2 Economical look out in Japan ........................................................................... 37  
  5.2.1 Japanese vehicle testing organizations ...................................................... 39  
  5.2.2 Japanese vehicle repair facilities ................................................................. 41  
  5.2.3 Automobile exhibitions in Japan ................................................................. 42
5.2.4 Competitors in Japan ................................................................. 43

5.2.4.1 Overview table of competitors in Japan ............................................ 43

5.2.4.2 Uninvestigated competitors in the Japanese market ......................... 45

5.2.5 Distributors of interest to vehicle repair facilities in Japan .................... 45

5.2.6 Actual and potential customers in Japan ............................................ 45

5.3 Market situation in Russia ............................................................. 46

5.3.1 Russian vehicle testing organizations .................................................. 48

5.3.2 Russian vehicle repair facilities .......................................................... 51

5.3.3 Automobile exhibitions in Russia ........................................................ 51

5.3.4 Competitors in Russia ................................................................. 53

5.3.4.1 Overview table of competitors in Russia ............................................ 53

5.3.4.2 Uninvestigated competitors in Russia .............................................. 54

5.3.5 Distributors of interest to automotive repair facilities ......................... 55

5.3.6 Actual and potential customers in Russia ............................................ 55

5.4 Market situation in Italy .............................................................. 56

5.4.1 Italian vehicle testing organizations ............................................... 58

5.4.2 Italian vehicle repair facilities .......................................................... 59

5.4.3 Automobile exhibitions in Italy ....................................................... 60

5.4.4 Competitors in Italy ................................................................. 60

5.4.4.1 Overview table of competitors in Italy ............................................ 60

5.4.4.2 Uninvestigated Italian competitors .............................................. 62

5.4.5 Interesting distributors to automotive repair facilities ....................... 62

5.4.6 Actual and potential customers in Italy ............................................ 63

6 Summary of the markets .................................................................... 64

6.1 Summary of Japan .......................................................................... 64

6.1.1 Summary of the Japanese turnover of different vehicle testing equipment ........................................ 64

6.1.2 Summary from interviews related to the Japanese vehicle testing equipment market ............................................... 65

6.1.3 Summary of the market share in Japan ............................................ 66

6.1.4 Summary of competitors in Japan .................................................. 68

6.2 Summary of Russia .......................................................................... 69

6.2.1 Summary from the interviews related to the Russian vehicle testing equipment market ............................................... 69

6.2.2 Summary of the market share in Russia ............................................ 70

6.2.3 Table of competitors in Russia ....................................................... 72

6.3 Summary of Italy ............................................................................ 72

6.3.1 Summary from the interviews related to the Italian vehicle testing equipment market ............................................... 73
6.3.2 Summary of the market share in Italy ...................................................... 74
6.3.3 Table of competitors in Italy ..................................................................... 77
7 Analysis ............................................................................................................. 78
7.1 Analysis of Japan .......................................................................................... 78
7.1.1 Analysis of the market structure in Japan ................................................ 78
7.1.4 SWOT-analysis for Japan ....................................................................... 79
7.1.2 Analysis of the five competitive forces .................................................... 79
7.1.3 Analysis of the P’s ............................................................................... 80
7.1.5 Analysis of the competitors in Japan ....................................................... 81
7.1.6 Analysis of the marketing activities in Japan ......................................... 82
7.2 Analysis of Russia ......................................................................................... 82
7.2.1 Analysis of the market structure in Russia .............................................. 82
7.2.4 SWOT-analysis for Russia ................................................................... 83
7.2.2 Analysis of the five competitive forces ................................................... 83
7.2.5 Analysis of the competitors in Russia ..................................................... 85
7.2.6 Analysis of the marketing activities in Russia ....................................... 85
7.3 Analysis of Italy ............................................................................................. 86
7.3.1 Analysis of the market structure in Italy ............................................... 86
7.3.4 SWOT-analysis for Italy ...................................................................... 86
7.3.2 Analysis of the five competitive forces .................................................. 87
7.3.3 Analysis of the P’s ............................................................................. 88
7.3.6 Analysis of the marketing activities in Italy ......................................... 88
8 Conclusions ....................................................................................................... 90
8.1 Conclusions about Japan ............................................................................... 90
8.1.1 In relation to the aim ......................................................................... 90
8.1.2 Suggestions on proposals for MAHA in Japan ...................................... 90
8.2 Conclusions about Russia ............................................................................ 91
8.2.1 In relation to the aim ......................................................................... 91
8.2.2 Suggestions on proposals for MAHA in Russia ...................................... 91
8.3 Conclusions about Italy ............................................................................... 91
8.3.1 In relation to the aim ......................................................................... 91
8.3.2 Suggestions on proposals for MAHA in Italy ...................................... 92
8.4 Future research problems ............................................................................. 92
9 References ......................................................................................................... 93
9.1 Interviews and questionnaire ...................................................................... 93
9.2 Homepages .................................................................................................. 94
9.3 Printed literature ............................................................................................ 97
10 Appendix ........................................................................................................................................ 99

10.1 Detailed information about the competitors in Japan ................................................................. 99

10.1.1 MAHA Japan .......................................................................................................................... 99
10.1.2 Cartec ..................................................................................................................................... 100
10.1.3 Beissbarth .................................................................................................................................. 100
10.1.4 Snap-on Tools Japan K.K ...................................................................................................... 101
10.1.5 Nussbaum ............................................................................................................................ 101
10.1.6 Hunter Engineering Company ............................................................................................ 102
10.1.7 Autop Maschinenbau GmbH ............................................................................................... 103
10.1.8 Dynopack .................................................................................................................................. 103
10.1.9 Sanko ....................................................................................................................................... 104
10.1.10 Banzai ..................................................................................................................................... 104
10.1.11 Bishamon Sugiyasu Corporation ......................................................................................... 105
10.1.12 Dynotech ............................................................................................................................ 106
10.1.13 Anzen Motor Car Co., Ltd ................................................................................................. 106
10.1.14 Iyasaka Limited .................................................................................................................. 107

10.2 Detailed information about the competitors in Russia ............................................................... 107

10.2.1 MAHA in the Russian market ............................................................................................... 107
10.2.2 Cartec ..................................................................................................................................... 109
10.2.3 Muller Bean SA ..................................................................................................................... 109
10.2.4 Nussbaum ............................................................................................................................ 109
10.2.5 Hofmann Werkstatt-Technik ............................................................................................... 110
10.2.6 Sherpa ..................................................................................................................................... 111
10.2.7 Ravaglioli .................................................................................................................................. 112
10.2.8 O.M.A ..................................................................................................................................... 112
10.2.9 Stenhoj ..................................................................................................................................... 113
10.2.10 J.A. Becker & Söhne ............................................................................................................ 114
10.2.11 Beissbart .............................................................................................................................. 114

10.3 Detailed information about the competitors in Italy ................................................................... 114

10.3.1 MAHA Italy .......................................................................................................................... 114
10.3.2 Facoman ..................................................................................................................................... 116
10.3.3 Mondial Lift ............................................................................................................................ 116
10.3.4 Ravaglioli .................................................................................................................................. 117
10.3.5 Texo Lift .................................................................................................................................... 118
10.3.6 OMCN ..................................................................................................................................... 118
10.3.7 O.M.E.R ................................................................................................................................... 119
10.3.8 Corghi ........................................................................................................... 119
10.3.9 Werther International .................................................................................. 120
10.3.10 Snap-on Equipment Srl a Unico Socio ....................................................... 120
10.3.11 Beissbart .................................................................................................... 121
10.3.12 Cartec ........................................................................................................ 121
10.3.13 Bapro ......................................................................................................... 122
10.3.14 Simpesfaip ................................................................................................. 122
10.3.15 Motorscan ................................................................................................. 123
10.4 Detailed information about the distributors in Russia ........................................ 124
10.4.1 Technoalliance ........................................................................................... 124
10.4.2 Technoservice ............................................................................................ 124
10.5 Detailed information about the distributors in Italy ........................................... 125
10.5.1 Pesci Attrezzature .......................................................................................... 125
10.5.2 Utensil85 ....................................................................................................... 125
10.5.3 Motorscan Roma ........................................................................................... 126
10.5.4 Informauto .................................................................................................... 126
10.6 Methodology ..................................................................................................... 126
10.6.1 Data Collection ............................................................................................. 126
10.6.2 Qualitative and quantitative methods ............................................................. 127
10.6.3 Validity, reliability and generalizing .............................................................. 128
10.7 Investigated products .............................................................................................. 128
10.8 Interview questions for employees at MAHA Haldenwang ................................ 130
10.9 Interview questions for the represents in the market ......................................... 132
10.10 Interview questions for customers in the market ............................................. 133
10.12 Interview questions for distributors in the market .......................................... 136
10.13 Request to the Russian customs ........................................................................ 139
Figures

Figure 1.1: Road accidents 2005

Figure 2.1: Used methodik

Figure 3.1: SWOT-model
Figure 3.2: M.E. Porter’s five competitive forces

Figure 4.1: MAHA’s presentation around the world
Figure 4.2: The MAHA-group

Figure 5.1: Comparison between the markets
Figure 5.2: The map of Japan
Figure 5.3: Test condition in the Japanese vehicle testing organizations
Figure 5.4: Table of the largest workshops in Japan
Figure 5.5: Table over the competitors in the Japanese market
Figure 5.6: The map of Russia
Figure 5.7: The silk route
Figure 5.8: Table pertaining to vehicle repair facilities in Russia
Figure 5.9: Table over the competitors in the Russian market
Figure 5.10: Table over the distributors in the Russian market
Figure 5.11: Map of Italy
Figure 5.12: Table of Italian vehicle repair facilities
Figure 5.13: Table over the competitors in the Italian market
Figure 5.14: Table over the distributors in the Italian market

Figure 6.1: The Japanese turnover of different vehicle testing equipment in Japanese Yen
Figure 6.2: Products market share in Japan
Figure 6.3: Market share in Japan
Figure 6.4: Results of competitors’ market share in Japan
Figure 6.5: The positions of BMW’s vehicle repair facilities
Figure 6.6: Point system for Russia
Figure 6.7: Result of competitors’ market share in Russia
Figure 6.8: Shows where the largest production is done in Italy
Figure 6.9: Italian brake tester market
Figure 6.10: Italian wheel alignment market
Figure 6.11: Italian wheel balancer market
Figure 6.12: Italian wheel changer market
Figure 6.13: Italian lifting technology market
Figure 6.14: Results of competitors’ market share in Italy

Figure 7.1: Summary table of vehicles and vehicle repair facilities stations
Figure 7.2: SWOT-analysis for Japan
Figure 7.3: Summary table of vehicles and vehicle repair facilities stations
Figure 7.4: SWOT-analysis for Russia
Figure 7.5: Summary table of vehicles and vehicle repair facilities stations
Figure 7.7: SWOT-analysis for Italy

Figure 10.1: Sales of products to Japan
Figure 10.2: MAHA’s sold products in Russia the last five years
Figure 10.3: MAHA’s sold products in Italy the last five years
Figure 10.4: Four-wheel brake tester
1 Introduction

This chapter sets forth the aim of the thesis, the background for it, the research questions presented, and the limitations of the research.

1.1 Background

Today it is an intensive work in the industrialized world for decreasing the number of vehicle accidents. To reach the goal many countries has a zero-vision, which means no deathly accidents. The movement of eliminating deadly accidents began 10 years ago. The expectation was to reach the zero-level in a short time period. Statistics (please see figure 1.1) show that there is still a lot of work to do dramatically.

![Figure 1.1: Road accidents 2005](image)

The number of death in road accidents has been reduced with 6% in 2006 compared with 2005 and the general trend is declining. The zero-vision demand has created a change in responsibility and attitude in the safety thinking. Governments and the vehicle industry are working together for reducing the high number of accidents with extensive injuries.

Following parameters have decisive influences on the number of accidents:

- The condition of vehicles by:
  - Age of the vehicle
  - Security functions such as ABS and Airbag
  - Vehicle repair facilities
  - Vehicle testing rules
  - Testing equipment and its technology level

- The driver’s condition by:
  - Alcohol-tests
  - Driver-license tests
  - Education
  - Speed controls

---

1 [www.irtad.net](http://www.irtad.net) 2007-12-04
2 [www.irtad.net](http://www.irtad.net) 2007-12-04
The roads condition by:
  - Speed limitations
  - Safety rails
  - Repair of roads

The technical safety improvements, which are implemented in all modern vehicles of today, have dramatically reduced the risks for the driver and passengers to be killed in accidents. The safety technique demand that the high sophisticated technical safety systems are working correctly. Too keep a high level of the vehicles, it is a need of a more efficient vehicle testing products. The companies which manufacturers these vehicle testing equipment need to market their products effectively in many different markets to be able to increase their market share. The largest customers in these markets are governmental vehicle testing organizations, but as well car and truck repair stations which makes test to control and repair vehicles to a high working condition.

Because of the higher safety on the roads, the vehicle repair facilities market is increasing. Manufacturers are expanding their businesses national and international due to the opportunities the markets have with more governmental regulations regarding safety actions plus the vehicles higher level of technique. This means a positive market growth which give companies a good opportunity to be more successful in their international businesses.

To be able to understand foreign markets essential it is important to do an accurate research in parameters like market size, possibilities of cooperation with local companies, future progress of the market and the competitors’ situation. When this market study is completed is it time for market activities based on the collected data and then market share can be growing and return of investment can come quicker than expected. Using most profitable method to win market share is to understand the individual market and its challengers, plus its competitors’ weaknesses. To be able to make the right decisions, companies need to know their markets size, growth, cooperation with existing players and try to find their niche. To be able to predict the future progress about the market, a market study is necessity. Using only assumptions, the market decisions can be total wrong and the result will be no increase in market share and a loss of money. Nor is it possible for companies to assume that all markets are comparable. It is therefore dangerous to attempt to apply the same marketing strategy to all markets.

To gain success in foreign markets, a company needs different marketing strategies and methods as well as different establishments depending on the country of interest. The differences depend on the different culture the markets have. Culture involves factors like the citizens, bureaucracy, priorities and values. These factors need to be evaluated and the companies need to invest time in these factors to have success in the markets.

MAHA is one company that is an international player in the vehicle repair and test facilities industry. It was therefore natural to chose them as a case-study. MAHA works with improving its vehicle testing equipment for the safety on the roads. The company offers a wide range (please see chapter 10 Appendix) of products and is represented in almost every market.

1.2 Research problem

The problem for exporting companies which wants to expand their businesses to new foreign countries or expand their already existing present in the same markets is the low knowledge about the existing culture, governmental rules, language, geographical location and technical level.

The research problem in this Master Thesis is as following:

*How can companies increase their market shares?*

This question will give a possibility to investigate the markets potentials, as well as an understanding about MAHA’s position in the vehicle repair facilities market.
1.3 Aim
Companies are historically founded on a need of products from a local market and it is not unusual that this domestic market can feed companies for many years. In due time many companies discover that they have to look for other markets outside the traditional one and start to export the present products to international markets both close and far away from their home market.

The aim of this Master Thesis is to present theoretical and practical industrial marketing tools based on several substantial market investigations. The study is analysed by well known marketing theories to assist companies aiming for success in their efforts to increase their market share in international markets with intensive competition.

For this purpose has the vehicle testing equipment market been chosen with MAHA in Germany as a starting point. Japan represents a market with a high technical standard, Italy as a middle technical standard and Russia as a low technical standard. The markets are in a growing phase and are increasing their security on the streets. Studied factors such as size, culture parameters, competition, language, bureaucracy, marketing and industrial structures can vary. Which leads to that the industrial marketing tools have to be chosen carefully country by country to have a successful trend in growth of market share.

1.4 Limitations
This master thesis has following limitations:

Competitors
The basic condition for this Master Thesis was that no contact with competitors, both manufacturers and distributors should be done. Only the manufacturers and distributors of interest in the markets have been investigated. The competitors’ strength and weaknesses are principally judged on marketing tools and not on technological skills. It has not been done investigations about Chinese companies and their products. This depends on that European, American and Japanese companies cannot compete with Chinese companies’ prices and Chinese companies cannot compete with European, American and Japanese companies’ quality, documentation and technology at the moment.

Markets
The research goes back to year 2001 and markets that have been chosen are Japan, Russia and Italy. The markets have been chosen because they represent three different market types. Japan is a high technical market which has a high changing tempo. Russia is a market which is in an economic boom, which offers opportunities to increase businesses. Italy is an interesting market for the reason of its own high production, difficult bureaucracy and with high differences economically between different geographical parts. Only countries which have vehicle testing stations and an increasing demand of the road safety will be investigated.

The meaning of increasing market share in this Master Thesis is of organic way and not through fusions. Increasing market share mans to sell more products.

MAHA
Limitations according to MAHA are that not all products have been studied and evaluated. This depends on MAHA’s wide product range.

1.5 Terminology
- A brake tester is a product that can test vehicles’ brakes inside a vehicle repair facilities or a vehicle testing organization. MAHA manufactures brake testers for use with all types of vehicles. The underlying technology behind the brake testers consist two rollers which rotate with the wheels. When the vehicle brakes, the brake tester senses the force applied and calculates the resulting braking effect.
Customer can be in two different positions. A potential customer is a customer whom the company is not selling to, but it has a demand of the companies’ product or service. A present customer is a customer whom uses the companies’ products or service.

Distributor is a connection between the supplier and customer. Distributors are independent companies which can make businesses with many suppliers.

Emission testers are tools to measure the emissions from gasoline and diesel engines. To measure a gasoline engine, the vehicle is connected with a pipe and the emissions different parts are measured. To measure a diesel engine the emission is controlled with a laser which is reflected and the density of the emission is measured.

Headlight testers can control the steam of light at the headlight. If the headlight is wrong they can blend traffic in the opposite direction.

Lifting technology makes it possible to see and work adjustments under the vehicle. The lifting technology has different solutions and different capacity for their purpose. The lifts use hydraulic or electromechanical power. The lifting technology is tended for cars and trucks.

Power dynamometer controls the speed of the vehicle. The vehicle wheels stands on two freely tuning rollers without a small friction. The power dynamometers are used to see the vehicles behavior in different speeds and to discover illegal tuning.

Shock absorber tester makes it possible to see how effective the shock absorber is working. The shock absorber tester is a plate under the wheel. The tester moves the wheel like the conditions at the road. The frequency responds from the shock absorber is measured. MAHA uses the resonance measurement.

Side slip tester is a test which is performed to control the vehicle`s wheels stability.

Test lanes are combination of side-slip testers, brake testers, lifting technology and wheel alignment testers. The different testers are ordered in a straight line and the vehicle does never need to leave this line for the tests.

Vehicle includes cars, trucks, motorbikes and agriculture.

Vehicle repair facilities are the vehicle workshop where vehicles can be repaired.

Vehicle testing organizations makes controls of the vehicles to control if they are allowed to drive at the streets after the countries governmental rules.

Wheel alignment testers are equipment which makes it possible to control the vehicles axis. The wheel alignment tester moves and the vehicle repair facilities worker can inspect the condition of the axis.
2 Methodology

This chapter explains which methods used and the reasons for their use.

2.1 How the master thesis has been carried out

Following figure shows an overview over the works proceed.

Fig. 2.1: Used methodik

3 Made by the author
2.2 Data Collection
As the used methodic in figure 3.1 shows, there are two types of data; primary and secondary data.

Primary data
In this master thesis primary data has been collected by:
- **Interviews** with employees working at MAHA Haldenwang Germany for collecting of background information such as: products explanation; market situation in Japan, Russia and Italy; and contact information for distributors.
- **Deep going discussions** have been done with MAHA´s representatives in the investigated markets to apply information and further discussions after the questionnaires. Information about the number of vehicle repair facilities stations have been done through interviews by the international headquarters and national offices. Interviews with worldwide branch organizations as well as Japanese branch organizations have been done to get contact information and double-check collected data.
- **Questionnaires** have been used for MAHA´s national representatives and distributors. The questionnaires are used to get exactly and comparable answers in questions.

Primary data has given answer in following questions in each of the studied markets:
- Competitors name and position
- Customers
- Distributors
- Exhibitions
- Marketing methods used by MAHA and its competitors
- Number of road accidents
- Number of vehicle repair facilities stations
- Number of vehicle testing facilities
- Number of vehicles
- Used equipment in vehicle testing facilities

Secondary data
- **Printed literatures** are used to get relevant theories for this Master Thesis. Printed literatures are articles and books in industrial marketing.
- **Homepages** are used for information about competitors. To double-check the number of vehicle repair facilities stations, the numbers were controlled at manufacturers´ homepages.

Secondary data has given answer in following questions in each of the studied markets:
- Information about competitors
- Information about marketing methods
- Information about how to write an essay

The same methods have been used to collect data in the three investigated markets, except in Russia where estimations from the author after consultation with MAHA employees were done. For explanation of the methods, please see chapter 10 Appendix.

2.3 Theoretical models and analysis methods
The theoretical models and analysis methods which are used in this Master Thesis are as following:
- The **SWOT-model** was chosen because it gives an understanding for the intern strength and weaknesses of the company and its competitors. The SWOT-model also shows external factors from the market which is useful for the market research.
- A **benchmarking system** is used to appreciate the market situation in Russia.
- Porter’s **five competitive forces** are used to understand the market situation in the three studied markets.
Kotler’s P’s have been analyzed to show MAHA’s position in the three studied markets.

2.4 Validity and reliability

The validity of this Master Thesis has its limitation in B2B markets for high technology industrial products and can’t be generalized to B2C markets, high volume consumer products and low technology parts. An additional limitation is that this Master Thesis market proposals, analysis and conclusions are only valid for the 3 markets (Japan, Russia and Italy) which have been investigated in this Master Thesis.

The case-study is only done in the vehicle repair and test facilities market related to MAHA’s product portfolio which is unique and can’t be generalized to other products and markets.

The reliability in this Master Thesis is high because the information is double controlled from at least two independent sources. The factors which can differ in the future are harder safety roads and more vehicle repair stations. The reliability has not been affected from that the study has been done from a company. The customer study was neutral (just information about that the study was made for a Swedish University Investigation) and the distributors which were interviewed were the investigated company’s distributors.

For information about validity, case-study, generalizability and reliability please see chapter 10 Appendix.
3 Theories
This chapter describes the theories and models that have been used to carry out the research.

Industrial marketing has during the 20:ties century developed a wide range of marketing methods/theories for business to customers as well as for marketing between businesses. In this Master Thesis a limited assortment of methods/theories in areas of marketing, markets and companies are represented in this chapter.

3.1 Marketing
This section describes the general marketing methods/theories used in this Master Thesis.

3.1.1 Business-to-business marketing
Business-to-business (B2B) marketing differs from marketing pointed to customers (B2C). B2B marketing is more complicated than B2C because it is pointed to a number of decision-takers.4 When B2B is done in markets with few actors it is extra important that the selling supplier has an established reputation as well as developed contact with the buying companies plus have the possibilities to offer custom made prices and products. To know which marketing method is the most effective in a market, the company needs to know the buying companies demand and the structure of the market.

To be able to fulfill this demand the supplier needs to have information about:

- In which business it is in?
- Potential customers in the market?
- How should the company be organized to sell the most products?
- How to create competitive advantage against competitors?5

To be able to understand the B2B market in question it is essential to make a deep penetration by the market by using the criteria Kotler has stipulated in his marketing theories.

3.1.2 Understanding the market
P. Kotler marketing theories are basically written for multinational companies acting in consumer markets with high volumes but it is to some extend also applicable in smaller markets and that´s the reason Kotler´s theories will be used in this Master Thesis.

According to P. Kotler (2003) a market may be defined as all buyers, actual and potential, of a particular set of goods and service. The size of the market depends on the number of such buyers. Market analysis focuses on the methods used by different companies to compete effectively in a particular market.6

A sound understanding of the company´s market G. Roos, G. von Krogh and J. Roos (1998) suggest evaluating the following criteria:

- The market size
- Information about customer needs, perception and customer behavior
- Information about the product (units sold and net profit per unit)
- Competitors, their size, objectives, market share, product quality and marketing strategy
- Distribution, scales in each distribution, relative active importance of the different channels, prices and commercial laws and reputation

---

4 T. R. Bacon and D. G. Pugh, 2004, p. 116
5 T. R. Bacon and D. G. Pugh, 2004, p. 82
6 G. Roos, G. von Krogh and J. Roos, p. 110
• Important trends in market environment (demographic, economic, technologic, political and culture)

P. Kotler (2003) recognized that the rate of change is among the most significant factor in the market analysis. Customers now expect higher product quality and better service, and are more price sensitive and less brand loyal. Manufacturers face more intense competition, which leads to higher marketing costs and lower profits.⁷

P. Kotler (2003) says that markets evolve in four stages; emergent, growth, mature and declining.

• An emergent, or virtual, market is one in which customers demand proceeds the appearance of production or services. Entrepreneurs have three choices to satisfy the markets customer. In such markets, a company can meet an identified demand with a single product or it can meet demand in two or more market segments with multiple products simultaneously. While smaller concerns may be better advised to pursue a single market. In some cases the opportunity may exist for either liquidation of the company or to exploit overlap between these two approaches.

• If a new product sells well additional companies will enter the market and the market growth. The new entrants can compete with the dominant company with one or a combination of three approaches. The first is to seek to replicate the dominant product. The second is to produce improvements on it. In each of these approaches the new entrant competes directly for the dominant product’s customers. Finally it may be possible to market a substantially different product which appeals to a broader market segment.

• When a market becomes saturated, P. Kotler (2003) refers to it as mature. In such markets companies can compete only invading each others’ segments. Maturity of this kind can lead to efforts to develop new products and companies which do so will enjoy a significant advantage.

• A market declines when the number of customers decreases. This can occur because of the emergence of newer, more appealing technology, or because of simply reduction in consumer interest in the product type. This frequently results in the appearance of a new emergent market.

When all this facts and information are collected companies have to go to the next step which is to make a choice of which marketing channels will fit their needs.

3.1.3 Marketing channels
Marketing channels are: independent organizations; subsidiaries; and the company’s own sales employees in the market. These make the product available for the end customer. Selection of the correct marketing channel or channels is a crucial decision for a company, since the right channels can offer competitive advantages such as cost effectiveness, and because it is neither easy to inexpensive to change channels.

Activities of the companies that effectively can be outsourced to its marketing channels may include marketing and sales, and service.

• Marketing and sales encompasses activities such as obtaining information about customers’ needs, persuading them to buy the products, conducting market research, personal selling, advertising, pricing and negotiation.⁸

---

⁷ P. Kotler, 2003, p. 28
⁸ P. Doyle, 1992, p. 325-330
Service refers to activities relating to maintaining the value of the product through installation, repair, training and product adjustment. These activities can be outsourced to independent intermediaries or done by the company. Usually it is a combination of the two alternatives. The agents or distributors make it possible for the company to sell products to different market segments. They can also add value to the products through giving the customer more specific service. The specific service is possible because of their greater knowledge about the end-customers. This specialization yields competitive benefits, because the distributors have the ability to make the products more attractive and available to the market, which may allow the company to invest more heavily in the business. It is important, however, that the strategies originate with the company, and the activities are performed by the agents and distributors.9

Retailing includes all activities involved in selling goods and services directly to final customers for personal business use.10 There are various methods of retailing: retail stores, direct selling (via mail on Internet or through outside sales persons for example), distributors, wholesales and jobber.11

A distributor is a company that has no legal connection to the manufacturer, other than the contractual connection associated with buying the product for resale. This contact may be exclusive, which gives the distributor the sale right to sell the product in a geographical area non-exclusive. The distributor has the duty to have a capacity of products in the company and in many cases even storage for the products. The duty is for the reason that the distributor easily can supply the customers. The advantage with the distributor are the short start stretch, low initial costs, good market knowledge about the new market, easy to liquidate and no selling generates no costs. The drawbacks to use a distributor are the unsure loyalty to the product and supplier, smaller winning profit with successful selling and unsure continued over a longer period.12

As mentioned above, channels should be selected with great care. The channels above must be effective in presenting the company’s products and services to the market, and in supporting suppliers. The more complicated the products and services, and the value chains associated with them are, the more competence will be required from the channel. The selected channel should be understandable and capable for customers. Additionally, changing from a channel once selected is a difficult, risky and expensive process.13

Now when both the collecting of the market information and the choice of channels are completed it is time to investigate which market activities are suitable for getting a good exposure in to the market in question.

3.1.4 Types of marketing activities
Marketing can be done in different levels depending on how the customers the company wants to reach. The levels differ in factors like effectiveness, cost and have different purposes.

- Local marketing refers to marketing programs tailored to find the needs and wants of customers in a small and well-defined geographic region.
- Individual customer marketing is marketing done on a one-to-one basis where each individual customer’s requirements are individually addressed.14

Recognizing differences between customers can mean improved sales and increased profit for the company. Differentiating in this way can also lead to increased market growth. Such differentiation

---

9 P. Doyle, 1992, p. 325-330
10 P. Kotler, 2003, s. 535
11 P. Kotler, 2003, s. 535
12 L.-O. Wallin, 2004, s.115
13 P. Doyle, 1992, p. 331-332
14 P. Kotler, 2003, p. 279-282
also makes possible communicate with customers in more concrete and clear terms. Customer groups can differ in various important ways, such as price sensitivity.\footnote{P. Doyle, 1992, p. 69}

Marketing in different levels can be done with different methods. Examples of marketing methods are:\footnote{Bruhn, M., 2005, p. 210}

- Personal discussions, telephone communication and Email.
- Letters, prospects, pamphlets and catalogs.
- Homepages
- Sponsoring
- Exhibitions
- Direct marketing
- Public relations

There are four different types of marketing which the methods above can be sorted into.\footnote{Bruhn, M., 2005, p. 211}

- \textit{Direct and personal marketing}, is selling discussions between the salesman and the customer. It can also be service and advice from the selling company, oration and personnel selling.
- \textit{Direct and impersonal marketing} is direct advertising with written information.
- \textit{Indirect and personal marketing} is the marketing which goes through distributors. There is a link which is handled by actors between the manufacturers and customers.
- \textit{Indirect and impersonal marketing} is the media advertising from news papers, articles, television and radio.

Companies need to be careful when they chose which method they are going to apply on the markets. The best method can differ from different markets. The marketing can be done in one-direction or in a two-direction. In one-side-marketing is it just one part which communicates. There is no connection to the manufacturers; the customer can only get the information. In two-side-marketing is it a dialog between the selling company and the customers.\footnote{Bruhn, M., 2005, p. 215}

Exhibitions are a good marketing tool for the reason that it is: an orienteering function; identification and trust function; and a competence and prestige function. Exhibitions are an orienteering function for the reason that it is a personal decision for the customer. The customer gets the opportunity to discuss with the exhibition and get information. Exhibitions are identification and trust function because the customer gets an overview over the branch. The customer gets as well an opportunity to get a personal contact to the exhibitors’ companies. The motivation for further businesses with the exhibitor and customer is because the positive of the personal meeting in the exhibition. Exhibitions are a competence and prestige function because it is the companies which have the largest resources and the display case shows the best image.\footnote{Bruhn, M., 2005, p. 965} There are fewer contracts done in the exhibition. The contracts are written after the exhibitions.

Internet has become another important tool for marketing. Internet offers a lot of possibilities for companies to cheap and quick market their products or services. But there are also other advantages with marketing over Internet, for example: (1) diversity of regulations; (2) infrastructure; (3) geographical distance; (4) language; (5) user demographics; (6) buyer behavior; (7) payment systems; and (8) currency.
1. **Diversity of regulations** includes privacy laws, taxation and retail laws for example. The intensity of competition in a market is in large part a function of the regulatory framework. E-marketing is especially difficult because a user may be in any of a large number of different jurisdictions.

2. **Infrastructure** differs from country to country in parameters such as bandwidth and numbers of users of Internet. For example, to utilize an international bandwidth may not be the best solution simply because it would not be advantageous for local buyers at foreign website.

3. **Geographical distance** has been effectively reduced by the advent of Internet, but still influences logistical questions relating to costs and time.

4. **Language** can be an issue in that it is imperative that all marketing and information should be provided in the customers’ native language. Customers normally require information to be provided in their language, especially in connection with contract terms.

5. **User demographics** take into account the significant differences in the total number of Internet users in various countries or regions.

6. Of course it is not language that dodders from country to country. **Customers’ tastes and behaviors** can differ significantly.

7. Concerning **payment systems**, it is clear that in e-marketing one assumes that transactions will occur through a credit card, although bank-to-bank transfers are sometimes utilized.

8. Final factor to be considered is **currency**. It is necessary to set prices differently for countries or groups of countries on the same currency as in the EU. Some companies offer all products in dollars, some uses specialized service which takes the user to homepages which provides exchange rates in real time, others have calculation and exchange rate functions on their currency of his or her choice. The first and second option is normally preferable for the reason that exchange rates can sometimes change so rapidly that the recalculation function that the homepage may provide outdated results.  

To be aware of the volume of the market and what shall be done regarding activities to reach both existing and potential customers in not enough for success, due to importance of understand what the competition is doing and intend to do.

3.2 **Markets**  
*This section describes the specific marketing methods/theories used for more deep penetration of the market in this Master Thesis.*

3.2.1 **Differences between countries**
Countries can differ from each other in many ways. One of the differences is the culture. This factor can complicate companies’ entrance into new markets. One exclusive cultural of importance is language. Language is the most significant cultural source and can be divided into two parts. The first part is the language that is spoken and the second part is the body language which includes such factors as social distance, for example. Language shows its importance in four perspectives. The first is the importance for information gathering. Second is that language gives entrance to local communities. Third is that without language companies could of course not communicate with each other. The last perspective is its use of interpretation of the environment. Other factors include manners and customs as well as technology, materials and production methods. Social institutions as business, politics, family and class can have different importance in different countries. Education is a process that can differ remarkably between countries. Education includes the process of transmitting

---

20 S. Hollensen, 2004, p. 395
skills, ideas, attitude and disciplines. Attitudes and values inform us about what is of considered most importance. Religion is a factor in that country which act either together or to divide. Different religions have different opinions, strength and also date of holidays.\textsuperscript{21}

To have knowledge about different countries and expand the business internationally is an important step for companies which want to grow. For companies which have products on different levels (prices, technology and design) is internationalization a good idea. With more different markets the companies’ costs can sink because of the production can increase as well as larger markets lead to more income. In internationalization is it important to find new sources which can deliver information. Information and relationships between the company and international companies can give advantages at the home market as well.\textsuperscript{22}

3.2.2 The five competitive forces
M. E. Porter (1985) has developed a method for better understanding the market’s competitive environment and demining which measurements a company should take to enable it to improve its position.\textsuperscript{23} He maintains that there are four factors that are conclusive increasing how much profit the company can produce. The factors are;

1. How attractive is the market from view point of profitability?\textsuperscript{24}
2. Which factors steer the profit?\textsuperscript{25}
3. What is the company’s present market condition?
4. How can the company improve its market position?

Again according to M. E. Porter, these questions can be answered by analyzing five forces.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{five_forces.png}
\caption{M.E. Porter’s five competitive forces\textsuperscript{26}}
\end{figure}

\textit{Threat of new entrants}
The entry of new competitors into a market often leads to price pressure, more intensive competition and reduced profits for the other competitors in the market. The principal impediments which tend to prevent new competitors attempting to enter the markets are: (1) relative minor threats which those with market presence and experience can readily address, but which present greater challenges for prospective new entrants; and (2) factors which in and of themselves constitute major obstacles to market entry. Seven problems which new competitors who want to establish a presence in a new market face are: the need for large-scale production; the need to produce a wide variety of products;

\begin{itemize}
\item \textsuperscript{21} S. Hollensen, 2004, p. 198-204
\item \textsuperscript{22} Castellani, D. Antonello Z., 2007, p. 156
\item \textsuperscript{23} M. E. Porter, 1998, p. 35
\item \textsuperscript{24} M. E. Porter, 1998, p. 35
\item \textsuperscript{25} M. E. Porter, 1998, p. 35
\item \textsuperscript{26} M. E. Porter, 1998, p. 34
\end{itemize}
shortage of capital, changeover costs, access to distribution channels, production cost disadvantages resulting from lack of experience and expertise relating to the new market; and governmental regulations. Segment attractiveness varies depending on the magnitude of its entry and exit barriers. The most attractive segments have high entry barriers and low exit barriers. In these segments, only a few firms can enter the market, and poor-performing companies can easily exit. When entry and exit barriers are high, the profit potential is also high, but risks are greater because poor-performing companies have little choice but to stay in the market and struggle to remain viable. When entry and exit barriers are low, companies can easily enter and leave the industry, so returns are stable but low. The worst case is when entry barriers are low and exit barriers are high. In these markets companies enter during good times, but find it difficult to leave during hard times. The result is that in these segments, there is a chronic overcapacity and depression earnings for all actors.27

**Threat from segment competitors**

Common methods for improving one’s position in the market are: price competition, advertising intensified, introduction of new products, improving customer service and offering strong product warranties. The intensity of the competition is depending on: number of competitors; trademark identity; consumer demand; variety of available products, inflexible costs, low costs, market growth, storage costs, skills of various competitors; and costs of eliminating product lines. Segments are considered attractive if they are stable or declining, have high inflexible costs; have exit barriers; or if present competitors have invested heavily to obtain their positions and have no intention of retreating. These conditions will lead to a frequent price wars, advertising battles, new product introductions and expensive competition.28

**Threat of substitute products**

G. Roos, G. von Krogh and J. Roos (1998, p. 24) says that there are two ways to treat the pressure from compensation products; develop a strategy that stops for other products; and accept the products like a factor on the market. The threats from compensation products are that it costs to change supplier, the customers unwilling to change supplier and the price performance from the compensator.29 A segment is unattractive when there are actual or potential substitutes for the product. Substitutes press the place and price limits and the profits on the market.30

**Threat of buyers growing bargaining power**

The customers are interested to get lower prices, better quality or better and more service. This can deteriorate the profit for the companies, and in fact of this the customers have a central role in following cases31;

- The customer groups are concentrated or want to buy large volumes
- The product is a large share of the customers total costs or purchase
- The products are standardize and dedifferentiate
- The product has a small importance for the quantity on the products or service the customer is offering
- The customer can imagine to integrate backwards
- The customer has full access to information

A segment is unattractive if the buyers have a great deal of bargaining power. Buyers bargaining power grows: when they become more organized or communicate effectively by word of mouth; when the product price represents a small fraction of the buyer’s disposable income; when competing products are essentially equal; when the costs to buyers of switching from one product to another are

27 P. Kotler, 2003, p. 242
28 P. Kotler, 2003, p. 242
29 M. E. Porter, 1998, p. 34
30 P. Kotler, 2003, p. 24
low; when buyers are price sensitive; or when buyers have the opportunity to buy further up the supply chain.  

**Threat of suppliers’ growing bargaining power**

The suppliers can also depress market prices, by threatening to raise the prices or to carry lower quality product lines. The suppliers’ objectives in negotiating are the opposite of those of the customers. A segment is unattractive if the suppliers of the company can raise prices or reduce the quantity of item they supply. Suppliers are powerful when they are organized or a few numbers; when there are few substitute products; then the supplied product is an important input; and when the costs of switching between suppliers are high; and when the suppliers can integrate downstream. The best defense is to have either strong relation with the suppliers, or multiple supply sources, or both.  

These five forces can be used in two ways; it is a decisive of how the company should be placed in relationship to their competitors and it is also an analyze tool to see which actors that wants to entry the market, customer/supplier negotiation position, influences from replacement products and the competitors on the market. Porters five forces is based on planning times counted in months and plans in five years periods. The five forces expect that the markets should be in the same position during five years. In present markets rapidly changes which make the five forces model old fashion. Most markets are increasing, which means that companies strategies needs to increase as well. The relationship between customers and manufacturers and distributors is more flexible than before.  

**3.2.3 Competitor benchmarking**

Benchmarking is the common name for methods that collect and compare data from different markets. Originally the idea of competitor benchmarking was to take apart a competitor’s product, to compare its engineering with the company’s own products. A similar comparison would be made with respect to the products performance. The concept of benchmarking is similar to what M. E. Porters (1996) calls operational effectiveness. This means that the company should perform better than their competitors in similar activities. Competitor benchmarking is important for companies for the reason that it concentrates on the external competitors.  

Today benchmarking is an important factor at all markets because of all markets has competitors. Benchmarking is also an important tool for companies for the reason that they can use information about competitors to compete for customers. The competition can handle extra service and prices for example and this will increase the company’s chances for success.

---

32 P. Kotler, 2003, p. 242  
33 P. Kotler, 2003, p. 243  
34 G. Roos, G. von Krogh, J. Roos, 1998, p. 84  
35 Downes, L., 2001  
36 S. Hollensen, 2004, p. 98  
37 P. Doyle, 1992, p. 50
The questions that should be answered in a benchmarking analyze is;

- How many and which companies are in the market?
- Are there any competitors that have a newer technology, or will come under the next half year to year?
- What accounts for competitors’ performance? Have their market share increased or decreased?
- What do the competitors do that we do not do?
- What do their marketing look like?
- Which sales channels are used?
- What resources do the competitors have?
- How are the competitors’ searches for customers?

Maintaining surveillance of competitors’ activities gives the company a base to form their message and arguments better. This will result in more efficient the company’s marketing in relationship to the competitors. When the company has information about the competitors’ products and marketing strengths and weaknesses, it is better able to sell their own products.

Benchmarking is useful for evaluating of customers’ satisfaction and competitors’ products. There are five different steps that should be followed in a benchmarking system. The first step is to investigate the market to determine what is of most importance to the customers. The company should also establish which factors account for its present success. The second step is to realize which critical factors those are important from the customers’ point of view. The third step is to measure the customers’ opinions of competitors. The fourth step is the comparison between the results of second and third steps. The final step is to produce an action plan that closes the gap between the market leader and one’s own company. The largest factor of success can be reached when the company concentrates at the customers and their wishes.

Finally after having been determinate the general market, possible activities and have a good picture of other players in the market it’s time to go deeper in the market conditions for the selling company and its competitors to be able to judge what advantages and disadvantages exit.

3.3 Methods for description of companies and competitors

This section describes which marketing methods/theories have been used in this Master Thesis for analyzing advantages and disadvantages different actors have in the market.

The SWOT-model is used to give an understanding for the external and internal environment a company works in. The model is divided into four parts; strengths, weaknesses, opportunities and threats. The model is often used due its simplicity.

P. Kotler (2003, p.14 and 247) says that “competitors are companies that satisfy the same customers needs”, and that “competition includes all the actual and potential rival offerings and substitutes that buyers might consider”. The most dangerous competitors may not be the largest one. Company is more likely to be damaged by emerging competitors or new technique.

However, since the markets have become more competitive, an understanding of customers is not enough. Companies need to understand their competitors so that they can compete in the markets. Successful companies have systems that continuous by collect information about the competitors.
There are three different classifications of competitors: strong versus weak, close versus distant out and good versus bad. If the company competes with a weak competitor, rather their strengths will be showed than their weaknesses. If they compete with a strong competitor they should see their weaknesses better and also to keep up with the best ones. Companies often compete with similar competitors to themselves and they should compete on distance. Companies should support the good competitors and attack the bad. A good competitor follows the industry rules, makes realistic assumptions about the growth of the industry, sets realistic prices and wants a healthy industry. A bad competitor tries to buy market share rather than to earn them, taking large risks and investing analysis in overcapacity.\textsuperscript{44}

The market leader is usually the company which possesses the latest technology. The market leader can be expected to compete vigorously on product quality, price, service, amount and quality of advertising and efficient in distribution. The leader of the market has deserved the position through the convinced and establishment of their brand by customers.\textsuperscript{45} Peters and Waterman say in “In Search of Excellence” that the factor what distinguishes winners from losers in the market is knowledge about customers and the service.\textsuperscript{46}

3.3.1 The SWOT-model
The SWOT-model is a tool for companies to identify their position in the markets, and can be used to help structure collected data.\textsuperscript{47} SWOT means Strength, Weakness, Opportunities and Threats. Small markets may force a company into unfamiliar environments.\textsuperscript{48} There it may be difficult to find and invent new marketing concepts. The easiest way for such companies to succeed is by attacking competitors’ weaknesses while protecting their own strengths.\textsuperscript{49}

\textit{Internal factors}
Every business needs to evaluate its internal strengths and weaknesses. The company does not need to eliminate all weaknesses, and a question that should be considered whether is they should repair its weaknesses or consider those weaknesses might actually be converted to advantages.\textsuperscript{50}

\textit{Strength} shows the internal strength in the company, for example from high product quality, marketing, reliable delivery and good service.

\textit{Weakness} refers to internal weaknesses, for example poor product quality or a weak personnel roster. To understand the company’s strength and weaknesses following questions should be asked;

- In which specific areas of company operatives do its strengths and weaknesses lie?
- What is the size of the potential market?
- What are the company’s potential improvement points?
- Where the company’s strategic business units are end, where are they now in relationship to market growth?
- What are the main factors which account for its present success?

\textit{External factors}
External factors are best evaluated initially by assessing the company’s operating environment. If the company is in a stable position, it will be possible to investigate its history. However, if it is a dynamic will be necessary to attempt and anticipate future developments and circumstances. The next step in

\textsuperscript{44} P. Kotler, 2003, p. 254
\textsuperscript{45} O. Liljedahl, 1987, p. 165
\textsuperscript{46} O. Liljedahl, 1987, p. 169
\textsuperscript{47} O. Liljedahl, 1987
\textsuperscript{48} O. Liljedahl, 1987, p. 30
\textsuperscript{49} O. Liljedahl, 1987, p. 30
\textsuperscript{50} P. Kotler, 2003, p. 104
the external evaluation process is to select and investigate those factors which have the greatest in pact on the company. The last step is to analyze the company’s strategic position.\textsuperscript{51}

\textit{Opportunities} refer to future possibilities in existing and potential new markets. For example, the company may create direct marketing opportunities by establishing a presence on the Internet; do a better job of making information about its products and services available to customers; introducing new precuts and services; customizing its products and services for particular markets or customers; and improving the delivery time for its products and services.\textsuperscript{52}

\textit{Threats} refer to existing potential hazards, whether from competitors, new internationally environmental regulations or other sources. Threats can be categorized into two groups, depending to their seriousness and probability of occurrence. Low level threats do not need to be solved immediately, but may simply be monitored. Mayor threats must be met by implementing plans already drawn up in anticipation of their appearance.\textsuperscript{53}

When the opportunities and threats which the company has are localized, four outcomes are possible;

\begin{itemize}
  \item \textit{An ideal business} is high in major opportunities and low in major threats
  \item \textit{A speculative business}, is high in both major opportunities and threats
  \item \textit{A mature business}, is low in major opportunities and low in threats
  \item \textit{A troubled business}, is low in opportunities and high in threats\textsuperscript{54}
\end{itemize}

The SWOT-analysis provides a summary of the company and its future potentials. Following SWOT analysis, a company is ready to develop specific goals. Every company must seek to eliminate its own weaknesses, enhance its strengths, recognize and exploit opportunities and defend itself against threats. The better the information a company has about its own and its competitors strengths and weaknesses, the better it can do all of these things.\textsuperscript{56} The SWOT-models will be less complete than the SWOT-analysis of the own company, but it will show your company’s position in the market.\textsuperscript{57} The SWOT-model is a popular model because of the easiness and quickness. Weaknesses with the SWOT-model are its application, including lack of analytical depth.\textsuperscript{58}

\subsection*{3.3.2 Kotler’s P’s}

P. Kotler (2003) has developed a number of P’s to help managers to focus at the most important variables in the market environment and to communicate with consumers. At the beginning there were four P’s. The four P’s were, Product, Price, Place and Promotion.\textsuperscript{59} However, these four P’s turned out to be insufficient to describe companies’ performance. It is also necessary to maintain a

\begin{itemize}
  \item G. Roos, G. von Krogh, J. Roos, 1998, p. 44
  \item P. Kotler, 2003, p. 105
  \item P. Kotler, 2003, p. 104
  \item P. Kotler, 2003, p. 104
  \item P. Kotler, 2003, p. 104
  \item Garner, R., 2005
  \item Henricks, M., 1999
  \item Gamer, R., 2005
  \item P. Kotler,2003, p. 16
\end{itemize}
good Position, a good Process, information about the markets Politics and to have a strong brand and identity, whether the company is large or small. It is also true that this additional P arises from the fact that markets have changed dramatically in recent years.

- **Product**
  The product group includes; the product’s packaging, quality, guaranties, installation and brand name. The product is more than its technical parts. Customers do not buy a product because of its different parts; they buy the product because of the whole product, its brand and identity.\(^{60}\)

- **Place**
  Threw to be on the right place the company can control that the right products are at the right place at the right time. In place the distribution channels, storage and market size is inclusive. The important factors in this area are the place, time, quantity and quality.\(^{61}\)

- **Price**
  The price depends upon the manufacturing costs, transport costs and the distribution system channels. The price also intend if the price is reasonable, discounts and offers, as well as which price the product should have to be sold in more quantities. Goals’ for company’s price political are to maximize the sale, get a predetermined market share, compete active against competitors’, and stabilize the price level as well as support other products. The place is more often replaced with distribution\(^{62}\).

- **Promotion**
  Describes how the company communicates with its customers. Promotion is done with advertising, personal offers and public relations. Promotion also shows how the company should affect the market and how the new brochures should look like.\(^{63}\)

- **Personal**
  Personal handles if the company have the competence in the company or if they need to buy it from other firms.

- **Politics**
  Examples of the factor which can influence the politics are: customs; taxes; governmental rules; environment; and organizations (EU and national organizations).

- **Process**
  The process refers to the communication between manufacturers, distributors and customers.

The purpose with the P: s is that companies should use an optimal mixture from them and reaches competitive advantage. The P’s is a check-up list for manager which can make it easier for them to communicate with their customers and to improve their performance. To have success in a market, the company needs to have good references in all Porter’s P’s.

### 3.3.3 Strategic Analysis

Strategic analyzes often takes a lot of time, but will give a good profit when it is done. Strategic processes are often made by different models as will be showed later. The models shows intern and extern nature of the company and it is these two forces that are important in comparing competitors.

To compare competitors is important because of the fight for the market share is growing. Today companies are competing for space in mature branches, whereas previously they were struggling over the market growth-share. In the mature market the competitors are competing for the same customers. It becomes harder and harder for the competitors to win customer because the customer’s knowledge about products and services are better today than before, and also their requirements. Market adaption

---

\(^{60}\) Wöhe, G., 2005, p. 486

\(^{61}\) Wöhe, G., 2005, p. 564

\(^{62}\) P. Doyle, 1992, p. 325

\(^{63}\) L. Andberg and A. Wadström, 1997, p. 27
has resulted in that the products and services are very similar. The offers are harder to differentiate. The result of this is that in a single market there can be great many of very similar products.\textsuperscript{64}

The competitors in the market can be classified in four groups depending on their role: leader, challenger, follower or niche-player.

The \textit{market leader strategy} has the largest market share, the right products in the right markets, leads the price changes and introductions of products, distribution coverage and promotional intensity. In spite of having the best position in the market, the leader needs to observe its competitors, their new products and trends in order to protect their market share against the competitors. The market leader needs to find ways to expand the total market demand, protect its position through defensive or offensive actions and increase the company’s market share.

The \textit{market challenger strategy} has the companies that have the second, third and lower position at the market. These companies can attack the market leader and other companies to increase their market share. It is not unusual that challenger companies take over the leader position.

The \textit{market follower strategy} is by companies that offer products which are substantially identical those of the market leader. The market follower’s benefit is avoiding the costs of developing new products. A follower company cannot hope to compete with the market leader superior products. Therefore, it must offer better service, location, price or some combination thereof.

The \textit{niche-player} is in the same position as a market follower, but in smaller, specialized markets. In some cases they may even be the market leader in such a market.\textsuperscript{65}

\subsection*{3.3.4 Competitive advantage}

A company’s competitive advantage may be expected to follow from the fact that its product is one for which there is high and relatively inflexible demand; which is in short supply; which is difficult to imitate; and for which no substitutes exists. Competitive advantage is best achieved by offering a superior product. Competitors are then forced to attempt to neutralize that advantage. Even if they manage to do so, they still face the obstacle of persuading customers that they have done so.\textsuperscript{66}

To maintain its competitive advantage a leading company can remain discrete concerning the details of its position; make maximum use of the profit derived from being the first into the market and take maximum advantage of the expertise gained through its experience.\textsuperscript{67}

The market leader’s position is frequently attributable more to luck than to brilliancy. For example, it may have been adventuring when competitors were timid. When it has achieved the leading position it needs to ignore competitors and them attempts to take over that position. The market leader is likely to be the only one that can effort to advertise heavily. It should use its superior position to investigate new products that can be introduced. A company with small market share should not try to compete directly with the market leader. Rather, it should compete with other companies that are in similar position. Lacking the market leader’s resources, they are likely to end up losing market share it already had.\textsuperscript{68}

An important strategy in seeking to win market share is to choose carefully the market in which to compete. Competitive advantage flows most readily from getting into a market ahead of competitors.

\footnotesize
\begin{itemize}
\item \textsuperscript{64} Andberg and Wadström, 1997, p. 14
\item \textsuperscript{65} P. Kotler, 2003, p. 254
\item \textsuperscript{66} G. Roos, G. von Krogh and J. Roos, 1998, p. 119
\item \textsuperscript{67} G. Roos, G. von Krogh and J. Roos, 1998, p. 119
\item \textsuperscript{68} O. Liljedahl, 1987, p. 78
\end{itemize}
especially in expanding international markets. This also permits choosing markets based on the number of competitors to be faced and the regulatory environment.\textsuperscript{69}

\textsuperscript{69} C.-A. Engdahl, 2006, p. 37
This chapter consists of a description of MAHA Maschinenbau Haldenwang GmbH & Co. KG and the background of the questions this master thesis will address.

Maschinenbau Haldenwang GmbH & Co. KG (MAHA) is a global company that designs, manufactures and markets vehicle safety testing technology, lifting technology, dynamometers and emission testers for vehicle repair facilities and vehicle testing organizations. It has its main office in Haldenwang, Germany and retail offices in Asia, America, Africa, Europe and Scandinavia. MAHA is active in 130 countries and has over 1000 employees. MAHA was founded 1969 by Winfried Rauch and Josef Schilling, and has had consistent growth since then. Today MAHA is the market leader in its segment. To be able to keep its position and meet increasing international competition, MAHA constantly works to improve its business practice.

In 2005 MAHA had a turnover of 121 million Euros, of which 36% was from domestic sales and 64% from export. Despite MAHA is the market leader at several markets. MAHA needs more information about the markets, its competitors and which marketing method that is most qualified at each market. MAHA miss the market experience because it has worked with the product development. Today MAHA is interested in improving its positions in selected markets through an extensive marketing campaign and knowledge about its competitors.

Target groups and customers for MAHA are vehicle dealers, vehicle facilities, government agency and vehicle testing organizations. The quantity of sold products were 2005; the Europe (360.000 Euro) the largest customer, followed by Asia/Pacific (324.000), North-America (312.000), South-America (120.000) and Africa (84.000). Usually new markets are approached first by selling testing equipment to vehicle testing organizations. Success in that market then creates interest on the part of repair facilities.

Global SWOT-model for MAHA
MAHA’s global SWOT-model is as following:

Strength
MAHA’s strength is that it is a global company with resources from different sources. If one market does not go well, it has the financial secure from other markets profit. MAHA’s good repetition is a valuable strength, as well as that MAHA is the world market leader. MAHA manufactures its products itself and makes each product from the customer’s wishes. MAHA has subsidiaries in their larger markets. MAHA’s marketing comes from headquarter in Haldenwang Germany and from the local offices or represents. MAHA manufacturers a wide range of products. MAHA has a patent on a four-wheel-drive brake tester. Vehicle testing organizations around the world use MAHA’s products. Because of MAHA’s quantity of established satisfied customers, it can concentrate of finding new markets.

Weaknesses
A weakness of MAHA is that the customers do not know how to use MAHA’s products because they are very complicated and complex. Another weakness is that MAHA does not spend any resources at the lifting technology. MAHA’s manufacturing is in Germany which has expensive manufacturing in factors like employees, transport and raw material. MAHA has long delivery time at its reserve equipment, for the reason that many distributors do not have updated storage.

---

70 Presentation from MAHA’s Intranet, 2007-07-05
Opportunities
An opportunity with the vehicle repair industry is that the vehicle testing organizations are exploitation. The safety on the roads is getting more important and tests on the vehicles are important. Vehicle testing organizations are old fashion and will not use computers to localise problems with the tested vehicles.

Threats
That the vehicle repair facilities and vehicle testing organizations begin to use computers of the tests instead of the products that MAHA offers. Chinese products are at the beginning to increase their markets and they can compete with foreign company’s because their low invention prices.

4.1 MAHA’s products
MAHA offers its customers quality products. Its reputation is therefore that its majority of products are very reliable, working for 25 years or more. Following is an introduction to MAHA’s products available for its customers.

Test lanes
Cars
- Side-slip test\textsuperscript{71}
- Shock absorber test
- Brake test (two wheel drive) for cars
- Brake test (four wheel drive) for cars
- Headlight test\textsuperscript{72}

Trucks (>13 tonnes)
- Side-slip test
- Brake test (two wheel drive) for trucks (>13 tonnes axle weight)
- Brake test (four wheel drive) for trucks (>13 tonnes axle weight)
- Axle play detektor
- Headlight test

Dynamometers and Emission
Cars
- Power dynamometers
- Emission testers
  - Diesel smoke meter\textsuperscript{73}
  - 4-/5- gas tester\textsuperscript{74}
- Emission dynamometers (Car Roller Set)

Trucks
- Power dynamometers
- Emission testers
  - Diesel smoke meter
  - Gasoline tester

Lifting Technology
Cars
- Two post lifts, electro-mechanical (3,0 -5,0 tonnes)
- Two post lifts, hydraulic (4,0 tonnes)
- Two post hydraulic below floor lift (3,5 -5 tonnes)

\textsuperscript{71} For information, please see chapter 10 Appendix
\textsuperscript{72} For information, please see chapter 10 Appendix
\textsuperscript{73} For information, please see chapter 10 Appendix
\textsuperscript{74} For information, please see chapter 10 Appendix
• Four post lifts, hydraulic (3.5 -5.0 tonnes)
• Four post hydraulic below floor lift (4- 5 tonnes)
• Scissors lift, hydraulic (3.5 -4.7 tonnes)
• Motorbike scissors lift, hydraulic (0.5 tonnes)
• Short stroke scissors lift, hydraulic (2.5 tonnes)
• Double scissors lift, hydraulic (3.5 tonnes)

**Trucks (>13 tonnes)**

• Multi post heavy duty hydraulic below flour lift
• Mobile column lift, mechanical (4 lifts is necessary, total power 22 tones)
• Four post hydraulic below floor lift
• Four post lift (8- 10 tonnes)
• Pitjack

**Service Technology**

• Air-condition regulation system
• Brake fluid boiling point
• Wheel assembly system

**4.2 MAHA’s organization**

MAHA has subsidiaries in; China; France; Great Britain; Ireland; Italy; Japan; Poland; Russia; Spain; Singapore; USA; and is represented in over 119 other countries. In Germany MAHA has 24 distributors with exclusive sales areas. Countries where there is no subsidiary there are one or two distributors. Some of the distributors have showrooms, but most proceed by taking sales materials to the potential customers’ locations. When a customer orders product(s) from a distributors, the distributor transmits to MAHA’s head quarter the necessary specifications. The product(s) is configured and sent to the customer for installation by service technicians. MAHA does not just design and manufacture technology for vehicle repair facilities, it also design, plan and execute vehicle testing organizations and vehicle repair facilities. MAHA has three key-account managers and 35 service technicians.

MAHA has divided its markets by country and product group.

MAHA has bought the companies Slift, Hetra, MAHA AIP and Automotec to be a better competitor on the market, now they cooperate with Bosch to be the market leader in car diagnosis.

---

75 For information, please see chapter 10 Appendix
76 Presentation from MAHA’s Intranet, 2007-07-05
77 Presentation from MAHA’s Intranet, 2007-07-05
Slift is a lifting technology company in Tiefenbronn (Germany) and was acquired by MAHA in 2001. Slift makes a less expensive line of equipment, through not of the same quality.

Hetra produces lifting technology, test and safety technology, service equipment and dynamometers for vehicle repair facilities (the largest customer is agriculture repair facilities). It is a Swiss factory and it offer high quality products. Hetra is also a subsidiary of the MAHA-group and is the leader at the restate wheel engaging lifts.

MAHA AIP (Automotive Industry Products) produces hydraulic road simulators and vehicle testing equipment. MAHA-AIP develops all kind of testing machines for manufacturer use in testing and research. The customers comes to MAHA-AIP and says which things they want that the machines should test, thereafter MAHA-AIP develops the solution and put it together. The customer comes to the fabric to look at the machines and to learn for two-three days how they work. Then the machines are disassembled shipment to the customer.

Automotec is a service and maintenance company for technical and products and systems in the vehicle repair facilities branch. It assists all the other MAHA-group members in service of its products. Automotec is the common name for customer service for workshops and helps MAHA, Slift, Hetra, MAHA-AIP and Lasatron.

The reason for why MAHA bought the companies is that they want to offer its customer a complete solution for vehicle repair facilities and vehicle testing organizations. MAHA has a reputation of offering high quality products.

MAHA in Haldenwang has 236 employees in the administration, 419 in the production and 55 education students. The marketing and sales departments work to sell the products and maintain good cooperation with customers and distributors. The administration department works with personnel administration, sales of personnel and accounting. Although much business is now converted in English, the language of each country in which MAHA has sales operation is spoken competently by at least one person in the MAHA marketing department. This is of major importance in understanding and being understood by customers.

MAHA’s markets are divided into three main groups; automotive, truck transport and agriculture. The automotive group has four product lines: test and safety technology; service equipment; lifting technology; power dynamometers; and emission testers. The service equipment is imported from Italy and MAHA does not manufacture the products. The truck group includes test and safety technology,

---

78 www.slift.de/eng/firmenpr_eng.php 2007-06-27
79 www.maha-aip.de 2007-06-27
80 www.automotec.de 2007-06-27
81 Presentation from MAHA’s intranet
lifting technology and dynamometers and emission testers. The agriculture group has the dynamometers and emission testers. Each product (from the main groups) has three customers, vehicle facilities, manufactures and vehicle testing organizations.
5 Presentation of the three markets

This chapter shows the investigated products, the markets structure and how MAHA and their competitors are represented in the markets.

5.1 Introduction of the three markets

Following table shows differences between the three investigated markets in comparison to Germany.

<table>
<thead>
<tr>
<th>Market</th>
<th>Geographical location</th>
<th>Vehicle per capita</th>
<th>Competitor situation</th>
<th>Vehicle testing facilities</th>
<th>Technical standards of vehicles</th>
<th>Governmental influence</th>
<th>Culture and language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>Long distance from Germany</td>
<td>High</td>
<td>High</td>
<td>Only governmental</td>
<td>High</td>
<td>Good</td>
<td>Japanese dominating</td>
</tr>
<tr>
<td>Russia</td>
<td>Middle distance from Germany</td>
<td>Low but improving</td>
<td>Middle</td>
<td>Both governmental and private</td>
<td>Low</td>
<td>Hard</td>
<td>Only Russian</td>
</tr>
<tr>
<td>Italy</td>
<td>Short distance from Germany</td>
<td>From average to high</td>
<td>High</td>
<td>Only private</td>
<td>High</td>
<td>Hard</td>
<td>International society</td>
</tr>
</tbody>
</table>

Figure 5.1: Comparison between the markets

Japan

Japan has a high demand for vehicle testing equipment in following areas: side-slip testers, brake testers, power dynamometers, headlight testers, emission testers and lifting technology. Because Japan cannot produce all needed equipment by itself, it is a market with a high number of competitors. The competitors in the Japanese market is divided into parts; one with a few Japanese dominating companies and the other with small Japanese and foreign companies.

Russia

Russia has a high demand for vehicle testing equipment in following areas: brake testers, emission testers, headlight testers and lifting technology. In the Russian market there are mostly European companies. Russian companies cannot compete against the European in factors such as quality, technical level and reputation.

Italy

Italy has a high demand for vehicle testing equipment in following areas: brake testers, side-slip testers, shock-absorber testers and lifting technology. The Italian market has a large number of national and international competitors. The high intensity of competitors depends on northern Italy’s industrial capacity.

---

82 Made by the author
5.2 Economical look out in Japan

Following figure shows Japan’s geographical appearance.

![Map of Japan](image)

**Figure 5.2: The map of Japan**

*Geographical factors*

Japan has 127 million citizens. Japan advantages are the: geographical location close to markets; human resources such as that the Japanese are disciplined, hardworking and willing to cooperate in group; and high number of engineers. Japan has an area of 377,835 square kilometers.

*Economical factors*

Since four years Japan is in a business boom. The market and business are growing and the companies are searching for new markets in all industries. Japan’s total gross domestic product is 3,967 billion Euros and the average gross domestic product per Japanese citizens is 31,051 Euros.

In Japan there is a demand of imported products as well as quality products. Most business is done in exhibitions. The most popular product groups in Japan are: small gifts (for example ties, bags, postcards, food, hats and teacups); furnishing; fashion; health and beauty; medicine; food; outdoor articles; and industry products (technical innovations for small and large business).

*Governmental factors*

The government in Japan gives advantages to Japanese companies, but is aware about that Japan needs import. It is, in governmental rules point of view, relative easy to establish a business in Japan.

---

83 M.E. Porter, 1998, p. 397
84 [www.auswaertiges-amt.de/diplo/de/Laender/Japan.html](http://www.auswaertiges-amt.de/diplo/de/Laender/Japan.html) 2007-10-08
85 [www.japanporten.se/massa/main_massa.html](http://www.japanporten.se/massa/main_massa.html) 2007-10-17
86 [www.japanporten.se/export/main_export.html](http://www.japanporten.se/export/main_export.html) 2007-10-17
Export to Japan

For European companies which want to establish their businesses into Japan, there are European courses which help the companies to establish their products/services in Japan. Foreign companies in Japan need to understand the language, culture and governmental rules. Japan is an interesting market for foreign companies to enter because of the high technical level, opportunities with the bargain power and the high number of possible customers in the market. Because of Japan’s small geographical area it is not possible for Japanese companies to produce all products at themselves. To make it easier to import and export products between Europe and Japan, the European Union in Politics has made the businesses and trade between the companies easier.

Threats

Chinese manufactures are a threat in the Japanese market. Chinese companies offer cheap products and manufacturing. Chinese products are competitive in price, but they cannot compete in quality, new technical products, service and documentation of the manufacturing.

A threat for the European manufactures is the high transport costs and that Japan has started to produce high quality products. The Japanese buyers just want high quality products and Japan it is a technical known market.

Safety on the roads

Japan works with three different ways to reduce their vehicle accidents. The ways are to regularly control the roads, measure the drives competence and to test the vehicles. Japan is as well interested in emission products, for the reason that they try to respond to EU’s strategy on the reduced carbon dioxide. Nissan has developed a safety system which is in the testing phase. It is a system which can synchronize between the ample and the vehicles. In Japan this will help to reduce the occasionally accidents. In Japan it is common that the occasionally goes over the street when they do not see any vehicles, but the light is read. Nissans new safety system shows a red light on the vehicles when they are driven and a green light when they are slowing down as well as standing still. This will also result in that a smaller quantity of petrol/diesel will be used because of that the vehicle do not need to start over at every ample.

Production of vehicle repair and testing equipment

In Japan 2005 it was manufactured lifting technology for 675 267 000 Japanese Yen 2005 and from the amount 1 443 896 000 Japanese Yen export. 2005 it was also produced vehicle testing equipment for 3 700 873 000 Japanese Yen and from the amount was 1 691 456 000 Japanese Yen exported. The vehicle testing equipment includes; wheel balancers, wheel alignment tester, speed meter tester, headlight tester, chassis dynamometers, brake testers, side-slip tester, test lanes and chassis dynamometers. 2006 was lifts manufactured in Japan for 6 823 882 Japanese Yen.

Quantity of vehicles

1996 Japan had 10% of the whole world’s vehicles. Japan had 72.03 million vehicles. Of the total amount of Japan’s vehicles: 46.87 million vehicles are cars; 20.22 million vehicles are trucks; and 4.94 million are other vehicles.

References:

87 www.chamber.se/se/internationellt/affarsprojekt/handelasien/gatewaytojapan 2007-10-08
88 www.auswaertiges-amt.de/diplo/de/Laenderinformationen/Japan/BeziehungenZurEU.html 2007-07-05
90 Anonymous, 2007, p. 46
91 www.jamta.com/sesangaku.htm 2007-08-20
92 Chaning value, please see references.
93 www.mlit.go.jp/english/inspect/car04e.html 2007-07-26
5.2.1 Japanese vehicle testing organizations

The organization that rules over the vehicle testing organizations in Japan is the Ministry of Land, Infrastructure and Transport.

Shaken is the name of the Mandatory Vehicle Inspection in Japan. Shaken is a safety inspection which includes the steps that needs to be controlled. The steps are: control of the number plates; vehicle category; use and the shape of the vehicle. Thereafter the body and frame is controlled in a safety aspect like lamps, seats, seatbelts, electric device as well as steering device. Thereafter are the side-slip control, brake inspection, speedometer inspection and head light test are done. The final steps in the control are the emission tests and the under body inspection. The under body inspection includes controlling of the steering system, brake system and emission parts and is done from a worker at the test station. It is cheaper to control smaller vehicles than bigger vehicles in Japan.

There are rules over how often Japanese vehicles should be tested. Trucks over 1000 kg should be tested every year, and for trucks less than 1000 kg the first inspection should be done after two years and there after every year. For busses and taxis are the same rules like for trucks over 1000 kg, which means every year. For rental cars the rules are the same as for trucks less than 1000 kg, the first inspection should be done after two years and there after every year. Private passenger cars and mini passenger cars should have the first inspection after three years and there after every second year.

Figure 5.3: Test condition in the Japanese vehicle testing organizations

There are rules over how often Japanese vehicles should be tested. Trucks over 1000 kg should be tested every year, and for trucks less than 1000 kg the first inspection should be done after two years and there after every year. For busses and taxis are the same rules like for trucks over 1000 kg, which means every year. For rental cars the rules are the same as for trucks less than 1000 kg, the first inspection should be done after two years and there after every year. Private passenger cars and mini passenger cars should have the first inspection after three years and there after every second year.

Small trucks and motorbikes should be tested every second year, and the same rules is for especially vehicles.\(^96\) Totally the vehicle testing organizations do over 44 million test every year.

The organizations that are doing the testing of vehicles are: National Agency of Vehicle Inspection; Light Motor Vehicle Inspection; Vehicle Inspection and Registration Office; and Transport Branch Office. In addition to these there are some private service workshops that have got the license to do the test investigations.

**National Agency of Vehicle Inspection**
National Agency of Vehicle Inspection (NAVI) wants to perverse the environment and is one of the largest test organizations in Japan. NAVI has 93 stations over Japan, totally 837 employees and tests eight million vehicles every year. Each test by NAVI is 10-15 minutes. NAVI does not use lifts to lift the vehicles, the uses pit jacks. NAVI uses products from Banzai, Iyasaka, Anzen and Nissaruco at their test stations.\(^97\)

**Transport Branch Office**
Transport Branch Office has 53 test stations over Japan and they do 17.5 million tests every year (17 756 974 tests 2006.04- 2007.04). The number of employees at Transport Branch Office is 1165.\(^98\)

**Vehicle Inspection and Registration Office**
Vehicle Inspection and Registration Office has 41 test stations in Japan and have 381 employees. They inspect 9 098 656 tests every year (2006.04 to 2007.04).\(^99\)

**Light Motor Vehicle Inspection**
Light Motor Vehicle Inspection had 85 test stations 2003 and a capacity of 9.8 million vehicles every fiscal year (31 March, 2003). The business activities are to inspect light motor vehicles, conformation of the payment of vehicle weight taxes and determination of the amounts of payable taxes on light motor vehicles, conformation of the payment of light-vehicle taxes, confirmation of the conclusion of contracts for accident compensation insurances and fraternal insurances related to light motor vehicles, work incidental to any of the above activities, other work necessary for achieving the purpose of the light motor vehicle inspection organization. The business polices prevent fair and sure inspection, thorough user services, inspection technology improvement and high efficiency. The Light Motor Vehicle Inspection does just test light motors and have 592 employees in Japan.\(^100\) Light Motor Vehicle Inspection uses equipment from Banzai, Alita, Anzen and Iyasaka.

Except National Agency of Vehicle Inspection, Transport Branch Office, Vehicle Inspection and Registration Office and Light Motor Vehicle Inspection there are private stations that may test vehicles. To compare with Sweden, and to see that the numbers of test stations in Japan are probably the Swedish numbers are that they have 175 test stations and 425 000 cars (2005).\(^101\)

---


\(^{97}\) Discussion with Takuro Miyazaki, Executive Director at NAVI, 2007-08-13

\(^{98}\) Discussion with Takahiro Fujiwara at MLIT, 2007-08-06

\(^{99}\) Discussion with Takahiro Fujiwara at MLIT, 2007-08-06

\(^{100}\) Discussion with Takahiro Fujiwara at MLIT, 2007-08-06

\(^{101}\) [www.scb.se/templates/tableOrChart____34762.asp](http://www.scb.se/templates/tableOrChart____34762.asp) 2007-08-06
### Japanese vehicle repair facilities

Following table shows how many vehicle repair facilities the large vehicle companies have in Japan:

<table>
<thead>
<tr>
<th>Car manufactures</th>
<th>Quantity of vehicle facilities in Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audi</td>
<td>99</td>
</tr>
<tr>
<td>BMW</td>
<td>252</td>
</tr>
<tr>
<td>Citroen</td>
<td>45</td>
</tr>
<tr>
<td>Daewoo</td>
<td>0</td>
</tr>
<tr>
<td>Fuji (Subaru)</td>
<td>324</td>
</tr>
<tr>
<td>Ford</td>
<td>325</td>
</tr>
<tr>
<td>Honda</td>
<td>2410</td>
</tr>
<tr>
<td>Kia</td>
<td>0</td>
</tr>
<tr>
<td>Lada</td>
<td>0</td>
</tr>
<tr>
<td>Mercedes Benz</td>
<td>256</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>1060</td>
</tr>
<tr>
<td>Mazda</td>
<td>1400</td>
</tr>
<tr>
<td>Nissan</td>
<td>2410</td>
</tr>
<tr>
<td>Opel</td>
<td>80</td>
</tr>
<tr>
<td>Peugeot</td>
<td>100</td>
</tr>
<tr>
<td>Porsche</td>
<td>52</td>
</tr>
<tr>
<td>Renault</td>
<td>120</td>
</tr>
<tr>
<td>Saab</td>
<td>23</td>
</tr>
<tr>
<td>Seat</td>
<td>0</td>
</tr>
<tr>
<td>Skoda</td>
<td>40</td>
</tr>
<tr>
<td>Toyota</td>
<td>4911</td>
</tr>
<tr>
<td>Volkswagen</td>
<td>260</td>
</tr>
<tr>
<td>Volvo</td>
<td>147</td>
</tr>
<tr>
<td>Other car repair facilities stations:</td>
<td>65933*</td>
</tr>
</tbody>
</table>

**Total car repair facilities stations:** 80247

<table>
<thead>
<tr>
<th>Truck manufactures</th>
<th>Quantity of vehicle facilities in Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daewoo-avia</td>
<td>0</td>
</tr>
<tr>
<td>DAF</td>
<td>0</td>
</tr>
<tr>
<td>Iveco</td>
<td>0</td>
</tr>
<tr>
<td>Karosa</td>
<td>0</td>
</tr>
<tr>
<td>MAN</td>
<td>0</td>
</tr>
<tr>
<td>Mercedes Benz</td>
<td>300</td>
</tr>
<tr>
<td>Renault</td>
<td>0</td>
</tr>
<tr>
<td>Scania</td>
<td>0</td>
</tr>
<tr>
<td>Tatra</td>
<td>0</td>
</tr>
<tr>
<td>Volvo</td>
<td>70</td>
</tr>
<tr>
<td>Isuzu</td>
<td>323</td>
</tr>
<tr>
<td>Hino</td>
<td>270</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>340</td>
</tr>
<tr>
<td>Nissan UD</td>
<td>260</td>
</tr>
<tr>
<td>Other truck repair facilities stations:</td>
<td>7200*</td>
</tr>
</tbody>
</table>

**Total truck repair facilities stations:** 8763

---

*Please see appendix for references*

The vehicle repair facilities stations have increased in quantity the last five years with this numbers;
2003, was it 86 591 stations
2004 was it 87 664 stations
2005 was it 88 249 stations
2006 was it 88 644 stations
2007 is it count to be 88 960 stations.  

The * is calculated from the total amount of vehicle repair facilities stations in Japan in relation to each other.

5.2.3 Automobile exhibitions in Japan

Exhibitions are important in Japan for other reasons than the exhibitions in Europe and other countries. In Japan the exhibitions main function is to get contact to the customers as well as information collection. It is not like in other countries that the exhibitions are to get orders. It is also not common with international visitors at the exhibitions. The large exhibitions should be an obvious for companies.  

The largest exhibitions in the vehicle repair facilities market in Japan are;

- **International Federation of Automotive Engineering Societies FISITA**, is an organization that are represented in over 38 countries and together works they to a better technological exchange for design and manufactures. FISITA was 2006 in Yokohama and the congress is traveling around to different countries.
- **Tokyo Motorshow** is one of the most important exhibitions for the automobile industry. 2005 Tokyo Motorshow had 239 exhibitions, 1512100 visitors and totally 612 vehicles. At this exhibition will the newest cars shown.
- **Tokyo Auto Salon** is an exhibition for tuned cars.
- **Tokyo Tuning Show** is an exhibition for tuned vehicles.
- **International Auto Aftermarket Expo**, had 38 552 visitors at the last exhibition and has been helped from the large manufacturing companies and organizations in Japan. The exhibition is hold in Tokyo and the theme is “Portal to the Asian Market”.
- **Autoservice Show in Tokyo**, is an exhibition that is active every second year in Tokyo. 2005 was it 76 996 visitors at the exhibition. It is a specialized exhibition for just vehicle repair facilities.

---

103 Discussion with MAHA’s Japan represent Mr. Yoshiaka, 2007-07-29
### Competitors in Japan

Following chapter shows a summery over the competitors in Japan.

#### 5.2.4.1 Overview table of competitors in Japan

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>Present in Japan</th>
<th>Marketing tools</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>Brake testers, Test lanes, Lifts, Shock absorbers testers, Headlight testers, Power dynamometers, Side-slip testers</td>
<td>One employee in Japan</td>
<td>Pamphlets, customer visits</td>
<td>The employee in Japan</td>
<td>Few experiences in the market, not well represented</td>
</tr>
<tr>
<td>Banzai</td>
<td>Brake testers, Side-slip testers, Power dynamometers, Headlight testers, Emission testers, Sound testers, Lifts, Wheel alignment testers</td>
<td>393 employees, 2007</td>
<td>An English homepage, exhibitions, pamphlets and Email.</td>
<td>Japanese manufacture, present at the market, large customers, cooperates with foreign companies. Offers service in 12 hours.</td>
<td>-</td>
</tr>
<tr>
<td>Iyasaka Limited</td>
<td>Brake testers, Speedometer, Side-slip testers, Headlight testers, Emission testers</td>
<td>250 employees, 12 sales offices in Japan</td>
<td>E-mail, exhibition and sales men. Offers fast service.</td>
<td>Home market, products in vehicle testing organizations, distributor for Japanese and foreign companies</td>
<td>-</td>
</tr>
<tr>
<td>Beissbart</td>
<td>Brake testers, Test lanes, Wheel alignment, Dynamometers, Air condition Lifts</td>
<td>Represented in Banzai</td>
<td>Its marketing is done through Banzai</td>
<td>Is represented in the largest company in the Japanese vehicle repair facilities equipment.</td>
<td>Has no own represent in Japan</td>
</tr>
<tr>
<td>Cartec</td>
<td>Brake testers, Test lanes, Chassis dynamometers, Emission testers, Headlight testers</td>
<td>Has no subsidiary/distributor in Japan</td>
<td>Is market in Japan through the Snap-on group</td>
<td>Is market in Japan through the Snap-on group</td>
<td>Is market in Japan through the Snap-on group</td>
</tr>
<tr>
<td>Company</td>
<td>Products and Services</td>
<td>Business Presence in Japan</td>
<td>Japan Market Presence</td>
<td>Remarks</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>----------------------------</td>
<td>-----------------------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>Nussbaum</td>
<td>Lifts, Wheel changer, Power dynamometers, Brake testers, Test lanes, Emission testers</td>
<td>Business partner in Japan</td>
<td>Offers all types products, most famous for their lifts.</td>
<td>Not enough established in the Japanese market</td>
<td></td>
</tr>
<tr>
<td>Snap-On Tools Japan K.K</td>
<td>Wheel alignment, Wheel mounting equipment, Lifting technology, Brake testers, Power dynamometers, Test lanes</td>
<td>138 employees in Japan, 271 stores</td>
<td>Member in Jasea, pamphlets and exhibitions</td>
<td>Japanese customers, cooperation with Hofmann</td>
<td>Not enough established in the Japanese market</td>
</tr>
<tr>
<td>Dynopack</td>
<td>Wheel changers</td>
<td>Subsidiary in Tokyo</td>
<td>Product explanations in the homepage</td>
<td>Specialized wheel alignment manufacture</td>
<td>No exhibitions</td>
</tr>
<tr>
<td>Hunter</td>
<td>Wheel alignment testers, Wheel balancer, Lifts, Brake testers</td>
<td>Represented in Iyasaka Limited</td>
<td>Tokyo Motor Show</td>
<td>Cooperates with Iyasaka, education for the customers, Tokyo Motor Show</td>
<td>-</td>
</tr>
<tr>
<td>Autop</td>
<td>Lifts</td>
<td>Distributor in Japan</td>
<td>Ads in Japanese branch magazines, not for just business people.</td>
<td>Distributor in Japan</td>
<td>No exhibitions</td>
</tr>
<tr>
<td>Anzen Motor car co. Ltd</td>
<td>Wheel changers, Side-slip testers, Car wash equipment, Lifts, Tuning equipment, Brake testers</td>
<td>100 offices in Japan, 165 employees</td>
<td>Salesmen, exhibitions, homepage and E-mail.</td>
<td>Offers a large product spectrum, cooperates with other companies.</td>
<td>-</td>
</tr>
<tr>
<td>Dynotech</td>
<td>Power dynamometers, Chassis dynamometer</td>
<td>Has a area manager in Japan</td>
<td>Homepage</td>
<td>Offers products for snow scooters</td>
<td>Homepage in just English</td>
</tr>
<tr>
<td>Bihamon Sugiyasu Corporation</td>
<td>Lifts</td>
<td>251-250 employees, 2006</td>
<td>New products</td>
<td>New revolutionary products</td>
<td>Just lifting equipment</td>
</tr>
</tbody>
</table>
For more detailed information about the competitors, please see chapter 10 Appendix.

5.2.4.2 Uninvestigated competitors in the Japanese market
Other competitors in the Japanese vehicle repair facilities equipment market are:
- Alita
- Chinese companies
- Daifuku
- Dyna Jet
- Hofmann Japan
- Horiba
- J-One Planning Co. Ltd.
- Kawasaki Industrial
- Nagasaki Jack Company
- Nissaruco
- Nissei
- Oktasune
- Riken keiki
- Sakura Dyna
- Sanei Industry Corporation
- Takimoto keiki works Ltd.
- Toyoseiki
- Toyoseiki
- Yanaco Analythical System Inc.

5.2.5 Distributors of interest to vehicle repair facilities in Japan
The distributors in Japan are manufacturers which sell their own products and to complete their product range they sell products from other manufacturers. Examples of distributors in the Japanese market are: Snap-On Tools Japan KK, which sells products from Hofmann and John Bean; Iyasaka limited, which sells products from Hunter, Banzai, and Anzen. The Japanese distributors represent national and international manufactures and they make it possible for manufacturers to sell their products in a wide geographical range.

5.2.6 Actual and potential customers in Japan
The largest customers in Japan are Japanese vehicle manufacturers repair facilities and Japanese vehicle testing organizations. Potential customers in Japan are new vehicle repair stations which are exploited to serve the larger demand of vehicle service in Japan. Potential customers are as well tuning companies which want to test the vehicles condition and make measurements.
5.3 Market situation in Russia

Following figure shows Russia’s geographical appearance.

![Map of Russia](www.map-of-russia.org/map-of-russia.gif)

**Geographical factors**

Russia’s population is 142.8 million, of whom over 11 million live in the capital, Moscow. Russia’s overall population density is 8.43 people per square kilometer. Russia is totally 17 075 000 square kilometers large. Russia is geographical structured with the largest and most important cities in the European part of Russia.

**Economical factors**

Russia is appealing because of the size of its market and its wealth of natural resources. Russia is a difficult market because it is what might be called an old market economy. For example, in doing business in Russia spoken words are more important than written words. Complications in the Russian market are the; transports, decisions and service; many governmental rules; corruption; and complicated taxes system.

In the eastern part of Russia there are small villages with a low manufacturing capacity and a low buying power. The most attractive part of Russia for foreign companies is therefore the more European part.

**The Silk road**

An ancient commercial route, in use since 1500 B.C, cuts across Russia. This road was named the “Silk road” by German geographies in the 19th century. Over the centuries, the route was gradually optimized geographically, and made the shortest way from Asia to Europe. The Chinese have long used it to transport their products to the west. The truck manufacturer Scania has plans to construct a repair facility every 20 kilometers along the entire length of the road.

106 [www.auswaertiges-amt.de/diplo/de/Laender/RussischeFoederation.html](www.auswaertiges-amt.de/diplo/de/Laender/RussischeFoederation.html) 2007-10-08
107 [www.swedishtrade.se/estland/?objectID=3185](www.swedishtrade.se/estland/?objectID=3185) 2007-10-17
109 Interview with Johan Siwers, Salesmanager MAHA Germany 2007-07-25
Governmental factors

Vladimir Putin, the president of Russia, is negative to do business with west. Four factors which western companies need to understand and find solutions are as following:\footnote{Anonymous, 2000, p. 8};

- **A strong state**
  V. Putin wants to centralize the power to the government in Russia. Lobbying will be more important and effective in the future. With more power in the government, it might be entail streaming offices and reducing bureaucracy. This would be a bless for importing companies, but also a high risk that V. Putin develops new, harder and stronger regulations and rules. The new regulations have also the risk that they will be the governments own rules and corruption.

- **Rules of law**
  This is not a very polite state for the reason that V. Putin, which are an old KGB-man, has said that the rule of law will be the one and only dictatorship. The judges in Russia will do this hard for the reason that they are low paid communists.

- **Tax reform**
  Tax reformers will lead to deductibility of large number of businesses expenses, including advertising. Russian investors want the government to turn up the pressure on non payers and for foreign companies which are competitors in the Russian market. V. Putin wants that national and international companies should be treated equally in the Russian market. This will lead to that international companies will be easy targets for national collections.

- **Protectionism**
  V. Putin wants to make the customs for foreign companies harder. This is a second step in the reform to get only Russian competitors in the market. This reform will due be a problem for the Russian national politics.

\footnote{www.seat61.com/SilkRoute.htm 2007-07-30}

\footnote{Anonymous, 2000, p. 8}
Export to Russia

Foreign companies which want to sell their products and/or services in Russia are well advised to take a formal course on business practices in Russia. These courses provide needed insight and information on such topics as methods of payment, customs and specifications, cultural differences and so forth. These courses are offered from companies which have done studies and businesses in Russia and the courses are widely available in Europe as well as in other parts of the world. Another facilitates getting established in to Russia, a company should consider using Estonia as a first transitional step. Many Estonian citizens are thoroughly familiar with the Russian market. Estonian citizens learn Russian in the school, understand Russian culture, can predict problems, and can often predict problems a new business would be likely to encounter starting out in Russia.

Threats

Most of the competitors in the Russian market are European. However, one of the threats faced by European companies operating in Russia is competition from Chinese manufacturers. This threat is most acute in the eastern areas of the country. The competition between European companies is also intensive in the Russian market. Substitute products in the Russian market are own solutions (combination of diverse products) from vehicle repair facilities. Buyers resist paying a premium for what they regard as unnecessarily high quality. Another threat is that the government in Russia may unexpectedly alter the regulations concerning vehicle repair facility equipment.

Safety on the roads

Russia is beginning to improve their safety on the roads. The improvements are done by the government but also by private persons. The improvements include better roads, better warning system and a better structure on the vehicle testing stations. The Russian government is working to make the vehicle testing stations governmental and to build up a network between the non-governmental.

Production of vehicle repair and testing equipment

There is none, or very little production of vehicle repair facilities equipment. Therefore no information have been found.

Quantity of vehicles

In 2003, there were 223 vehicles per 1000 people in Russia. Of these 223 vehicles, 148 were passenger cars (total 21,670,600 cars in Russia). There are also 10,981,723 trucks in Russia. These numbers are one half to one third the numbers for Europe and North America.112

5.3.1 Russian vehicle testing organizations

In Russia the vehicle testing organization is the Ministry of Transport in cooperation with the World Traffic organization. There are 1000 governmental vehicle testing stations in Russia. Small Russian cities have approximately ten stations, and large cities typically have between one hundred and four hundred vehicle testing stations. In 1998 there were 1500 non-governmental stations in Russia. Since then that number has increased to 3000. In an effort to impose some control, the government has created networks between these non-governmental stations. There is a requirement that at least one highway police officer should be stationed in each non-governmental station. The highway police officers in Russia are responsible for the safety and highways, which includes safety inspections of vehicles.113 They issue a test card to every vehicle tested which is the evidence that the vehicle is in proper working order. New vehicles are required to be tested every two years. After three years, vehicles must be tested every year. Vehicles are defined as passenger automobiles, trucks and motorbikes. Thirty-six million passenger cars are tested each year in Russia, and each year this number increases by about ten percent.114 With respect to trucks, the tests to be required of a particular truck are determined by the government agency with supervision or responsibility for the type of

113 Interview with MAHA´s headoffice in Russia, 2007-07-30
114 Telephone interview with Mr. Kirjanov, 2007-08-16
freight it carries. This result in different tests being required of trucks that transport oil, for example, from those that transport structural steel. Russian vehicle repair facilities which are allowed to test vehicles in Russia use European testing equipment.

Vehicle testing organizations in Russia are required to have, at a minimum the following equipment: a brake testers; emission tester; opazimeter (the both should send the results to a computer); weight control; and headlight tester. A control of air bags and seatbelts is also done. The weight is control is done to reduce costs, labor, eliminate short cuts and to improve the vehicles’ balance. This is the minimum of testing equipment which vehicle testing organizations have to have. Some vehicle testing organizations also have other testing equipment, for example chassis testers and wheel testers.

115 www.remontauto.ru/?p=11&z=700 2007-08-08
5.3.2 Russian vehicle repair facilities
Following table shows the vehicle repair facilities stations in Russia.

<table>
<thead>
<tr>
<th>RUSSIA</th>
<th>Car manufactures</th>
<th>Quantity of vehicle facilities in Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audi</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>BMW</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Citroen</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>Daewoo</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Ford</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Honda</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>Kia</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Lada</td>
<td>~250</td>
<td></td>
</tr>
<tr>
<td>Mercedes Benz</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>Nissan</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>Opel</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Peugeot</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Porsche</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Renault</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Saab</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Seat</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Skoda</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Toyota</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>Volkswagen</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Volvo</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Other car repair facilities stations:</td>
<td>87959*</td>
<td></td>
</tr>
<tr>
<td><strong>Total car repair facilities stations:</strong></td>
<td><strong>88842</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Truck manufactures</th>
<th>Quantity of vehicle facilities in Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daewoo-avia</td>
<td>/</td>
</tr>
<tr>
<td>DAF</td>
<td>/</td>
</tr>
<tr>
<td>Iveco</td>
<td>13</td>
</tr>
<tr>
<td>Karosa</td>
<td>/</td>
</tr>
<tr>
<td>MAN</td>
<td>/</td>
</tr>
<tr>
<td>Mercedes Benz</td>
<td>19</td>
</tr>
<tr>
<td>Renault</td>
<td>18</td>
</tr>
<tr>
<td>Scania</td>
<td>24</td>
</tr>
<tr>
<td>Tatra</td>
<td>42</td>
</tr>
<tr>
<td>Volvo</td>
<td>31</td>
</tr>
<tr>
<td>Other truck repair facilities stations:</td>
<td>14643*</td>
</tr>
<tr>
<td><strong>Total truck repair facilities stations:</strong></td>
<td><strong>14790</strong></td>
</tr>
</tbody>
</table>

Figure 5.8: Table pertaining to vehicle repair facilities in Russia

Total there are 103632 vehicle repair facilities stations in Russia. The * are calculated in relation to each other. The total quantity is a comparison with Swedish vehicle repair stations and quantity of automobiles. The quantity includes private vehicle repair stations in Russia.

5.3.3 Automobile exhibitions in Russia
The following are the largest automobile industry exhibitions in Russia:
- The *Moscow International Motor Show (MIMS)* is the leading automobile event in Russia and covers the entire automotive industry. Founded in 1991, MIMS is one of the world’s largest

---

117 Please see appendix for references.
automotive exhibitions because of its size. MIMS is the optimal place to show new products for the reason of its size and that it takes place annually.\textsuperscript{118}

- \textit{Autocomplex} takes annually in Moscow. There are typically about 178 exhibitors from 12 countries.\textsuperscript{119} The Autocomplex is focused on gas stations and the automotive service and repair market.

- \textit{Auto & Automechanika St. Petersburg} had 387 exhibitors from 27 countries 2005. The exhibition is held every second year and it is an exhibition for everything that have with vehicles to do.

- \textit{Autotec-Russia} will have its first exhibition in Russia 2008. The exhibition includes a number of conferences and workshops, with participants such as National Association of Automotive Component Manufactures, the Moscow Association of Technical Service, CarRepair Enterprises Inc, the Association of Automotive Engineers and other industry leading enterprises.\textsuperscript{120}

- \textit{Tires & Rubber Expo} includes everything having to do with vehicle wheels. Representatives of all major companies involved in this segment of the industry attend this exposition.

- \textit{Automechanika Moscow} has 195 exhibitors from 20 different countries. It is an exhibition pertaining to automotive parts and systems, accessories and tuning, repair and maintaining and service stations and car washes.

- \textit{Motobike Salon} is an international exhibition held in Moscow. The exhibitors are manufacturers of motorbike equipment and vendors of maintenance products, service and accessories.

- \textit{Motorshow Russia}, held in St. Petersburg, is the largest event pertaining to the motor industry. The show offers new, re-designed and updated cars from the whole world. The exhibition includes motorbikes, scooters, tools, spare parts, restoration equipment and supplies, tuning equipment and so forth.\textsuperscript{121}

- \textit{Tuning & Car Audio Park} is held in Moscow and shows tuning equipment vehicles and vehicles which are a result of tuning. The exhibition shows as well service equipment for vehicles.

- \textit{All Wheel Drive Salon} is an exhibition of all AWD-products in Russia. Here visitors can get advice about their vehicles, learn about new products and test vehicles in authentic off-road circumstances. Those in attendance are primarily specialists from maintenance shops, major Russian and foreign manufactures. The exhibitors are SUV-companies, companies which perform tuning, accessories vendors and insurance companies.

\textsuperscript{118} \texttt{www.motorshows.ite.com} 2007-08-06

\textsuperscript{119} \texttt{www.auma.de/dateb/md.asp?area=1&spdata=1&ID=78655&sprache=1} 2007-08-06

\textsuperscript{120} \texttt{www.biztradeshow.com/trade-events/autotec-russia.html} 2007-08-06

\textsuperscript{121} \texttt{www.biztradeshow.com/trade-events/motorshow-russia.html} 2007-08-06
5.3.4 **Competitors in Russia**  
*Following chapter shows a summary of the competitors in the Russian market.*

5.3.4.1 **Overview table of competitors in Russia**

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>Present in Russia</th>
<th>Marketing tools</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>Brake testers, Lifts, Shock absorber testers, Headlight testers, Power dynamometers, Side-slip testers, Test lanes</td>
<td>Subsidiary with twenty employees and ten distributors.</td>
<td>Pamphlets in Russian, the distributors visit customers, Russian homepage and exhibitions.</td>
<td>MAHA’s good quality sells itself. The spread localization at the distributors. Alone at exhibitions, many distributors and good quality, Gost-R certificate(^{122}).</td>
<td>Do not deliver complete products in time.</td>
</tr>
<tr>
<td>Muller Bean</td>
<td>Brake testers, Shock absorber testers, Side-slip testers</td>
<td>Uses Barclay-Holding as distributor</td>
<td>Automechanika 2006 and MIMS 2007 through Barclay-Holding</td>
<td>-</td>
<td>Small product spectrum</td>
</tr>
<tr>
<td>Nussbaum</td>
<td>Lifts, Wheel changer, Power dynamometers, Brake testers, Test lanes, Emission testers</td>
<td>Has Barclay-Holding as distributor</td>
<td>Represented through the distributors in exhibitions.</td>
<td>Uses a large distributor</td>
<td>No Russian homepage, just lifting technology products.</td>
</tr>
<tr>
<td>Hofmann</td>
<td>Wheel balancer, Tyre changer, Lifts, Braking testers, Chassis dynamometers, Test lanes, Wheel alignment</td>
<td>Hofmann has eight distributors in Russia.</td>
<td>The marketing is done through the distributors. Hofmann offers training programs for customers.</td>
<td>Has many distributors in Russia</td>
<td>-</td>
</tr>
</tbody>
</table>

\(^{122}\) Gost-R is a certificate for technical products.
### Table over the competitors in the Russian market

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>Distribution / Representations</th>
<th>Marketing</th>
<th>Quality / Certifications</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sherpa</td>
<td>Brake testers, Shock absorber testers, Side-slip testers, Lifts</td>
<td>Has a distributor in Russia, Technoalliance</td>
<td>The marketing in Russia is done through Technoalliance</td>
<td>Uses the Gost-R certificate</td>
<td>All marketing is done through Technoalliance, no Russian homepage</td>
</tr>
<tr>
<td>Ravaglioli</td>
<td>Lifts, Vehicle testing equipment</td>
<td>Is represented in Russia through Technoalliance.</td>
<td>-</td>
<td>Price, wide product range</td>
<td>Low product quality</td>
</tr>
<tr>
<td>O.M.A.</td>
<td>Oil changer, Headlight tester, Lifts, Brake fluid measurement</td>
<td>Represented through Technoalliance in Russia</td>
<td>The marketing is done through Technoalliance</td>
<td>High product quality</td>
<td>All marketing is done through Technoalliance, no Russian homepage</td>
</tr>
<tr>
<td>Stenhoj</td>
<td>Lifts</td>
<td>Stenhoj has one distributor in Russia (Technoalliance)</td>
<td>The marketing is done through Technoalliance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Becker &amp; Söhne</td>
<td>Lifts</td>
<td>One employee in Russia.</td>
<td>All marketing is done through the represent.</td>
<td>Uses the distributor Equipnet in Russia. Offers lifts and reserve parts</td>
<td>No Russian homepage. No exhibitions.</td>
</tr>
<tr>
<td>Beissbart</td>
<td>Wheel alignment testers, Brake testers, Wheel changing, Wheel balancer, Air condition</td>
<td>Two distributors in Russia, Equipnet in Moscow and St. Petersburg</td>
<td>Marketing is done through Equipnet.</td>
<td>Many products, exercise program for customers</td>
<td>No large well known distributor.</td>
</tr>
<tr>
<td>Other competitors</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

For more detailed information about the competitors, please see chapter 10 Appendix.

### Uninvestigated competitors in Russia
- Automation
- Delphi Italia Automotive Systems
- Gison Machinery Co., Ltd
- Herth and Buss Fahrzeugteile GmbH & Co. Kg
- Launch International Co., Ltd
- Motor Technology
- Transtechservice Ltd
- Wuxi Weifu Group Co., Ltd
5.3.5 Distributors of interest to automotive repair facilities

For the reason that the European companies not can be present in the Russian market they have taking help from different distributors at the market.

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>Present in Russia</th>
<th>Represents</th>
<th>Marketing tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technoalliance</td>
<td>Air and fluid technology&lt;br&gt;Air conditions&lt;br&gt;Brake testers&lt;br&gt;Cylinders&lt;br&gt;Drills&lt;br&gt;Emission testers&lt;br&gt;Garage equipment&lt;br&gt;Headlight testers&lt;br&gt;Lifting technology&lt;br&gt;Repairing tools&lt;br&gt;Side-slip testers</td>
<td>Six offices in Russia.</td>
<td>Ravaglioli&lt;br&gt;Stenhoj&lt;br&gt;MAHA&lt;br&gt;OMA&lt;br&gt;With more.</td>
<td>Russian homepage, Email, personal visits, telephone calls, ads and articles in branch magazines, exhibitions and 48 hours repair.</td>
</tr>
<tr>
<td>Technoservice</td>
<td>Brake testers&lt;br&gt;Emission testers&lt;br&gt;Headlight testers&lt;br&gt;Lifting technology&lt;br&gt;Power dynamometers&lt;br&gt;Shock absorber tester&lt;br&gt;Side-slip testers</td>
<td>Headquarter in Moscow, 101 to 250 employees. Technoservice has 48 salesmen.</td>
<td>-</td>
<td>Newsletters, Email, homepage, telephone calls and personal visits.</td>
</tr>
</tbody>
</table>

Figure 5.10: Table over the distributors in the Russian market

For more information about the Russian distributors, please see chapter 10 Appendix.

In Russia almost all products are sold through subsidiaries and distributors depending on that the market includes mostly foreign competitors. Distributors are used a lot in Russia because of their geographical flexibility, knowledge about the market, customer contact and language skills.

5.3.6 Actual and potential customers in Russia

The largest customers in Russia are the vehicle manufacturers and vehicle repair stations. Potential customers in Russia are new vehicle repair facilities which are going to be open with the new silk way. With the new governmental rules will it be a request for testing equipment to the vehicle testing stations so that tests can be performed.
5.4 Market situation in Italy
Following figure shows Italy’s geographical appearance.

Figure 5.11: Map of Italy

Geographical factors
Italy has total 58.6 million citizens, and in average there are 190 Italian citizens per square kilometer in Italy. The total area in Italy is over 300 000 square kilometer (without the Vatican state and San Marino). The total population in Italy were 2004, 57 573 184 citizens.

Economical factors
Italy is a country which has difficulties such as bad influences from the infrastructure, high and complicated taxes, complicated market rules, low investing levels and a slow juridical system. The differences between different parts of Italy are large, the richer part in the north and the poor part in the southern. The north Italy is one of the strongest regions in Europe. The gross domestic product in Italy is just the half from other countries in Europe. The total gross domestic product in Italy is 1476.71 billion Euros, and per capita is it 25 065 Euros. The small companies as before was seeing as hard competitors can today not join the large companies because they have not got the resources, development, and cannot make large production because of that it costs too much.

The most important industries for Italy are tourism, machinery, Iron, steel and motor vehicles. Totally was it 16700 units sold from the mechanical testing and handling equipment market in Italy. To

---

123 www.kwintessental.co.uk/resources/global-etiquette/italy-country-profile.html 2007-09-28
124 www.acı.it/index.php?id=2085 2007-09-21
125 www.auswaertiges-amt.de/diplo/de/Laender/Italien.html 2007-10-08
succeed in Italy it is important for companies to have their own network of customers. This solution is better because of that it is cheaper, it is possible to compete with price and the presentation in the market can give more customers. The Italian market has a lot of bottlenecks due bad national economy. This problem leads to that Italy needs to import products. The imports affect the demand of domestic sales in Italy in aspects like lower prices, and less sold products.

**Governmental factors**
Italy is the world’s sixth greatest industry nation. The northern Italy has most of the industries. The Italian specifications was regulated 1990 to fit into the European specifications. The regulations were done to make Italy a more attractive market for European countries.

**Export to Italy**
Foreign competitors who want to expand their business to Italy should be aware of the Italian bureaucracy. The bureaucracy in Italy is very complicated, especially for foreign companies. The first step for foreign companies is therefore to identify the bureaucracy and as well the different areas in Italy.

**Threats**
The threats in the Italian market are the unevenness of economy in the north and southern parts. Italy has a large quantity of national and international manufacturers and competitors.

**Safety on the roads**
Italy is working to eliminate the road accidents with vehicle tests. Information about other measures has not been found.

**Production of vehicle repair and testing equipment**
Totally in Italy there are 62 manufactures of vehicle repair facilities equipment and 13 importers and subsidiaries. Fiat is the largest car manufacturer in Italy. Italy has the largest difference between importers and manufactures. Italy has the second most manufacturers in the whole world of vehicle repair testing equipment. Italian manufactures are 18% of the whole worlds manufactured products.

Totally it was 16700 units of vehicle repair equipment sold 2005 in Italy.

**Quantity of vehicles**
2004 was it 581 vehicles per 1000 citizens in Italy. From these 581 vehicles were 76.4% petrol engineers and 19.0% diesel engineers. The other five percent is gas vehicles. 2005 did Italy have 50 243 250 vehicles. From this number, 34 667 485 were cars, 4 938 359 were motorcycles, 4 327 832 were trucks. The rest are busses, mopeds and three wheel vehicles.
5.4.1 Italian vehicle testing organizations

Italian does not have any vehicle testing organization like Germany and Sweden.\textsuperscript{133} The vehicle tests in Italy are done by independent vehicle repair facilities. Examples of these vehicle repair facilities are:

- VW Piazzi
- Porsche Dott. Juan Orticochea
- Iveco Ing. Astengo
- MB truck Ing. Secondini
- MAN Italy Carlo Arnier
- Scania Ing Bezzi

In Italy new cars need to be tested after five years. Thereafter they need to be tested every second year. Every vehicle in Italy needs to be tested every second year in Italy. The vehicles which need to be tested every year are ambulances and public busses.\textsuperscript{134} The cars are tested through private vehicle repair facilities and trucks, busses and ambulances are tested through governmental tests.\textsuperscript{135} The certificate which the tested cars get is the “Revisione”. The data about the vehicles is sent to the Italian ministry of transport.\textsuperscript{136}

“Revisione” in Italy is performed by private vehicle repair facilities which are authorized by the government. To have the authorization the facilities need to buy homologated equipment, comply with safety working rules, have an educated experienced technician and many other requirements.\textsuperscript{137}

The test that the Italian vehicle testing organizations need to do are: brake tests; steering tests;rost; electrical system; aces, wheels, tires and suspension; the vehicle equipment like seats belts, spare wheel and triangle; intact oil; battery; pedals and seat belts; motor space; and identification of the vehicle (numer plate).\textsuperscript{138}

The name of the Italian government department which handles the vehicle repair facilities which may perform the tests is “Centro Revisioni”.\textsuperscript{139} Italy has six headoffices for the vehicle testing procedure. The offices are located in different regions in Italy.

2006 more than 11 million vehicles were tested in Italy.\textsuperscript{140} Italy has totally got 91 vehicle repair stations where the vehicles can be tested for the Revisione.\textsuperscript{141} It is possible to reserve a time in Internet. Every city does not have a vehicle testing place.

\textsuperscript{133} Discussion with Vezzani, A., 2007-09-19
\textsuperscript{134} www.aostarevisioni.it/index.htm 2007-10-04
\textsuperscript{135} Vezzani, A., discussion, 2007-10-08
\textsuperscript{136} Discussion with Thomas Pohl, Porsche Italy, 2007-09-20
\textsuperscript{137} Vezzani, A. discussion, 2007-09-24
\textsuperscript{138} www.officinabartolini.it/# and www.centrorevisioniauto.it/ent-auto.shtml 2007-09-20
\textsuperscript{139} Lindh, A., Svenska bilprovningen, 2007-09-24
\textsuperscript{140} Vezzani, A. discussion, 2007-09-24
\textsuperscript{141} www.officinabartolini.it/# 2007-10-04
### 5.4.2 Italian vehicle repair facilities

<table>
<thead>
<tr>
<th>ITALY</th>
<th>Car manufacturer</th>
<th>Quantity of vehicle repair facilities in Italy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Audi</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>BMW</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>Citroen</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>Daewoo</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>Daimler Chrysler</td>
<td>290</td>
</tr>
<tr>
<td></td>
<td>Fiat</td>
<td>600</td>
</tr>
<tr>
<td></td>
<td>Ford</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>Honda</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Kia</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>Lada</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Mazda</td>
<td>145</td>
</tr>
<tr>
<td></td>
<td>Mercedes Benz</td>
<td>120</td>
</tr>
<tr>
<td></td>
<td>Mitsubishi</td>
<td>121</td>
</tr>
<tr>
<td></td>
<td>Nissan</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>Opel</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>Peugeot</td>
<td>130</td>
</tr>
<tr>
<td></td>
<td>Porsche</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Renault</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>Saab</td>
<td>91</td>
</tr>
<tr>
<td></td>
<td>Seat</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>Skoda</td>
<td>330</td>
</tr>
<tr>
<td></td>
<td>Toyota</td>
<td>215</td>
</tr>
<tr>
<td></td>
<td>Volkswagen</td>
<td>1200</td>
</tr>
<tr>
<td></td>
<td>Volvo</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>Other car repair facilities stations:</td>
<td>117344*</td>
</tr>
<tr>
<td></td>
<td><strong>Total car repair facilities stations:</strong></td>
<td>121684</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Truck manufactures</th>
<th>Quantity of vehicle facilities in Italy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daewoo-avia</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>DAF</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Daimler Chrysler</td>
<td>191</td>
</tr>
<tr>
<td></td>
<td>Iveco</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td>Karosa</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>MAN</td>
<td>102</td>
</tr>
<tr>
<td></td>
<td>Mercedes Benz</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>Renault</td>
<td>153</td>
</tr>
<tr>
<td></td>
<td>Scania</td>
<td>112</td>
</tr>
<tr>
<td></td>
<td>Tatra</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>Volvo</td>
<td>approximately 100</td>
</tr>
<tr>
<td></td>
<td>Other truck repair facilities stations:</td>
<td>25926*</td>
</tr>
<tr>
<td></td>
<td><strong>Total truck repair facilities stations:</strong></td>
<td>27150</td>
</tr>
</tbody>
</table>

Figure 5.12: Table of Italian vehicle repair facilities

The * are calculated in relation to each other. The total quantity is calculated in relation from the Swedish vehicle repair facilities per vehicle to approximate the total number of vehicle repair facilities in Italy. Total there are 148834 vehicle repair facilities stations in Italy.
5.4.3 Automobile exhibitions in Italy

- *Automechanika Roma*, Automechanika is represted in 12 countries, inclusive Automechanika in Rome. Automechanika includes exhibitions for following areas: automotive parts; equipment (accessories and tuning; repair and maintenance; service station and car wash) and service suppliers. Includes areas around the Mediterranean and north Africa.
- *Autopromotec Bologna*, is the second largest exhibition in Italy. The exhibition includes vehicle repair equipment, lifting technology, testing technology and washing technology. The exhibition is started every second year.

5.4.4 Competitors in Italy

*This chapter shows a summery over the competitors in the Italian market.*

5.4.4.1 Overview table of competitors in Italy

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>Present in Italy</th>
<th>Marketing tools</th>
<th>Strength</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>Brake testers, Lifts, Shock absorber testers, Test lanes, Headlight testers, Power dynamometers, Side-slip testers</td>
<td>Subsidiary (four employees) and twenty distributors</td>
<td>Italian homepage, education in Italian, personal visits, telephone calls and exhibitions</td>
<td>Certificates, subsidiary, high quality, wide range of products</td>
<td>Not a large market share in Italy, service, price and long service time</td>
</tr>
<tr>
<td>Facoman</td>
<td>Air condition, Fuel equipment</td>
<td>21-50 employees in Italy</td>
<td>Certificates, Italian homepage</td>
<td>Italian company</td>
<td>-</td>
</tr>
<tr>
<td>Mondial Lift</td>
<td>Lifting technology</td>
<td>Italian company</td>
<td>Homepage in Italian and English, exhibition</td>
<td>A flexible, young and efficiency company</td>
<td>Produces just scissors lifts</td>
</tr>
<tr>
<td>Ravaglioli</td>
<td>Lifts, Wheel alignment, Brake testers, Side-slip testers, Suspension testers</td>
<td>Italian company with 101-250 employees</td>
<td>Homepage in English, Italian, French, German and Spanish</td>
<td>Wide product range, low prices, low transport costs</td>
<td>Low quality of the products</td>
</tr>
<tr>
<td>Texo Lift</td>
<td>Lifting technology</td>
<td>-</td>
<td>Represented in exhibitions</td>
<td>A small company is a very flexible company</td>
<td>No homepage, no resources, have delivery problems</td>
</tr>
<tr>
<td>OMCN</td>
<td>Lifting technology</td>
<td>Italian company with 51-100 employees</td>
<td>TÜV certificate, homepage in Italian</td>
<td>Post lifts, TÜV certificate</td>
<td>Low product range</td>
</tr>
<tr>
<td>Company</td>
<td>Products Provided</td>
<td>Number of Employees</td>
<td>Language Support</td>
<td>Nationality</td>
<td>Exibition in Transportec</td>
</tr>
<tr>
<td>------------------</td>
<td>--------------------------------------------</td>
<td>---------------------</td>
<td>---------------------------------</td>
<td>-------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>O.ME.R</td>
<td>Lifting technology</td>
<td>51 to 100</td>
<td>A homepage in Italian, English,</td>
<td>Italian</td>
<td>Transliteration</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Spanish, German and French.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exhibition in Transportec</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corghi</td>
<td>Wheel changer</td>
<td>251-500</td>
<td>A homepage in Italian and</td>
<td>Italian</td>
<td>Poor range of products,</td>
</tr>
<tr>
<td></td>
<td>Wheel balancer</td>
<td></td>
<td>English.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel alignment</td>
<td></td>
<td>Cooperates with Ferrari.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lifts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Testing equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Werther</td>
<td>Lifts</td>
<td>Three factories in</td>
<td>A homepage in Italian and</td>
<td>Italian</td>
<td>Has not got the leading</td>
</tr>
<tr>
<td>International</td>
<td>Wheel changer</td>
<td>Italy, totally</td>
<td>English.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel balancer</td>
<td>200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel alignment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Air condition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Headlight testers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Snap-on</td>
<td>Lifts</td>
<td>Has a distributor</td>
<td>A homepage in Italian</td>
<td>Italian</td>
<td>Price and quality</td>
</tr>
<tr>
<td></td>
<td>Wheel alignment</td>
<td>in Italy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brake testers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Power dynamometers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Test lanes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beissbart</td>
<td>Wheel alignment</td>
<td>-</td>
<td>A homepage in English and</td>
<td>Brand, wide</td>
<td>Price and quality</td>
</tr>
<tr>
<td></td>
<td>Brake testers</td>
<td></td>
<td>German</td>
<td>range of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel changer</td>
<td></td>
<td></td>
<td>product group</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel balancer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel alignment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Air condition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cartec</td>
<td>Brake testers</td>
<td>Represented in Snap-on in Italy.</td>
<td>Pamphlets in Italian</td>
<td>A large international company, good market positions</td>
<td>No homepage in Italian</td>
</tr>
<tr>
<td></td>
<td>Test lanes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chassis dynamometers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emission testers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Headlight testers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bapro</td>
<td>Brake testers</td>
<td>-</td>
<td>A homepage in Italian</td>
<td>Marketing</td>
<td>No exhibitions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>English and French</td>
<td>methods in</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Italian</td>
<td></td>
</tr>
<tr>
<td>Simpesfaip</td>
<td>Wheel changer</td>
<td>A Italian company</td>
<td>A homepage in Italian and</td>
<td>Service centers</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Wheel balancer</td>
<td>with 51 to 100</td>
<td>English</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel alignment</td>
<td>employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Headlight testers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lifts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brake testers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Motorscan | Gas analyzer
Headlight testers
Brake testers
Power
dynamometers
Diagnosis | Italian company, 21 to 50 employees | Service, download software from homepage, telephone calls | Wide product range | -

Figure 5.13: Table over the competitors in the Italian market

For more detailed information about the competitors, please see chapter 10 Appendix.

### 5.4.4.2 Uninvestigated Italian competitors
- A.G.M. Cos.Met Srl
- Femas Srl
- Giuliano Spa
- Rassant industrie
- Spx Italia Div. Tecnotest Srl
- Teco Srl

### 5.4.5 Interesting distributors to automotive repair facilities in Italy
Following chapter shows distributors in Italy.

<table>
<thead>
<tr>
<th>Company</th>
<th>Products</th>
<th>Present in Italy</th>
<th>Represents</th>
<th>Marketing tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pesci Attrezzature</td>
<td>Lifting technology</td>
<td>Pesci Attrezzature has one to ten employees.</td>
<td>Josam Slift Balzer</td>
<td>Training center for its customer, free telephone service, and homepage.</td>
</tr>
<tr>
<td>Utensil85</td>
<td>Brake testers Lifting technology Power dynamometers Headlight testers Side-slip testers Shock absorbers testers Emission testers Hydraulic jacks</td>
<td>-</td>
<td>MAHA Italy Carole Pasquin With more</td>
<td>Technical assistant, Italian homepage and planning of vehicle repair facilities.</td>
</tr>
<tr>
<td>Motorscan Roma</td>
<td>Diagnose equipment Emission testers Headlight testers Opazimeter Test lanes</td>
<td>-</td>
<td>-</td>
<td>Homepage in Italian, training programs, technical support over telephone or downloads from the homepage.</td>
</tr>
<tr>
<td>Informauto</td>
<td>Aircondition testers Brake tester Emission tester Shock absorber tester Tuning</td>
<td>Informauto has one to ten employees.</td>
<td>MAHA Texo Modolfo Ferro Technocolor Bruel and Kiaer MMB Giuliano</td>
<td>Homepage in Italian with price matrix and product descriptions in pamphlets.</td>
</tr>
</tbody>
</table>
For more information about the Italian distributors, please see chapter 10 Appendix.

Italian distributors are mostly located in the northern part of Italy. Italian distributors represent national and international manufactures and are used in Italy because of their flexibility, knowledge about the market and the bureaucracy.

5.4.6 Actual and potential customers in Italy
The Italian vehicle manufacturers are large customers of vehicle repair equipment in Italy. The vehicle repair stations as well. Potential customers in Italy are located in the northern Italy. The customers comes from new build vehicle repair stations, vehicle manufacturers which are developing new cars, tuning companies as well as companies which competes with their vehicles.
6 Summary of the markets
The result chapter shows an amount of the empirical chapter.

6.1 Summary of Japan
This research has shown thus far that the Japanese market is large and with a high technical level and demand of quick service. The market is dominated by a large number of domestic manufacturers represented by themselves and many local distributors.

6.1.1 Summary of the Japanese turnover of different vehicle testing equipment

![Diagram of Manufacturing and Export in Japan](image)

Figure 6.1: The Japanese turnover of different vehicle testing equipment in Japanese Yen

The summery of the diagram is as following:

**Lifting technology**
- The lifting technology production in Japan is almost double of the total for vehicle inspection equipment which includes brake testers, side-slip testers, headlight testers, shock-absorber testers and wheel alignment testers.
- During 2006, export of lifting technology was approximately 20% of the total production.
- The Japanese lifting technology has growth approximately 15% the five last years.

**Vehicle inspection equipment**
- The vehicle inspection equipment includes brake testers, side-slip testers, headlight testers, shock-absorber testers and wheel alignment testers.
- The vehicle inspection equipment production in Japan is small comparing with the lifting technology production.
- Based on the time period 2002 to 2005 the export of vehicle inspection equipment was approximately 44% of the total production.
- The Japanese vehicle inspection equipment has growth approximately 13% the five last years.

The total production has raised but the export has been stable which means that the domestic market is very essential for the Japanese producers.

6.1.2 Summary from interviews related to the Japanese vehicle testing equipment market

Interviews in this study have shown:

**MAHA**
- Has been in the Japanese market for two years.
- Has one representative present in Japan.
- Offers pamphlets, English homepage and personal visits in Japan.
- Does not offer lifting technology in Japan.
- Has started cooperation with Bosch in Japan.

**Repair and testing equipment customers in general**
- The most important factors in decisions related to vehicle testing equipment are quality of the equipment, level of service and the manufacturers’ reputation.
- The largest customers are located in large Japanese cities.
- Japanese customers view of European companies are the high quality products and capable of devising novel solutions to problems.
- Japanese customers get information about products from Emails from the manufacturers as well as from pamphlets and articles in branch magazines.

**Vehicle testing organizations**
- Japanese vehicle testing organizations use Japanese domestic (Banzai or Iyasaka Limited) products for their tests.
- Vehicle testing organizations get information about vehicle repair equipment manufacturers via pamphlets, E-mail, homepages, articles in branch magazines, exhibitions and telephone calls.
- Japanese exhibitions are the most important marketing activity.
- The most important factors in the choice of products are product quality and that the employees by the vehicle testing station can work quickly with the products.

**Vehicle repair facilities stations**
- Japanese vehicle repair facilities use mostly equipment from Iyasaka, Aurita and Banzai for their reparations.
- The local head offices observe E-mails, personal visits and news papers ads at most.

**Distributors**
- Japanese distributors inform their customers with E-mail, pamphlets and through exhibitions.
- Japanese distributors offer E-mail support. Large distributors also offer service in 12 hours, small distributors in 24 hours.
- Important factors for distributors who represent a foreign company are: product quality; price; and well-known references.
- The Japanese distributors want support from the manufacturer. Typically, the manufacturer takes care of the importation of products into Japan and ensures timely delivery of sufficient quantities of products.
- Distributors offer complete vehicle repair facilities equipment as well as car washing equipment and other specialized tools for repairing vehicles.
- For a distributor to represent a foreign company, the most important parameters are: product quality, price and having established a sound reputation.

**Manufacturers**
- The market leader in Japan is Banzai.
Japanese competitors are divided into two groups, one dominating group and the other group with small national and international competitors.

Chinese competitors can compete in Japan due to their low prices.

Large Japanese competitors have a lower frequency in their personal visits than small companies.

Large Japanese competitors´ products have an approximate average age of their equipment is five years. Large manufacturers use Email, personal visits, exhibitions and magazine articles as marketing activities in Japan.

Small competitors use personal visits, pamphlets and telephone calls as marketing activities in Japan.

Small companies do not use Email as a marketing tool in Japan.

The most important information is obtained by attending exhibitions.

Japan´s exhibitions have a very large size.

**Threats**

- The most prominent threats in the vehicle repair facilities equipment market are (1) the introduction of Chinese products, and (2) that the automotive manufacturers will develop new solutions on their own.

**Opportunities**

- The Japanese market offers opportunities for companies which are flexible, have a high technical level in their products and which can offer a quick service.

### 6.1.3 Summary of the market share in Japan

Following figure shows the distribution of manufactured products in Japan.
The table shows that lifting technology is dominating in the Japanese market. The other vehicle testing equipment has a very low percent of produced items.

---

143 Own creation of figure, numbers from [www.jamta.com/sesangaku.htm](http://www.jamta.com/sesangaku.htm) 2007-08-20
144 Yazaki Co. Ltd, 2007-08-05
Other includes Japanese and foreign companies. MAHA’s market share in Japan is 0.2%. The market share is calculated from Banzai’s market share and the whole production\footnote{www.jamta.com/sesangaku.htm} in Japan, subtracted with the export\footnote{www.jamta.com/bouekigaku.htm#u} from Japan. The difference is compared with MAHA’s sold products in Japan.

The table shows that there are two groups of competitors in the Japanese market; one dominating group (Banzai, Iyasaka, Arutia, Anzen and Sanko); and the other group includes small national and international companies.

### 6.1.4 Summary of competitors in Japan

<table>
<thead>
<tr>
<th>Company</th>
<th>Appreciated market share</th>
<th>Condition in the market</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>0.2%</td>
<td>Weak, close and good</td>
</tr>
<tr>
<td>Banzai</td>
<td>35%</td>
<td>Strong (market leader), distance and good.</td>
</tr>
<tr>
<td>Iyasaka Limited</td>
<td>20%</td>
<td>Strong, distance, good.</td>
</tr>
<tr>
<td>Beissbart</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Cartec</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Nussbaum</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Snap-On Tools Japan K.K</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Dynopack</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Hunter</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Autop</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Anzen Motor car co. Ltd</td>
<td>15%</td>
<td>Middle, close and good.</td>
</tr>
<tr>
<td>Bihamon Sugiyasu Corporation</td>
<td>&lt;3%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Sanko</td>
<td>7%</td>
<td>Middle, close and good.</td>
</tr>
<tr>
<td>Other competitors</td>
<td>23%</td>
<td>-</td>
</tr>
</tbody>
</table>

Figure 6.4: Results of competitors’ market share in Japan

The numbers are approximately and shown to get a view over how the market is structured. The summery of the table is that there are more weak competitors which are competing against each other than strong in the Japanese market.
6.2 Summary of Russia
The master thesis has shown that Russia is a market with a lot of potential. The large market in Russia is in the European part of Russia.

![Figure 6.5: The positions of BMW’s vehicle repair facilities](http://www.bmw.ru/english/services/dealers/default.asp)

The geographical picture shows where BMW has its vehicle repair facilities in Russia. The picture is not typical for BMW, the other vehicle manufacturers repair facilities have the same location in their vehicle repair facilities. This because of that the largest Russian buying power is in the European part of Russia.

6.2.1 Summary from the interviews related to the Russian vehicle testing equipment market
Interviews in this study have shown:

**MAHA**
- Is represented in the Italian market since ten years.
- Has a subsidiary in the market.
- Works with Italian distributors.

**Repair and testing equipment customers in general**
- Old Russian customers prefer cheaper products than expensive.
- Russian customers do not want to have high technical products, they prefer to have good material quality and service.
- The Russian customers prefer to get information from the manufacturers.
- They want to have information per E-mail, exhibitions and through personal visits.
- The most important factors for Russian customers to signing a contract are the products physically quality, price and the delivery time.
- Service and information in Russian is also important factors.
- It is large differences between customers in the European part of Russia and the Asian part of Russia.
- Independent media which are used are articles and ads in branch magazines as well as exhibitions and recommendations. The most important marketing method is recommendation. In the second place come personal visits and exhibitions. In the third place come telephone call and articles in branch magazines.

---

Vehicle testing organization
- Are going to be controlled from the government.

Vehicle repair facilities stations
- There are six times more car repair facilities stations than truck repair facilities stations in Russia.

Distributors
- European competitors use distributors in Russia to market and sell their products.
- Russian distributors in the vehicle repair facilities market use homepages, telephone call and personal visits as marketing tools.
- The most common marketing tools in Russia are exhibitions and personal visits. These are popular because the Russian customer wants to see the products they invest in.
- To have information in Russian is important because the English language is not established in Russia.
- Personal visits are used in the European part of Russia, and telephone calls are used in the eastern part of Russia.
- The most work is done by working with existing customers. That takes more time than to find new customers.
- The service Russian distributors’ offers are service in 48 hours, telephone support of specialists, installation of equipment as well as regular service of the equipment.
- When a Russian distributor choose to represent a foreign manufacturer the most important factors are: product quality, quantity of variations by the product; delivery time; technical documentation; payment conditions; regular information from the manufacturer; marketing support (at exhibitions for example); and delivery time of reserve parts. Less important is new solutions of products. The price is important for some distributors, for other not.

Manufacturers
- It is most European competitors in the Russian market.
- There are a few Russian competitors in the market.
- It has not been possible to calculate the quantity of exported and imported equipment in Russia for the reason that nobody knows it. Gost-R is a certifying organization which works with that all equipment should get a certificate. Today it is only MAHA and Sherpa which uses this certificate in the vehicle repair facilities industry.

Threats
- Threats for the European competitors in the Russian market are Chinese manufacturers. This threat is greatest in the Asian parts.
- Other threats in the Russian market are the governmental rules which can quickly change.

Opportunities
- The opportunities of the Russian market are good.
- The economic is starting to grow and the country is developing better opportunities for the people as well as the companies.
- The market increases its safety on the streets, which includes the vehicle repair facilities equipment.

6.2.2 Summary of the market share in Russia
Russia has been divided into a benchmarking system. Following criteria have following points.

1. Representation in Russia
   a. No present representation = 0 points
   b. Distributor: <3 = 1 points, >3 = 2 points
   c. Subsidiary = 3 points
2. Products
   a. One kind of products = 3 points
   b. Two kinds of products = 2 points
   c. Three kinds of products = 3 points
   d. X kind of products = x points

3. Marketing
   a. Homepage in Russian = 1 point
   b. Brochures = 1 point
   c. Education of the customer = 2 points
   d. Personal visits = 3 points
   e. Marketing through the distributor = 0.5 points

4. Present in exhibitions
   a. No = 0 points
   b. Autotec 2008= 1 point
   c. Automechanika 2006 = 1 point
   d. Moscow International Motor Show (MIMS) = 1 point
   e. Companies which are represented in the exhibitions through a distributor = 0.5 points

5. Gost- R certificate
   a. No = 0 points
   b. Yes = 1 point

<table>
<thead>
<tr>
<th>Company</th>
<th>Presence in Russia</th>
<th>Exhibition(s)</th>
<th>Product(s)</th>
<th>Marketing</th>
<th>Gost-R</th>
<th>Total points</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>5</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>Cartec</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Muller Bean</td>
<td>1</td>
<td>0.5</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>5.5</td>
</tr>
<tr>
<td>Nussbaum</td>
<td>1</td>
<td>0.5</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>7.5</td>
</tr>
<tr>
<td>Hofmann</td>
<td>2</td>
<td>1.5</td>
<td>7</td>
<td>1</td>
<td>0</td>
<td>11.5</td>
</tr>
<tr>
<td>Sherpa</td>
<td>1</td>
<td>2</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>Ravaglioli</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>0.5</td>
<td>0</td>
<td>5.5</td>
</tr>
<tr>
<td>O.M.A.</td>
<td>1</td>
<td>0</td>
<td>10</td>
<td>0.5</td>
<td>0</td>
<td>11.5</td>
</tr>
<tr>
<td>Stenhoj</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>0.5</td>
<td>0</td>
<td>4.5</td>
</tr>
<tr>
<td>Becker &amp; Söhne</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Beissbart</td>
<td>1</td>
<td>2</td>
<td>7</td>
<td>0.5</td>
<td>0</td>
<td>8.5</td>
</tr>
<tr>
<td>Other competitors</td>
<td>1.4</td>
<td>0.8</td>
<td>5.5</td>
<td>0.6</td>
<td>0</td>
<td>8.3</td>
</tr>
</tbody>
</table>

Figure 6.6: Point system for Russia

The total market is calculated to be 98.8 points.

The table shows that MAHA, Hofmann, Sherpa, O.M.A. are the largest competitors in the Russian vehicle testing equipment market. These companies are represented with distributors in Russia, offer a wide range of products and market their products active. Two of the companies have the Gost-R certificate and is represented in exhibitions alone.

---

148 Three points for the reason that the company is specialized.
### 6.2.3 Table of competitors in Russia

<table>
<thead>
<tr>
<th>Company</th>
<th>Appreciated market share</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>16%</td>
<td>Nominal strength, distance and good.</td>
</tr>
<tr>
<td>Cartec</td>
<td>5%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Muller Bean</td>
<td>5%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Nussbaum</td>
<td>7%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Hofmann</td>
<td>12%</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td>Sherpa</td>
<td>11%</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td>Ravaglioli</td>
<td>6%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>O.M.A.</td>
<td>12%</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td>Stenhoj</td>
<td>5%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Becker &amp; Söhne</td>
<td>4%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Beissbart</td>
<td>9%</td>
<td>Nominal strong, close and good.</td>
</tr>
<tr>
<td>Other competitors</td>
<td>9%</td>
<td>Nominal strong, close and good.</td>
</tr>
</tbody>
</table>

Figure 6.7: Result of competitors’ market share in Russia

The table shows that the competitors in the Russian vehicle repair equipment market have an even position with each other. MAHA, Hofmann, Sherpa, O.M.A are the largest competitors, but they have no dominate position.

### 6.3 Summary of Italy

*Italy is a very complex market because of the large number of actors (national and international) and because of the Italian regulations.*
The geographic picture shows the gross national product in Italy. The picture shows that the northern part of Italy has better economic standards than the southern part.

6.3.1 Summary from the interviews related to the Italian vehicle testing equipment market

Interviews in this study have shown:

**MAHA**
- Has decided to enter the Italian market because of that it wanted to expand its business and Italy was a natural way to expand because of geographical reasons.
- The Italian attitude against MAHA is that the products are too expensive.

**Repair and testing equipment customers in general**
- The Italian customers prefer to use Italian products for their vehicle tests.
- The important factors about the products in Italy are that they are good for the environment, and they do not need to be produced in Italy. Price and quality also matter. The most important thing to sign a contract in Italy is the price and quality. On the third place comes the service.

**Vehicle testing organizations**
- 

---

149 www.gfh-macon.de 2007-08-20
Vehicle repair facilities stations
- The vehicle repair facility station follows order from its headquarters.
- A pamphlet as marketing with contact information is to prefer in Italian vehicle repair facilities.
- Italian vehicle repair facilities are often together with dealer centers. The vehicle repair facilities use Italian equipment and most Corghi in the northern Italy.
- The Italian vehicle repair facilities gets information from the brands head quarters in Italy, which tells them which products they want their service centers to use.
- There are four times more car repair facilities stations in Italy than truck repair facilities stations.

Distributors
- All information and marketing comes from the distributors in Italy.
- The distributors spend most time on existing customers, despite finding new customers.
- The service Italian distributors offer their customers are regular information about new products, installation of products and technical support.
- Some distributors offer leasing for their customers.
- The most important factors for distributors to sign a contract with a foreign manufacturer are that the manufacturer can give new products, quality and support from the manufacturer.
- Italian distributors use marketing techniques such as telephone calls and personal visits.
- There are Italian distributors which do not have a homepage.
- Articles in branch magazines, exhibitions and speeches at seminars and conferences are used to market the distributors’ products.
- Contacts to new customers are done through personal visits and exhibitions.
- Email and Internet, are not so common, not all companies have a homepage for example.
- Sponsoring in Formel 1.

Manufacturers
- The Italian market has many competitors in the different product groups, and it is good quality on the products.
- Italian competitors are specialized in product groups.
- The main marketing methods are telephone contact, which the contact is between the head quarter and the salesmen.
- The best marketing methods in Italy are to make a call or make an explanation over the products and send it over and then do a personal visit.

Threats
- Italy has shown that the Italian market is a very difficult market in factors like bureaucracy, governmental rules, number of competitors and national competitors.
- The threats in the Italian market come from the government and the complicated bureaucracy. When companies have learned the system, the threats are just coming from competitors.

Opportunities
- Opportunities in the Italian market are the high intensity of vehicles and manufactures of vehicle repair facilities equipment.

6.3.2 Summary of the market share in Italy
Figure 6.9: Italian brake tester market

Figure 6.10: Italian wheel alignment market

Figure 6.11: Italian wheel balancer market

150 Frost & Sullivan, 2007 p. 145
151 Frost & Sullivan, 2007 p. 239
The diagrams show that there are different market leaders in different product groups. It is mostly Italian companies which have the leader positions, but some European companies have reached it as well.

152 Frost & Sullivan 2007, p. 332
153 Frost & Sullivan 2007, p. 387
154 Frost and Sullivan 2007, p. 463
### 6.3.3 Table of competitors in Italy

<table>
<thead>
<tr>
<th>Company</th>
<th>Appreciated market share</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAHA</td>
<td>Lifting technology, 9%</td>
<td>Nominal strong, close and good.</td>
</tr>
<tr>
<td></td>
<td>Brake tester, 15%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Power dynamometers, 20%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shock absorber testers, 20%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emission tester, 1%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Headlight tester, 0%</td>
<td></td>
</tr>
<tr>
<td>Facoman</td>
<td>-</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Mondial Lift</td>
<td>&lt;7%</td>
<td>Nominal strong, close and good.</td>
</tr>
<tr>
<td>Ravaglioli</td>
<td>Brake testers, 28%</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td></td>
<td>Lifting technology, 10%</td>
<td></td>
</tr>
<tr>
<td>Texo Lift</td>
<td>&lt;7%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>O.M.E.R</td>
<td>&lt;7%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Corghi</td>
<td>Wheel alignment testers, 12%</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td></td>
<td>Wheel balancer tester, 19%</td>
<td></td>
</tr>
<tr>
<td>Werther International</td>
<td>Lifting technology, &lt;7%</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td></td>
<td>and a low rate in the wheel service market</td>
<td></td>
</tr>
<tr>
<td>Snap-on</td>
<td>Brake tester, 17% and a low market share in the other products market.</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td>Beissbart</td>
<td>Brake testers, 9%</td>
<td>Strong, distance and good.</td>
</tr>
<tr>
<td></td>
<td>Wheel alignment testers, 15%</td>
<td></td>
</tr>
<tr>
<td>Cartec</td>
<td>Brake testers, 17%</td>
<td>Strong distance and good.</td>
</tr>
<tr>
<td>Bapro</td>
<td>-</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Simpesfaip</td>
<td>Brake testers, 7%</td>
<td>Nominal weak, close and good.</td>
</tr>
<tr>
<td></td>
<td>Wheel alignment testers, 9%</td>
<td></td>
</tr>
<tr>
<td>Motorscan</td>
<td>-</td>
<td>Weak, close and good.</td>
</tr>
<tr>
<td>Other competitors</td>
<td>Brake tester, 6%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel alignment, 31%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wheel balancer, 21%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lifting technology, 7%</td>
<td></td>
</tr>
</tbody>
</table>

Figure 6.14: Results of competitors’ market share in Italy

The table shows that the size of competitors in the Italian market is spread. Some competitors have a large market share in some specialty products, and in other products have they a low market share. The table shows that the competitors in the Italian market are specialized into products.
7 Analysis

This chapter presents the analysis of the result in chapter 6 by using the theory in chapter three and the aim.

7.1 Analysis of Japan

The following sections analysis the Japanese vehicle testing equipment market.

7.1.1 Analysis of the market structure in Japan

The Japanese market is a small geographical market, but with a very strong buying power. Japanese companies and customers are consuming a large quantity of products and the pressure for quality of the products is very high. The high consuming depends on the high population in the small geographical country and the high-technological level. Japan need to have a high control of the vehicles safety because of the high quantity of vehicles on the roads. In Japan there is a governmental pressure for reducing accidents by increased security of all vehicles.

Vehicle repair and testing facilities market

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>Total amount of car repair facilities stations</th>
<th>Total amount of truck repair facilities stations</th>
<th>Cars</th>
<th>Trucks</th>
<th>Total amount of vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>127 Million</td>
<td>80247</td>
<td>8763</td>
<td>46.87 Million</td>
<td>20.22 Million</td>
<td>72.03 Million</td>
</tr>
</tbody>
</table>

Figure 7.1: Summary table of vehicles and vehicle repair facilities stations

The majority of car repair facilities belong to Japanese car manufacturers and as well private vehicle repair stations. The high number of Japanese car repair facilities stations depends on that these are the most popular cars in Japan. The total number of car repair facilities is high in Japan depends on that for example Toyota cars cannot be repaired in Nissan repair stations. In small cities is there a demand for many repair facilities stations, despite the size of the city. The low number of trucks in Japan depends on the small geographical area.
7.1.4 SWOT-analysis for Japan
This chapter shows the SWOT-analysis for MAHA in Japan.

<table>
<thead>
<tr>
<th><strong>Strength</strong></th>
<th><strong>Weaknesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Offers a complete solution for vehicle repair facilities stations, MAHA has a large spectrum of products</td>
<td>• MAHA has just one representative in Japan</td>
</tr>
<tr>
<td>• Good reputation</td>
<td>• Low capacity</td>
</tr>
<tr>
<td>• High quality products</td>
<td>• Most communication is done with Email</td>
</tr>
<tr>
<td>• High technology products</td>
<td>• Delivery delays</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Opportunities</strong></th>
<th><strong>Threats</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Cooperation with Bosch</td>
<td>• Chinese competitors</td>
</tr>
<tr>
<td>• MAHA’s high technical products have good possibilities in Japan</td>
<td>• Governmental rules</td>
</tr>
<tr>
<td>• The market is changing quickly</td>
<td>• Japan do not want to have foreign competitors in the market</td>
</tr>
</tbody>
</table>

Summary of the SWOT-analysis
The SWOT-analysis for Japan shows that the market is in a mature stage. Japan is a very hard market to establish a business for MAHA. To succeed in Japan an enormous improvement of its weaknesses need to be done, as well as to translate all threats to opportunities. This will cost a lot. For MAHA the best way to go is to have a niche product in Japan or to cooperate with established distributors.

7.1.2 Analysis of the five competitive forces
The five competitive forces
Japan is an attractive market in terms of profitability, due to the high volume of products it requires. It is potentially profitable not only for companies with a large market share, but also for small companies, which are also able to sell high volume at good profits. The factors that affect companies’ profits in the Japanese market are (1) the number of competitors; (2) transport costs; (3) capital requirements; and (4) the rate and cost of development of new products. MAHA’s present condition in Japan is almost non-existent. MAHA’s position depends on that it has not got all information in Japanese, has not got enough knowledge in the market and has not got enough with resources. Please see chapter 8 Conclusions for MAHA’s improvements.

New entrants
At the moment, most new entrants in the Japanese market are Chinese companies. Chinese companies have possibilities to go beyond problems that attempts with new entrants and they can afford a large-scale production because they do not have any developing costs, because the products are copy from Japanese companies, which results in that their standards also helps the Chinese companies. Chinese products can as well find good distribution channels in Japan because of their geographical proximity. Chinese products were not an option for Japanese vehicle repair facilities ten years ago, but today the Chinese manufacturers have improved their products quality as well as effort marketing in Japan. Other new entrants come from European companies which want to be a part of the Japanese market. These companies may be a threat if they have one of the leading positions in Europe and the right resources.
Japan is a market with high entry barriers and high exit barriers. The entry barriers are high because operating in the market demands a great deal of efforts of the competitors. The market demands high-tech products, high quality, flexibility of the product design and good service. The profitability of the Japanese market can make competitors reluctant to abandon their distributor in Japan. Problems encountered upon exiting the Japanese market may include the fact that products that are done after Japanese specifications, money spent on advertising in Japanese that cannot be used somewhere else and the waste of resources (in form of money and time) the company has invested in the market.

**Competitors**

Companies in the Japanese market compete on service, product quality and advertising. The advertising includes exhibitions, articles and ads in branch magazines, pamphlets, telephone calls and personal visits. Japan has a large number of competitors, each with a relative low market share. The five leading competitors are large Japanese companies. The other competitors are smaller Japanese companies and companies from elsewhere around the world. That these companies cannot increase their market share depends on the very brand loyalty as well as because the leading companies offers better service and are more well-known (better reputation) in Japan. Japanese consumer demand is high, and the market growing. Japan is a high volume market as well as an attractive market.

**Compensations products**

There are no compensations products for vehicle repair facilities equipment in Japan. There are different variations of products, for example new lifting solutions, but no compensations products. The lifts which are developed are not so good so that they can replace the other lifting equipment.

**Customers**

The customers in the Japanese market are not organized customers, which mean that they have different demands. The differences between the customers depend on their manufacturers’ culture, the unwillingness to change products and differences between the products. There are high costs associated with switching products in vehicle repair facilities because there will be different dimensions, software, functions and safety features between the manufacturers equipment.

**Suppliers**

In the Japanese market is it both large and small suppliers. The large suppliers taken together offer a broad spectrum of products for a variety of different purposes. The Japanese suppliers offer testing equipment as well as washing equipment.

**Analysis of the five competitive forces**

The analysis of the five competitive forces it that Japan is an attractive and hard market. The most important factors which make the Japanese market attractive and hard are the unwillingness from the customers to change brand. The cooperation between the large companies and customers are strong, as well as the service is the best one from the large competitors. The customers’ unwillingness to change manufactures depends on the long cooperation the customers have with the manufactures. Changing vehicle testing equipment results in a lot of invested time with the new manufactures, which costs a lot and the Japanese vehicle repair facilities stations does not have that time. Another factor of unwillingness to change Japanese manufactures to foreign manufactures is the risks. The risks are language mistakes, service, information and not well-known companies. The five forces show that Japan is a very hard market for MAHA to get into.

**7.1.3 Analysis of the P’s**

MAHA’s response with respect to Kotlers’s P’s is as following:

MAHA offers all its all *products* in Japan. MAHA needs to do some differences about its products, because Japan has different standards than Germany, to get a larger market share in Japan. MAHA’s offer its customers long lifetime products, installation and two years guarantee of its products. MAHA does not yet have a strong brand or identity in Japan. The weak brand/identity depends on that MAHA does not have revolutionary products to offer, the marketing have not been done and MAHA has not
stored enough resources in the Japanese market. The price of MAHA’s products is high compared to its competitors. The high prices depend on its high quality, transport costs and high manufacturing costs. MAHA would not sell more products if the products were cheaper, because Japanese customers want sophisticated products and are willing to pay for it. MAHA is able to reduce the lifting technology prices, but the effect of the reducing is a higher price at the other products. MAHA cannot due reduce the lifting technology prices enough to compete in the Japanese lifting technology market. MAHA’s promotion is done through communicates with its customers through the representative in Japan. Its advertising is done with pamphlets and an English homepage. The distribution of MAHA’s products is done through a representative in Japan. The representative sells MAHA’s products directly to the end user. Disadvantage with MAHA Japan is that it is only represented in one place in Japan and is no exhibitor in Japan. MAHA does not have any storage in Japan, the products are transported direct from Germany to the Japanese customers. MAHA’s position is at the moment very weak in the Japanese market depending on the short time MAHA has been present in the market and the hard competition. MAHA has been in the Japanese market for only a short time, and the effects of this lack of experience can be seen in its small market share. The Japanese vehicle repair facilities organizations do only use Japanese products. The cooperation between customers and MAHA is bad because of MAHA’s short time in the market as well as low profile.

Analysis of the P’s
The P’s shows why MAHA has a very small market share in Japan. The P’s are very weak for MAHA depending on its low capacity in Japan and the short time of establishment there. MAHA cannot fulfill the P’s, which is the reason why it is not successful in the Japanese market.

7.1.5 Analysis of the competitors in Japan
The Japanese market has a high number of competitors. Due the competitors, the Japanese market is very trying and a hard market for foreign companies to establish their businesses in.

The result of the two different competitors groups is that it is very difficult for companies to establish their businesses in Japan. The exception is Chinese companies which can compete with very cheap products. Other companies which have established their businesses in Japan are foreign companies which have better quality or technical standards than Japanese companies.

Banzai has the leading position in Japan, and the other companies in the dominating group have a challenger position. In the group of small competitors, the position is a niche-position because they do just offer some products.

Foreign companies have difficulties to win market shares in Japan because that they do not offer the same high technical level. They can either be as flexible as Japanese companies because of the long distances between their home market and the Japanese market.

Summary of the competitors analysis in Japan
The summery of the competitors in Japan is that it is a very hard market to enter for foreign companies. This depends on the dominating companies, the high technical level in and the strong culture. The Chinese competitors are growing in the Japanese market and will continue to improve their quality and technical level on the products.

The Japanese market is a mature market. To win market shares in the Japanese market, the competitors need to take market shares from each other. The ways which are used to take market shares in Japan are: to introduce new products in the market; improve service conditions; cooperation with competitors against competitors; and to visit customers and show the own companies products.
7.1.6 Analysis of the marketing activities in Japan

On the exhibitions is the manufacturer or distributor the exhibitor, depending on the size of the manufacturer.

The marketing methods which are used in the Japanese vehicle repair and testing facilities equipment market is local marketing and individual marketing. Local marketing is first used to spread new product information which to the companies’ customers and individual marketing is done thereafter to improve the marketing for the customers which have an interest. The personal marketing is done direct and indirect. It is direct marketing between the manufacturers and distributors (B2B) and between the distributor and customer is it (B2C). When the customer reaches marketing from the manufacturer it is indirect marketing because it goes through the distributor. This is common in the vehicle repair and testing facilities equipment market. Local marketing can be done through Email and pamphlets. Internets and Emails advantage in Japan because it is a quick media. Foreign companies use Internet and Email in the communication with Japan to decrease the time differences.

The differences between the large and small companies marketing techniques and personal visits are that the small companies have a higher frequency of the visits. This depends on the fact that larger companies want to make the best use of their uses their reputation, large market share, and well known brand, in addition to other traditional marketing methods. The small competitors need to do a large entrance to get publication and need to visit the customers and potential customers with personal marketing. Small competitors do not use Email as a marketing tool because Japanese customer do not take notice about them.

The best way to marketing products in Japan is to send pamphlets to the vehicle repair facilities stations with information about the products and contact information to the distributor. With this marketing technique the vehicle repair or testing facilities stations can read the information when they have time, and they do not need to be disturbed in their work. All marketing in Japan need to be in Japanese.

The exhibitions are a great way to reach many Japanese customers in a short time. The Japanese exhibitions are most for large companies but some small competitors are also exhibitor in exhibitions. Small competitors are mostly together in exhibitions or through their distributor.

7.2 Analysis of Russia

Following sections shows the analysis of the vehicle repair facilities equipment market in Russia

7.2.1 Analysis of the market structure in Russia

Russia is a large geographical market, with a relative strong buying power in the European part and a weak buying power in the Asian part. The customers in the Russian market demand products for a good price and a high product quality. The Russian market is expanding because of better economy. This leads to investments in the infrastructure.

Vehicle repair and testing facilities equipment market

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>Total amount of car repair facilities stations</th>
<th>Total amount of truck repair facilities stations</th>
<th>Cars</th>
<th>Trucks</th>
<th>Total amount of vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>142.8 million</td>
<td>88842</td>
<td>14790</td>
<td>21.67 million</td>
<td>10.98 million</td>
<td>32.65 million</td>
</tr>
</tbody>
</table>

Figure 7.3: Summary table of vehicles and vehicle repair facilities stations

The high number of car repair facilities stations, depends on that it is a large number of small, private and low capacity stations in the eastern part of Russia. In cities there are larger stations with more
capacity. The small number of truck repair facilities stations depends on the same reasons, that the most of them have a very high capacity and other is small in the countryside. Most of the car repair facilities are private stations. The high number of private stations in Russia depends on that many vehicle owners cannot afford to go to the vehicle manufacturers repair facilities.

7.2.4 SWOT-analysis for Russia
In figure 7.4 is the SWOT-analysis for MAHA in Russia.

<table>
<thead>
<tr>
<th>Strength</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Subsidiary in the Russian market</td>
<td>• Distributors serve existing customers adequately</td>
</tr>
<tr>
<td>• Language and culture knowledge</td>
<td>• Expensive products</td>
</tr>
<tr>
<td>• Much experiences</td>
<td>• Delivery delays</td>
</tr>
<tr>
<td>• Large geographical spread of the distributors</td>
<td></td>
</tr>
<tr>
<td>• High quality products</td>
<td></td>
</tr>
<tr>
<td>• Russian marketing</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Silk road</td>
<td>• Chinese copied products</td>
</tr>
<tr>
<td>• Russia is growing general economic upswing in progress</td>
<td>• The Russian government can change the rules according to which tests that should be done</td>
</tr>
<tr>
<td>• The number of vehicle testing stations is expanding</td>
<td></td>
</tr>
</tbody>
</table>

Figure 7.4: SWOT-analysis for Russia

Summary of the SWOT-analysis
The SWOT-analysis for Russia shows that the market is a speculative business because of the high opportunities the market offer and high level of threats. MAHA’s long establishment in the market is the result of the high market share. The subsidiary in Russia gives advantages in Russian culture, governmental rules, language and communication with distributors and customers. The Silk road will result in a lot of opportunities for the market. The largest threat in Russia is that V. Putin will change the governmental rules and close the country for import. MAHA has a good market position in Russia, and to improve the position, it needs to work with its weaknesses.

7.2.2 Analysis of the five competitive forces
The five competitive forces
Russia is an attractive market in profitable factors for the reason of the large geographical county. Other factors which make the Russian market attractive are the developing possibilities, number of vehicles, market growing factors and the governmental vehicle testing organizations new structure. The factors which steer the profit in the Russian market are: the transport costs; which destination the products should be delivered to; choice of delivery; customs relationship; service; and marketing. Companies’ market position and how the company can improve its market condition please see chapter 7.3.2 MAHA’s presently presence in Russia.

New entrants
New entrants of the Russian market are done from Chinese companies. Chinese companies have relative cheap transport costs for the reason that they are transporting their equipment through Russia, and there is a low quantity of customs between the manufacturer country and the customer country. Chinese competitors copy products, which help the Chinese companies to entry the Russian market. The Chinese products are selling well in Russia for the reason of the low price. A good price in Russia is more important than the quality. New entrants in Russia are hard. Companies which want to entry the Russian market need to discuss it with the Russian customs understand the governmental rules, the culture and the language.

Competitors
Competitors in the Russian market are maintaining from Europe. The companies are competing with prices, service and product quality as lifetime, capacity and few/no problems. The market for
competitors is an open market in Russia. There is no dominating competitor. The large competitors in Russia use the same distributors and compete with each other by the distributor. The reason of the open market are because that Russia is new market and the European competitors begun with the same conditions (language differences, culture differences, transport costs, customs, governmental regulations and the closeness of Russia).

Customers
Russian customers begin to increase their vehicle repair facilities stations. It is therefore important for competitors in Russia to keep their customers. The customer in Russia is getting stronger. They have more money now than before and with the new governmental regulations about vehicle testing organization(s), the vehicle repair facilities will get more to do to fulfill the rules that are required in Russia. Customers in Russia are not organized customers. They are not bounded to one manufacturer, they can easily change manufacturer.

Compensation products
Compensation products in the Russian market are for example holes in the ground instead of lifting technology and other simpler solutions of the technical products. The compensation products in the Russian market are the compensation products in the European market. The Russian market is after the European market of news and compensations products.

Suppliers
The Russian suppliers are independent from each other and represent five to ten manufactures. The large suppliers have up to twenty distributors in Moscow and St. Petersburg which results in that the competition is large.

Summary of the five competitive forces
The summary of the five competitive forces is that the Russian market is improving and the future looks good. The structure of the market is many foreign competitors with approximately the same size. It is easy to win customers if the company offers quality products to a good price. The Russian suppliers have an important role in the Russian market. The suppliers make it possible for manufacturers to be in the east and west part of Russia at the same time. That the compensation products in Russia are not technical depends on the bad economic Russia have had. The Russian customers are growing, which in a longer time will result in more customers in the market. In a shorter perspective is the result that the existing customers are growing in the size of sold products, customers and geographical area. The five forces shows that MAHA has a good position in the market and can compete with the main competitors. The largest drawback MAHA has is the high prices, but its good quality and reputation is compensating it.

7.2.3 Analysis of the P’s
MAHA Russia’s response at Kotlers’ P’s is as following:

MAHA offers quality *products* in Russia. The products are more expensive than competitors’ products. MAHA’ offers its entire product spectrum, expect the side-slip testers, in the Russian market. MAHA offers installation of its equipment through its distributors. MAHA offers two years quality of its products. MAHA does not yet have a strong brand or identity in Japan. The weak brand/identity depends on that MAHA does not have revolutionary products to offer, the marketing have not been done and MAHA has not stored enough resources in the Japanese market. MAHA has high *prices* of its products in comparison to its competitors. The high costs depend on its high quality, transport costs, guaranties cost and high manufacturing costs in Germany. MAHA’s *promotion* in Russia is the subsidiary MAHA Russia. The subsidiary has fifteen distributors. The distributors are companies which offer customers many different vehicle repair facilities equipment. MAHA Russia’s marketing is done through; distributor; with important customers with MAHA Russia alternative MAHA Germany; pamphlets, newsletters; homepage in Russian; and with exhibitions. MAHA is present in the whole Russia, both in the European part as well as in the Asian part. MAHA has been active in the Russian a long time, which gives its advantages and knowledge about the Russian market.
MAHA’s position in the Russian market is high among importing competitors and Russian competitors. MAHA has twenty employees which work in MAHA Russia and fifteen distributors. MAHA Russia’s knowledge about the Russian market is large. The Russian governmental rules are very complicated and can change quickly. The governmental rules are under control due the MAHA’s Russian subsidiary. MAHA Russia’s contact with MAHA Germany, distributors and end-customers is good. MAHA Russia has the advantages that it can communicate in English and German with MAHA Germany and in Russian with distributors and end-customers.

Summary of Porter’s P’s
Porter’s P’s in Russia shows that MAHA’s good capacity in Russia has given it a large market share. MAHA’s wide spectrum of high quality products has given it a good reputation and its products are well spread over Russia. MAHA’s well reputation comes from its high quality products and long time in the market. The P’s shows that MAHA has a good position in the Russian market, and it fulfills every P. To improve its position in the Russian market, it needs to concentrate on the politics because it is changing fast and to keep the good work it is doing.

7.2.5 Analysis of the competitors in Russia
The Russian market is hard to establish a business in because of the difficult and quick changing governmental rules. The large number of European competitors in Russia depends on the geographical closeness.

To win competitive advantage in the Russian market companies should have a good reputation in Europe. Russian customers survey the European market and want to have the best European competitors in Russia. Other competitive advantages are to have a subsidiary in Russia which can regulate the Russian governmental rules, know the culture and language as well as which distributors that the company should be working with.

There are very few Russian competitors in the Russian vehicle repair and testing market. This depends on that Russian manufacturers do not have enough recourse to develop new products, quality products and to market their products. The European competitors are so large and strong together so it is hard for foreign competitors to compete active in the Russian market. The Silk road will result in more Chinese companies in the Russian market.

Summary of the analysis of the competitors
In the Russian vehicle repair facilities equipment market there are different market leaders depending on products. There are four leading companies, and two to three challenging companies.

7.2.6 Analysis of the marketing activities in Russia
The marketing tools which are used in Russia are individual marketing and local marketing. Local marketing is used in Russia because the European and Eastern part of Russia do not have the same demand of the products. In the European part it is important that the products have high quality and can extend a high intensity and that the company offers a delivery time. In the Eastern part where the intensity is lower factors like price and lifetime is more important. Individual marketing is most used in the European part because of the long distances in the eastern part. The individual marketing most indirect and comes from the distributors. In the eastern part the marketing is mostly impersonal, and they got marketing through written information such as telephone calls, newsletters and pamphlets. It is not an option because of the long distances. Email is not a common marketing tool in the Eastern part of Russia because of the infrastructure.

The most common marketing tools in Russia are exhibitions and personal visits. The reason for why this is so popular is because the Russian customers want to see the products they invest in. Russia has many branch magazines and articles in them gives a good publication from independent sources. The exhibitions in Russia are the largest vehicle repair facilities exhibition in the world. The best marketing method in
The Internet is less popular in the Asian part of Russia, which means that the most marketing of products is done through telephone, letters and pamphlets. Russian has its own rules and communication. Emails or telephones do not work as well as post letters in Russia. Russian companies use personal marketing as well as mass-marketing to show the customers their information.

National and international companies use distributors to sell their products. Distributors have the advantage in that they are flexible, know the Russian rules, speak the language and have possibility to be located and concentrate in different areas in the country.

7.3 Analysis of Italy

Following chapters answers the master thesis questions as well as the aim and purpose.

7.3.1 Analysis of the market structure in Italy

The Italian market is geographical relative small, but has a high density of cars. The difficult and unstructured Italian governmental rules make it hard for foreign competitors to establish their businesses in the market. Italy is divided into two parts because all industries are in the north part and the south part does not have industries.

Vehicle repair facilities equipment market

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
<th>Total amount of car repair facilities stations</th>
<th>Total amount of truck repair facilities stations</th>
<th>Cars</th>
<th>Trucks</th>
<th>Total amount of vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>58.6 Million</td>
<td>122884</td>
<td>27150</td>
<td>34.67 million</td>
<td>4.33 million</td>
<td>50.24 million</td>
</tr>
</tbody>
</table>

The low quantity of trucks in Italy depends on the small geographical area. The transports are short and a lot of transport is done over the sea or with the railway. The high number of vehicles depends on that Italy is a vehicle nation with a lot of vehicle manufacturer. It is European car manufacturers which have the highest number of car repair stations in Italy. This depends on the closeness between European countries.

7.3.4 SWOT-analysis for Italy

Bellow is the SWOT-analysis for MAHA in Italy.

<table>
<thead>
<tr>
<th>Strength</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• MAHA’s strength is the brake testers</td>
<td>• Slowly service</td>
</tr>
<tr>
<td>• High quality</td>
<td>• Distributors do not care about new customers</td>
</tr>
<tr>
<td>• Wide range of products</td>
<td>• High prices</td>
</tr>
<tr>
<td>• Subsidiary and distributors</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Slift products</td>
<td>• Japanese products</td>
</tr>
<tr>
<td>• High demand of the products</td>
<td>• The governmental rules are difficult</td>
</tr>
<tr>
<td>• A growing market</td>
<td>• Italian manufacturers</td>
</tr>
<tr>
<td></td>
<td>• High number of competitors in the market</td>
</tr>
<tr>
<td></td>
<td>• Italian language</td>
</tr>
</tbody>
</table>

Figure 7.5: Summary table of vehicles and vehicle repair facilities stations

Figure 7.6: Figure 7.4: SWOT-analysis for Italy
Summary of the SWOT-analysis
The opportunities and threats in SWOT-analysis for Italy show that the market is a mature business. Because of MAHA’s subsidiary in Italy, it can control many of the threats in the market. The Italian market is a very difficult market, but MAHA’s long time of experiences gives them opportunities. The SWOT-analysis shows that if MAHA want to increase its market share, it should have more strength and its national and international competitors.

7.3.2 Analysis of the five competitive forces
The five competitive forces
Italy is an attractive market in profitable reasons because the size of the market, the many competitors and the high demand the Italian market has. The factors that steer the competitors profit are how specialized the companies are as well as how many distributors, and geographical spectrum.

New entrants
New entrants are done from Asian companies in the Italian market. Chinese competitors are exploiting all over the world, so also in Italy. The largest threat in Italy from Asia is Japanese products with their high technological level. The Italian vehicle repair facilities market is done mostly from European competitors. The mostly entrants in the Italian market are also done from European companies which wants to expand their markets. The entry barriers in Italy are high because of that there are bureaucracy difficulties, high technical standards and high quantity of competitors. The exit barriers in Italy are low. It is easy for companies to quit its businesses if they are not successful.

Competitors
The Italian competitors are many. They are competing with each other with flexible products and through marketing, service, flexibility of the products and product quality. The Italian market is divided through a few competitors, mainly Italian and European competitors. The competitors in Italy which are successful have subsidiaries in Italy and are active in the Italian exhibitions.

Compensation products
There are at the moment no compensation products for vehicle repair facilities equipment in Italy. The computers which can read the cars condition are used in some vehicle repair facilities stations, but the traditional test are still done from the vehicle testing organizations.

Customers
The customers in Italy are vehicle repair facilities stations. The switching costs between brands in Italy are high for the reason that the vehicle repair facilities are used with one sort of equipment, the whole machines needs to be changed and because of different dimensions, software, functions and safety. The Italian customers are not afraid to test new brands. The Italian customers prefer Italian brands and want also to have specialized products which they know what they can rely on. The vehicle repair stations have different brands from different manufacturers.

Suppliers
There are many suppliers in Italy. The reason for that is the high market level which depends on the importance of them. Almost all companies (national and international) use distributors in Italy for the reason that they are much more flexible and better located for a better money sum than if the companies should use their own resources to be located everywhere. Another advantage to have many distributors is that they can concentrate on different customers (in form of geographical areas, levels, brand and size). The differences can be shown in different products and marketing activities.

Summary the five competitive forces
The summary the five competitive forces are that Italy is an attractive market with many competitors. The selling is most done through distributors and the customers are vehicle repair organizations. The Italian vehicle repair stations do not want to change products because of the high costs of the products as well as that the tips of new products should come from the main vehicle repair station. Most of the
equipment is sold from distributors. Italian vehicle repair stations use most Italian equipment. The five forces show that the Italian market is very expensive and demanding.

7.3.3 Analysis of the P’s
MAHA’s response with respect to Kotler’s P’s is as following: MAHA is best succeeding with power dynamometers, brake testers and shock absorber testers in the Italian market. The other product groups are smaller represented in Italy. MAHA’s brand is in Italy associated with quality. MAHA has an expensive price on its products because of the transport costs, the production is in Germany and because of the high quality the company offers. The promotion MAHA uses in Italy are an Italian homepage, Italian pamphlets, exhibitions and a subsidiary in Italy. MAHA is best represented in the north part of Italy. This depends on that the subsidiary is there and because of that the northern part of Italy has the strongest buying power in Italy. Parts of the northern Italy can even speak German. MAHA’s position in the Italian market is low and zero. MAHA has had differences to come into the market because of the many national vehicle repair facilities equipment manufacturers and the hard competition. The bureaucracy in Italy is very complicated. MAHA has advantages to have a subsidiary in Italy which knows the language, rules and can do the complications in short distance. MAHA’s distributors’ communication with end-customers should be improved. There have been misunderstandings and unsatisfied customers.

Summary of Porter’s P’s
Analysis of Porter’s P’s is that MAHA has most succeed in the products which the Italian vehicle testing stations are testing. MAHA has its subsidiary in the northern part of Italy, which is a good position depending on that most of Italian businesses are done there. Porter’s P’s shows that MAHA have some difficulties in Italy, it do not fulfill all the P’s.

7.3.5 Analysis of the competitors in Italy
The Italian market is a hard market because of its high number of national and international manufacturers. There are a high number of offers in the Italian market and the competitors are competing about the customers.

The Italian market has many market leaders depending on that the competitors are specialized in different product groups. Between the large competitors in the different products groups it is small differences.

Competitive advantages in Italy are low transport costs for Italian and European companies as well as to have distributors well spread in the northern part of Italy. To win market shares European companies should offer superior products which Italian companies cannot produce. The Italian companies are then forced to neutralize the advantages the foreign competitors have established.

Summary of the analysis about the competitors in Italy
Italy is a hard market for foreign companies depending on the high number of national manufacturers and the hard economical rules.

7.3.6 Analysis of the marketing activities in Italy
The marketing which are used in Italy is individual marketing and local marketing. Local marketing is done to make differences between the northern and southern part of Italy. The geographical areas have different demand from different products. The individual marketing is done mostly in the northern part of Italy because the customers there is the most important in companies view. The individual marketing is done direct and indirect. Direct personal marketing is done by Italian competitors and indirect personal marketing by foreign competitors.

Telephone marketing, personal visits and exhibitions are the best way of marketing in Italy. Email and Internet are used by some companies, but there are as well some large companies that do not have a homepage. The reason why Italian customers want first a telephone call and then an appointment is because they have very much to do and do not want to be disturbed in the work.
The marketing in Italy should be pointed to the headquarters of the vehicle repair facilities.
8 Conclusions
This chapter includes conclusions for this Master Thesis.

8.1 Conclusions about Japan
Following chapters shows the conclusion for Japan.

8.1.1 In relation to the aim
The Japanese market has a large potential. The customers in Japan prefer to do businesses with Japanese manufacturers. In Japan is the Japanese language very dominant, with a low interest to learn international languages like English (this is related to employees in Japan and not to people on higher positions in companies). The Japanese governmental is working to decrease the road accidents. The marketing activities which are most used in Japan are: exhibitions; personal visits; Japanese pamphlets and Email. The main competitors in Japan are Japanese companies.

The three analysis methods have shown that the Japanese market is a hard market to establish a business in for foreign companies. The difficulties in the market are the high number of competitors, high technical level and that the end-customers in Japan prefer Japanese products.

To succeed in the Japanese market, companies should have Japanese marketing activities, be well represented in the market and offer high technical and flexible products. To win competitive advantage in Japan, companies should look at their close competitors weaknesses and do this factors better. It is important that the competitors in Japan compete against companies in the same group, because of the large differences. Other important for companies are quick service, high quality and information in Japanese.

8.1.2 Suggestions on proposals for MAHA in Japan
The Japanese market is a very interesting market for MAHA, but success in that market will require the dedication of resources to the effort. In spite of the fact that MAHA can hope to increase its market share to only a few percent at most, the profit potential for MAHA would nevertheless be considerable because of the size the Japanese market. Following chapters will show the improvement the author thinks is necessary to increase the market share in Japan.

The author’s suggestions on proposals in Japan for MAHA:

1. Work together with an established distributor.
2. In additional to point number 1, use one niche product which is high technical.

In both cases it is important for MAHA to use good marketing activities.

- Personal visits, to be able to reach new customers (headquarters as well as vehicle repair and testing facilities stations).
- Be a member in Japanese branch organizations (for example Jamta or Jasea), to get publicity.
- Articles in branch magazines, which will reach a large number of potential customers.
- Marketing in Japanese, all marketing tools (homepage, pamphlets, videos and articles) should be translated into Japanese.
- Exhibitions, because of the large size of Japanese exhibitions will MAHA get attention in the exhibitions. MAHA should use large and small exhibitions.
- Specific marketing for vehicle testing organizations, if they buy the products, vehicle repair facilities stations will do it as well.

Final Conclusion Japan:
It will be very difficult for MAHA to have any success without following above-mentioned proposals.
8.2  Conclusions about Russia

Following chapters shows the conclusion for Russia.

8.2.1  In relation to the aim

Russia is in a quick expansive phase. In the European part of Russia it is possible to speak some English, in the Asian part the Russian language is dominant. The Russian government can change the rules quick and is giving Russian companies advantages against foreign companies. The marketing methods in Russia vary between the European part of Russia and the Asian part of Russia. In the European part homepages, Email, personal visits and exhibitions is the most used marketing activities and in the Asian part is telephone calls, pamphlets, exhibitions the most used marketing tools. There is a high volume of European companies in Russia depending on the geographical closeness as well as that Russia cannot afford to develop and produce high technological products.

Three analysis methods show that the Russian market offers a lot of opportunities in the future. The Russian market includes most European companies and the technical level in Russia is low. The largest threat in the Russian market is that the government changes standards so Russian companies can take over the markets.

To succeed in Russia it is important for companies to have knowledge in the Russian culture, traditions, governmental rules and language. This can easiest be done with a subsidiary in Russia. An establishment of a business should be done through Estonia or with help from Russian organizations.

8.2.2  Suggestions on proposals for MAHA in Russia

For foreign companies which want to expand their business to Russia, they need to have knowledge about the language, culture and governmental rules. This knowledge is easiest founded by distributors and branch organizations which speciality is the Russian market. MAHA has a good position in the Russian market. The position cannot be improved in present, but it is important that MAHA keeps up and improves rituals so MAHA can increase its market share when the market increases.

The author’s suggestions on proposals in Russia for MAHA:

- Discuss vehicle safety on the roads with the Russian traffic department as well as the World Traffic Organizations of improvements in the vehicle testing stations.
- Keep improving the cooperation with the distributors.
- Cooperate with the Silk road, which gives the possibilities to sell more truck testing equipment.

In both cases it is important for MAHA to use good marketing activities.

- Translate all pamphlets and manuals into Russian.
- Be a member in exhibitions, not only a part of the distributor. MAHA should try to be a part of exhibitions in the Asian part of Russia. To prefer is large exhibitions in the Asian part for the reason that it collect more customers.
- Observe the market and its changes so that right marketing method can be used.
- Improve the service.

Final Conclusion Russia:
MAHA will have a good opportunity to increase their market shares in Russia if they follow the above-mentioned proposals.

8.3  Conclusions about Italy

Following chapters shows the conclusion for Italy.

8.3.1  In relation to the aim

Italy has a large buying power in the northern parts of the country. This depends on the high number of manufacturers there. In the northern part of Italy English, German and Italian is spoken, in the southern part is only Italian spoken. The culture in Italy is strong and Italian customers prefer to buy
from Italian manufacturers. The competition in Italy is hard, depending on the high number of manufacturers in the north, and as well the foreign companies which want to expand their business to Italy. The Italian government has very complicated bureaucracy which was established to help Italian companies to compete in the market. Italian marketing tools are exhibitions, personal visits, telephone calls and pamphlets.

The three analysis methods have shown that the Italian market has a high number of national and international competitors. International competitors have difficulties to enter the market because of the complicated bureaucracy. National manufacturers are most attractive in Italy and these companies are often specialized in one product group.

To succeed in the Italian market competitors should specialize in one product and speak Italian. The most activities should be done in the northern part of Italy because it is there the Italian buying power is.

8.3.2 Suggestions on proposals for MAHA in Italy

Italy is a market with a lot of potential. The market has a high level of competitors which are all specialized in different product groups. In Italy it is more important to be specialized than have a wide product range.

The author’s suggestions on proposals in Italy for MAHA:

- MAHA should stake its resources on the product groups which are going well in Italy.
- Increase the market share in the truck market in Italy. This should be done through the Italian government.
- Introduce the Slift lifting technology.
- To improve competitors weaknesses.

In both cases it is important for MAHA to use good marketing activities.

- The marketing from the well going products will give marketing to the other product groups.
- MAHA should market its products to the headquarters from vehicle manufacturer.

Final Conclusion Italy:
When these suggestions are fulfilled, MAHA will have a good opportunity to increase its market share in Italy.

Final summary:
This master thesis has shown that the three markets, Japan, Russia and Italy, have a very different structure. To increase MAHA’s market share in the markets, changes in local market investigations and a specific marketing plan for each market should be done. Differences between the markets are economic factors, geographical location, governmental rules, languages, culture, market structure and competition. Without respect to these factors and analysis of established marketing methods, it is almost impossible to reach success in industrial markets business-to-business.

8.4 Future research problems

Future research questions can be:

1. Same research methods but in other countries for example China, India, Germany and Sweden.
2. To investigate markets which do not have vehicle testing stations.
9 References

9.1 Interviews and questionnaire

Japan

- Consulate General Japan München, telephone discussion 2007-07-05
- Endo, S., Corporate PR Manager, Japan, 2007-09-05
- Erdogan, I., Sales assistant export MAHA Haldenwang, 2007-09-22
- Fujii, I., Jetro, Statistical Institute, 2007-07-09
- Fujiwara, T., MLIT Japan, 2007-08-07
- German embassy Tokyo, telephone discussion 2007-07-05
- Honda, telephone discussion, 2007-07-24
- Japan Automotive Service Equipment Association 2007-08-16
- Japanese embassy Berlin, telephone discussion 2007-07-05
- Jetro Stockholm, 2007-08-17
- Kievernagel, M., Manager Porsche Japan, 2007-07-27
- Matsuura, Y., Salesmanager Honda Japan, 2007-07-24
- Mercedes Benz, telephone discussion, 2007-07-26
- Ministry of Economy, Trade and Industry in Japan, 2007-08-17
- Mivamoto, LMVIO (Light Motor Vehicle Inspection Organization), Japan, 2007-08-13
- Miyazaki, T., Executive Director NAVI (National Agency of Vehicle Inspection), Japan, 2007-08-13
- National Agency of Vehicle, 2007-09-11
- Nissan, telephone discussion, 2007-07-25
- Nozaki, K., Reels, Japan, 2007-09-11
- Opel, telephone discussion with the head quarter, 2007-07-25
- Sanematsu, T., Sales section BMW, Japan, 2007-09-05
- Schimpf, W., Manager BMW Japan, 2007-07-24
- Spiridonov, A., Manager MAHA Russia, 2007-09-15
- Suenaga, Y., Jasea (Japan Automotive Service Equipment Association), 2007-08-20
- Trade Statistics of Japan, 2007-08-08
- Tsutsui, Y., Manager MAHA Japan, 2007-09-21
- Volkswagen, telephone discussion, 2007-07-27
- Yamashita, M., Swedishtrade, 2007-09-02

Russia

- Balanovsky, A., Technoalliance, 2007-09-17
- Buyanov, D., manager in Barclay Holding, 2007-09-20
- DAF, telephone discussion, 2007-07-23
- Embassy of Russia, 2007-08-08
- Erdogan, I., Sales assistant export MAHA Haldenwang, 2007-07-29
- Eugenue, W., Mercedes Benz Russia, 2007-09-18
- Kirjanov, E., telephone interview, 2007-09-24
- Lada, telephone discussion, 2007-07-19
- MAN, telephone discussion, 2007-07-23
- Nekhludov, I., VNIIM, 2007-08-31
- Renault trucks, telephone discussion, 2007-07-23
- Russian embassy in Sweden, 2007-07-20
- Sergey, Inter (International Relations Department), Russia, 2007-08-13
- Spridionov, O. Subsidiary manager in MAHA Russia, 2007-10-06
- Spridionov, A., Russian trainee MAHA Germany, 2007-07-30
• State Committee of Russian Federation on Statistics, 2007-10-03
• Taraskin, A., TechnoService, 2007-09-17
• Volvo, telephone discussion, 2007-07-18

Italy
• Audi, telephone discussion, 2007-09-24
• Bernocchi, A., Manager at Inform-Auto, 2007-10-17
• Biondani, M., Sales Manager at Skoda Italy, 2007-09-19
• BMW, telephone discussion, 2007-09-21
• CEMB, Consorzio Export Monza & Brianza, 2007-10-11
• Citroen, telephone discussion, 2007-09-28
• Clemente, D., Daimler Chrysler, 2007-10-22
• Ford, telephone discussion, 2007-10-11
• Haas, R., Sales assistant export MAHA Haldenwang, 2007-09-17
• Honda, telephone discussion, 2007-10-11
• Italian embassy in Sweden, 2007-09-10
• Lada, telephone discussion, 2007-10-02
• Mazda, telephone discussion, 2007-10-01
• Mercedes Benz, telephone discussion, 2007-10-01
• Ministero delle Infrastrutture e dei Trasporti, 2007-10-03
• Pohl, T., Subsidiary manager for Porsche Italy, 2007-10-17
• Porsche, telephone discussion, 2007-09-21
• Renault, telephone discussion, 2007-09-24
• Swedish embassy in Italy, 2007-09-11
• Trentini, L., Italian manager for CITA, 2007-10-07
• Volkswagen, telephone discussion, 2007-10-04
• Volvo, telephone discussion, 2007-10-04
• Werner, C., BMW headquarter marketing manager, 2007-19-05

Other
• Eugler, M., Controller by MAHA, 2007-09-18
• Karlsson, I., Responsible for the vehicle section in Statistics Sweden, 2007-10-17
• Labro, W. Executive Director CITA, 2007-08-01 –> 2007-09-30
• Lindh, A., Bilprovningen Sweden, 2007-07-25
• Magnusson, C., Motormännens riksförbund, 2007-07-17

9.2 Homepages

Japan
• Anzen <www.anzen.co.jp> 2007-09-04
• Audi <www.audi.co.jp> 2007-07-27
• Auswärtiges Amt <www.auswaertiges-amt.de> 2007-10-08
• Automotec <www.automotec.de> 2007-06-27
• Autop <www.autop.de> 2007-08-07
• Banzai <www.banzai.co.jp> 2007-07-30
• Beissbarth <www.beissbarth.com> 2007-08-02
• Bishamon <www.bishamon.co.jp> 2007-08-10
• Cartec <www.cartec-bavaria.de> 2007-08-02
• Chamber <www.chamber.se> 2007-10-08
• Citroen <www.citroen.co.jp> 2007-07-27
• Dynopack <www.dynopack.co.nz> 2007-08-06
• Dynotech <www.dynotechresearch.com> 2007-08-06
• Ford <www.ford.co.jp> 2007-07-27
• Fuji Subaru <www.subaru.jp> 2007-07-27
• German Industry and Business Chamber <www.japan.ahk.de> 2007-08-03
• Honda <www.honda.co.jp> 2007-07-24
• Hunter <www.hunter.com> 2007-08-03
• International Traffic Safety Data and Analysis Group <www.irtad.net> 2007-12-04
• Iyasaka <www.iyasaka.co.jp> 2007-08-07
• Jam <www.jama-english.jp> 2007-08-20
• Jamta <www.jamta.com> 2007-08-20
• Japan porten <www.japanporten.se> 2007-10-17
• Japanese customs <www.customs.go.jp> 2007-07-16
• Kompass <http://de102.kompass.com> 2007-08-02
• MAHA <www.maha.de> 2007-06-20
• MAHA-Aip <www.maha-aip.de> 2007-06-27
• Mazda <www.mazda.co.jp> 2007-07-27
• Melfab <www.melfab.com> 2007-08-06
• Mercedes Benz <www.daimlerchrysler.co.jp> 2007-07-25
• Meti <www.meti.go.jp> 2007-07-02
• Mitsubishi <www.mitsubishi-motors.co.jp> 2007-07-27
• Mlit<www.mlit.go.jp>2007-07-26
• Navi <www.navi.go.jp> 2007-08-07
• Nissan <www.nissan.co.jp> 2007-07-27
• Nussbaum <www.nussbaum-lifts.de> 2007-08-07
• Opel <www.opel.co.jp> 2007-07-25
• Peugeot <www.peugeot.co.jp> 2007-07-25
• Porsche <www.porsche.com> 2007-07-27
• Quattro <www.quattro1994.co.jp> 2007-08-09
• Renault <www.renault.co.jp> 2007-07-27
• Saab <www.saab.co.jp> 2007-07-27
• Sanko <www.sko.co.jp> 2007-08-31
• Slift <www.slift.de> 2007-06-27
• Snap-on <www.snapon-equipment.de> 2007-08-07
• Statistics Sweden <www.scb.se> 2007-07-29
• Swedish customs <www.taric.tullverket.se> 2007-08-02
• Toyota <www.eurostyle.azerin.com> 2007-07-27
• Toyota <www.toyota.co.jp> 2007-07-27
• Valuce changer <www.oanda.com/converter/classic> (2007-08-22, at 13.50 o’clock)
• Volkswagen <www.volkswagen.co.jp> 2007-07-27

Russia
• Audi <www.audi.ru> 2007-07-19
• Barclay Holding <www.barclay.ru> 2007-09-03
• Beissbart <www.beissbart.com> 2007-08-02
• BMW <www.bmw.ru> 2007-07-24
• Cartec <www.cartec-bavaria.de> 2007-08-02
• Citroen <www.citroen.ru> 2007-07-19
• Daewoo <www.daewoo.ru> 2007-07-19
• Daewoo-Avia <www.autobetray.ru> 2007-07-19
• DAF <www.daf.com> 2007-07-23
• Exhibitions calendar <www.auma.de> 2007-08-06
• Ford <www.ford.ru> 2007-07-19
• Hofmann <www.hoffmann-group.com> 2007-08-03
• Honda <www.hondamotor.ru> 2007-07-19
• Hunter <www.weightsaver.com> 2007-07-30
• Industrial machinery tools corporation <www.imte-jupiter.com/inspec.htm> 2007-08-08
• Iveco <www.iveco.ru> 2007-07-23
• JAB & Becker <www.jab-becker.de> 2007-07-26
• Kia <www.kia-center.ru> 2007-07-19
• Kompass <www.kompass.com> 2007-08-02
• Lada <www.lada-auto.ru> 2007-07-19
• Leo, Impact consulting <www.leo-impact-consulting.de> 2007-08-06
• MAHA Russia <www.maha.ru> 2007-08-02
• MAN <www.dm-man.ru> 2007-07-23
• Mercedes Benz <www.mercedes-benz.ru> 2007-07-25
• Ministry of the Interior of Russia <www.eng.mvdrf.ru> 2007-08-08
• Mitsubishi <www.mitsubishi-motors.ru> 2007-07-19
• Moscow International Motorshow <www.motorshows-ite.com> 2007-08-06
• Nissan <www.club-nissan.ru> 2007-07-19
• Nussbaum <www.nussbaum-lifts.de> 2007-07-30
• Opel <www.carsguru.ru> 2007-07-19
• Peugeot <www.peugeot.ru> 2007-07-19
• Porsche <www.porsche.ru> 2007-07-19
• Ravaglioli <www.ravaglioli.com> 2007-07-26
• Remount Auto <www.remontauto.ru> 2007-08-08
• Renault <www.renault.ru> 2007-07-19
• Renault trucks <www.renault-trucks.ru>
• Russia map <www.map-of-russia.org> 2007-07-25
• Saab <www.saab.com> 2007-07-19
• Scania <www.scania.ru> 2007-07-19
• Seat <www.seat.com> 2007-07-19
• Sherpa <www.sherpa.de> 2007-08-01
• Silkway map <www.seat61.com> 2007-07-30
• Skoda <www.skoda-avato.ru> 2007-07-23
• Snap-on <www.snapon-equipment.de> 2007-07-26
• Stenhoj <www.stenhoj.dk> 2007-08-01
• Tatra <www.tatra.ru> 2007-07-19
• Technoalliance <www.technoalliance.ru> 2007-08-07
• Toyota <www.toyota.ru> 2007-07-19
• Trade Show <www.biztradeshow.com> 2007-08-06
• Verksted Industri Service <www.visas.no> 2007-08-01
• Volkswagen <www.volkswagen.ru> 2007-07-19
• Volvo <www.volvocars.ru> 2007-07-18
• Volvo trucks <www.volvocom.com> 2007-07-23

Italy
• Automechanika <www.automechanika.it> 2007-10-02
• Automobile Club d’Italia <www.aci.it> 2007-09-21
• Autopromotec <www.autopromotec.it> 2007-10-02
• Bapro <www.bapro.it> 2007-10-02
• Beissbarth <www.beissbarth.com> 2007-08-02
• CAN (National Confederation of Artisans) <www2.cna.it> 2007-09-18
• Cartec <www.cartec-bavaria.de> 2007-08-02

96
9.3 Printed literature


Bacon, T. R. and Pugh, D. G., What the smartest, most successful companies do differently to win in the B2B arena, AMACON, April 2004


Bruhn, M. (2005), Unternehmens- und Marketing kommunikation, Handbuch für ein integriertes Kommunikationsmanagement, Franz Vahlen München, 2005


Hagemann, G. (2003), Methodenhandbuch Unternehmensentwicklung, Dr. Th. Gabler/GWV Fachverlage GmbH Wiesbaden, 2003

• Official Production Program, MAHA’s pricelist.

9.4 Printed articles
• Anonymous, *Nissan, explored better timing at junctions to boast road safety*, volume 20 nr. 6, 2007
• Cipollo, P. and Domencio J., *Bottlenecks and limits to growth a multisectoral analysis of Italian industry*, Elserier Science Volume 23 Nr. 6, 2001
• Downes, L., *Strategy can be deadly, Industry trend or event*, Industry Standard, The, May 2001
• Henricks, M., *Analysis this: new or trendy is not an updated analysis of your strengths, weaknesses, opportunities and threats may be just the check-up your business needs*, Entrepreneur, June 1999
• Truett, L.J. and Truett, D.B., *The demand for imports in Italy, a production analyze*, JAI Nr. 4 Volume11, 2002
10 Appendix

10.1 Detailed information about the competitors in Japan
The actors that are competing in the Japanese market are presented in this chapter.

10.1.1 MAHA Japan
MAHA has in two years been in the Japanese market and has one representative in Kitakyshu, Japan. The representative work is to represent MAHA’s products, find new customers and market the products. When the representative has found customers he gets all information from the head office in Haldenwang, Germany. MAHA has chosen this alternative for the reason that it want somebody to be in the market that can the language, traditions and are present in Japan. Another reason is that it is easier to get information about the market with a person there, instead of if all information should be handled from Haldenwang, Germany. MAHA has begun cooperation with Bosch at the Japanese market. It is a way get into the market, establish its brand as well as it works like a model for other countries. When the cooperation between MAHA and Bosch works in Japan they will try the same concept in other non-conquer countries. MAHA did not have problems to enter the Japanese market because of that it has high quality at their products.

The five last years has MAHA exported following quantity of products to Japan.

<table>
<thead>
<tr>
<th>Products</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007 (20/7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brake testers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Shock absorber testers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Power dynamometers</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Emission testers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lifting technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Side-slip</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 10.1: Sales of products to Japan

Products
MAHA offers the test lanes system Eurosystem at the Japanese market. Eurosystem includes side-slip test, speedometer test, shock absorber test, brake test and headlight test. Test lanes are a complete solution for vehicle repair facilities and include all the tests that are necessary to investigate a vehicles’ conditions. Japan is a big business for power dynamometers, for the reason that tuning is popular. MAHA has begun cooperation with Bosch for dynamometers with Bosch, as well as with the brake systems.

MAHA´s products that they offers in Japan:
- Brake testers, 150 product variations
- Lifts, 65 product variations
- Shock absorber testers, 8 product variations
- Headlight testers, 5 product variations
- Power dynamometers, 12 product variations
- Side slip testers, 8 product variations

Employees
The present in Japan takes care of the customers but has also got help from the head office in Germany.

---

155 MAHA´s salesnumbers from Matthias Eugler, controller at MAHA
156 Safety Test Lane for Cars and Vans; model EUROSYSTEM
157 MAHA´s product brouchure.
Marketing tools
The marketing tools that MAHA uses at the Japanese market are brochures’ in Japanese and the Japanese represent visits the customers and offers them solutions for its vehicle repair facilities alternative vehicle testing organizations. All MAHA’s products are markets at the same time and at the same way. The MAHA represent has had an education at MAHA in Haldenwang, Germany where he learned how the products work. This is an advantage so that he can sale and offer the customers the right products. Five Bosch-employees have also had education in Germany, so that they can educate final customers. MAHA is not active at any exhibition in Japan.

Customers
Customers for MAHA in the brake system at the Japanese market are workshops, which includes cars, motorcycles, trucks and agriculture. MAHA’s customers at the Japanese market for the dynamometers are workshops for cars, motorcycles, trucks and agriculture. Bosch is at the moment the largest customer for MAHA in Japan.

10.1.2 Cartec
Cartec is a German company founded in 1972, and is a subsidiary of the Snap-on group. Snap-on is a large company that offers automotive tools as well as many other kinds. This has been an established working relationship for over 30 years. Cartec is involved principally in the manufacture of testing and diagnostics technology for cars and trucks. BMW and Daimler Chrystler are among Cartec’s customers.

Products
Cartec offers following products; Brake testers and test lanes (30 different products)
Chassis dynamometers (9 different products)
Emission testers (3 different products)
Headlight testers (4 different products)

Employees
Cartec currently has a total 135 of employees and it has no distributor in Japan.

Marketing tools
Cartec’s homepage is in German only, and its brochures are in English, German, Russian, Spanish and Italian. Cartec’s marketing in Japan is done through the Snap-on group.

10.1.3 Beissbarth
Beissbarth is since April 2, 2007 a part of the Bosch-group. Bosch has bought the Italian part of Beissbarth. The Beissbarth cooperation with Bosch is differs from Bosch cooperation with MAHA, because Beissbarth is a separate part of Bosch.

Products
Beissbart offers vehicle measure equipment such as:
Brake testers
Test lanes
Wheel alignment
Dynamometers
Air condition servicing equipment
Lifting technologies
Employees
Beissbart is represented by Banzai in Japan.\footnote{www.beissbarth.com/tryit/index.php?ID=8&LG=D&SUB1=77&CS=2 2007-09-06}

Marketing tools
Beissbart sells its products’ to Banzai which then takes responsibility for marketing.

10.1.4 Snap-on Tools Japan K.K.
Snap-on is a company which cooperates with Cartec, Hofmann and John Beam. Snap-on was founded 1920 in US. Snap-on has local offices in Japan, which use the name Snap-on Tools Japan K.K.. It had a turnover of 53 000 040 000 000 Japanese Yen in 2006. Customers of Snap-on Tools Japan K.K. include Japan Airlines, Nippon Air Ways, Mitsubishi Heavy Industry, Toshiba, Sony, Honda Motors, Tokyo Metropolitan Police Department, and National Fire Prevention.\footnote{www.snapon.co.jp/company/group.html#dairi01 2007-08-07}

Products
The product groups that Snap-on offers come from the company Hofmann and include wheel alignment equipment, wheel mounting equipment, lifting technology, brake testers, power dynamometers, test lanes, vehicle motor measurements and accessories for the foregoing items. The product groups that come from John Bean are vehicle motor measurements, wheel alignments equipment, wheel montage equipment and lifting technology.\footnote{www.snapon-equipment.de/de/Catalog/products.asp?PID=9&GID=11&ID=11&Brand=JBEG 2007-08-07}

Employees
Snap-on Tools Japan K.K. has 138 employees in Japan and 271 distributors which sells Snap-on Tools Japan K.K.

Marketing tools
Neither John Bean nor Hofmann has plans to be exhibitors at the Japanese market. Snap-on Tools Japan K.K. has its homepage in Japanese.\footnote{www.i02.smp.ne.jp/u/snap-on/hr/index.html 2007-08-27}

10.1.5 Nussbaum
Nussbaum began production in 1975. It is producing every part for its equipment at itself, it does not use any outsourcing. Over 70\% of Nussbaum’s total production volume is exported.\footnote{www.nussbaum-lifts.de/front_content.php?idcat=57 2007-08-07} Initially, Nussbaum produced only lifting technology, but in 2001 it began expanding its offerings and today it offers a complete line of vehicle repair facilities equipment. In addition to lifting technology and other equipment for working on cars and trucks, Nussbaum also offer similar products for maintenance of railroad rolling stock.\footnote{www.nussbaum-lifts.de/front_content.php?idcat=265 2007-08-07} Nussbaum’s strength is the good position it has in Italy and its weakness is the expensive products.\footnote{Frost & Sullivan, 2007, p. 527}

Products
Nussbaum offers a wide variety of products, including hydraulic power lifts which feature safety star technology which means that the vehicle is secured. The Nussbaum group does the brake testers and wheel changer as well. Nussbaum produces different equipment for different subjects, it has special solutions for test organizations and special equipment for vehicle repair facilities. The products that Nussbaum offers are:\footnote{www.nussbaum-lifts.de/front_content.php?idcat=42 2007-08-07}

- 2 post lifts
- 4-post lifts

\footnote{Jasea is a Japanese organization for Automobile equipment.}
\footnote{www.nussbaum-lifts.de/front_content.php?idcat=57 2007-08-07}
\footnote{www.nussbaum-lifts.de/front_content.php?idcat=265 2007-08-07}
\footnote{Frost & Sullivan, 2007, p. 527}
Employees
Nussbaum has an official business partner in Japan. Nussbaum has six manufacturing basis in Germany and more than 900 employees. Nussbaum has the second largest production capacity in Europe.

Marketing tools
The language in the homepage is English, French and Spanish. Nussbaum has a patent in Safety-star-technology. This technique involve all terms of safety with Nussbaum’s products.

10.1.6 Hunter Engineering Company
Hunter designs, manufactures and sells testing equipment for cars and trucks. Hunter was founded 1946 and has since then been a leading company for automotive industry. It owns over 100 patents. Hunter’s customers include Daimler Chrysler’s Chelsea Proving Grounds, Ford’s Experimental Vehicles Building, General Motor’s Milford Proving Grounds, VW/Audi’s Auburn Hills headquarters and the U.S. Army. Hunter is headquartered in the USA, in the state of Missouri. It entered the Japanese vehicle repair facilities equipment market 1950 when it entered into a cooperative arrangement with Iyasaka Limited. Today Hunter is the market leader in computerized alignment equipment in Japan.

Products
Hunter offers wheel alignment equipment, wheel balancers, lift racks, tire changers, heavy duty truck equipment, brake lathes and brake testers. Hunter offers nine different lifting technology including scissors lifts, two-pole-lifts, four-pole-lifts and pit jacks. Hunter’s largest product is the wheel balancer. The brake testers that Hunter offers are in form of a plate. Hunter is the only company that offers this product for trucks. Hunter’s most sold product is the wheel alignment.

Employees
Hunter has a cooperative arrangement in Japan with Iyasaka Limited.

Marketing tools
Hunter offers its customers (and students) training in the use of its products, with different classes for different customers. Hunter has their homepage in Chinese, German, Russian, French and English. Hunter has a presence at the Tokyo Motor Show in Japan. Hunter sells its products in France, Great Britain, Venezuela, Japan, Chile, Greece, Mexico, Saudi Arabia, South Korea, China, Panama and

175 www.hunter.com 2007-07-30
176 Interview with Marc Olsen, 2007-07-30
177 Interview with Marc Olsen, 2007-07-30
Israel. Hunter uses an Internet-Shop which is a technique that permit PC-based vehicle diagnostics and repair equipment, shop management software and information servers to communicate freely as one integrated system. With Internet-Shop compatible equipment technicians, service writers and repair shop managers can access all the information needed to conducts automotive repair business directly from local workstations, eliminating the redundancy of re-keying of customer data into separate systems.

10.1.7 Autop Maschinenbau GmbH

Autop was founded 1949 in Germany.

Products
Autop offers following lifts for its customers.

- Solo lifts with one post (4 products)
  A solo lift has just one pole in the ground.
- Eurolift with two posts (1 product)
- Master lift with two posts (7 products)
- Profitilifts with two posts under the flour (4 products)
- Cargolift, with two posts under the flour (2 products)
- Big lift, with four posts (2 products)
- Over flour lifts with two and four posts (6 products)
- Interior (3 products)
- Cleaner equipment (4 products)

Autop also manufactures products that allow workers in manufacturing companies to work standing erect.

Employees
Its subsidiary in Japan is B.T.C. Ltd.

Marketing tools
Autop has no exhibitions in Japan. To market its products to the large public group, Autop uses spectacular photographs. These photographs do not just attract industry people, despite also for private persons. On Autop’s homepage one can see an animated movie describing a vehicle repair facilities station which Autop has constructed. Autop’s products make it possible for vehicle repair facilities customers to observe the whole vehicle investigation. Autop offers installment of its products (including breaking up the vehicle repair facilities flour) in 36 hours. The homepage is available in German and English. Spare parts can be ordered in the homepage.

10.1.8 Dynopack

Dynopack is a part of Melfab Engineering which is a family owned company in New Zealand that produces manufacturing products. Dynopack operates in Asia, Australia and New Zealand. Dynopack has a good reputation at the Internet because of its service is available 24 hours per day and Dynopack is present in the right events.

179 www.hunter.com/pub/internat/index.htm 2007-08-08
181 www.autop.de/de/1-Stempel+Unterflur+Hebeb%C3%BChe_3_3.html 2007-08-07
182 www.autop.de/de/loesungen_industrie.php 2007-08-07
183 www.autop.de/de/vertriebspartner_ausland_23.html 2007-08-07
184 www.autop.de/de/messen_list.php 2007-08-07
185 www.autop.de/de/werkstatt.php 2007-08-07
**Products**
The Dynopack produces machines which make it safe to change wheels at the vehicle. The products can control the balances at the front and back wheel.

Dynopack has nine different products for use on motorcycles, and on vehicles with two-wheel drive, four wheel drive and all-wheel drive.187

Dynopack has created advanced equipment that applies a variable but precise hydraulic load through a constant velocity coupling to the driven wheels of a vehicle. This process is done to simulate the road conditions in a workshop. Dynopack offers a unique hydraulic operation which makes it possible to a quickly and accelerately measure engine and drivetrain performance in both two wheel drive and four wheel drive equipment. Its products attach directly to the wheel hubs. This eliminates problems arising from wheel distortion which can include noise, torque steer, loss of traction, wheel heat and variations in the wheels design. A direct coupling makes it possible to obtain sensitive readings over a wide range of engine speed. The elimination of the wheel roller interface makes the measurements more repeatable and precise. Dynopack claims that its products are easy to use and have low maintenance costs.188

**Employees**
Dynopack has its subsidiary in Tokyo, Japan.189

**Marketing tools**
Dynopack describes its products in its homepage and will build products to customers’ specifications.190

10.1.9 **Sanko**
Sanko has a seven percent share of the automotive testing equipment market in Japan. It has a turnover at 3500 000 000 Japanese Yen and is a member of Japanese Automobile Machine Tool Association.191

**Products**
Sanko offers the following products; side-slip testers, diesel smoke testers, gasoline technologies, wheel alignment equipment, headlight testers, power dynamometers, seven different lifting technology groups and shock absorber testers.

**Employees**
2006 Sanko had 98 employees working in 19 offices in Japan.192

**Marketing tools**
Sanko homepage is in English.193 Sanko takes part in exhibitions in Japan and visits to its customers.

10.1.10 **Banzai**
Banzai is a Japanese company which was founded 1920 and is the leader in the Japanese market. It has its head office in Tokyo. It had 2006 28.5 Billion Japanese Yen in sale and a capital of 559 Billion Japanese Yen. Banzai has cooperative arrangements with Hofmann Gmbh194, and with Bosch.195

---

189 www.dynopack.co.nz/Dealers.htm 2007-08-06
191 www.kksanko.com 2007-09-04
192 www.kksanko.com/base.html 2007-08-31
193 www.skco.co.jp/english/top.htm 2007-09-04
Banzai is the sole manufacturer for all equipment for the “National Agency of Vehicle Inspection” in Japan.196

Products
Banzai’s products include simulation testers, which simultaneously test the actual running status of the vehicle, the condition and the braking performance. Banzai also offers brake testers, speedometer tester, a machine which combines both of them in the same machine, the same solution for motorbikes, a side slip tester, headlight testers, sound level meters, emission testers (for both gasoline and diesel engines), alignment testers, lifting technology (scissors lifts, arms lift and plate lifts) and axle weight testers.197 Banzai has cooperative agreements with Toyota and Car-o-Liner (Swedish company) as well as lutro. Banzai produces the lifts for these companies.198

Employees
Banzai has a total of 393 employees (Mars, 2007).199

Marketing tools
Banzai markets its products with pamphlets, which describe its testing machines as well as having salesmen visit new and established customers. Banzai offers regular product service, technical telephone support line and that service men come and repair the broken part the same day as the customer reports it.

10.1.11 Bishamon Sugiyasu Corporation
Bishamon operates in cooperation with Sugiyasu Corporation. Bishamon was established as a U.S. subsidiary from Sugiyasu Corporation, to serve as a sales arm for the U.S.200 Bishamon manufactures its products in Taiwan. In Japan Bishamon holds a 75% share of the lifting technology market.201 Its products are used in vehicle repair facilities as well in supermarkets for lifting palls with food etc.

Products
Bishamon manufacture’s lifting technology for all kinds of vehicles, as follows:202

- One single-post lift (1 product)
- Two posts lifts (3 products)
- Four posts lifts (4 products)
- Clear flour lifts (4 products)
- Two poles lift (8 products)
- Arm storage pit cover (4 products)
- Double scissors lift (4 products)
- Scissors lift (13 products)
- Seagull lift, just lifting the front part (1 product)
- Mobile lifts (1 product)
- A low lift (1 product)

Employees
The whole Sugiyasu Corporation has 251 to 500 employees.

Marketing tools

196 Telephone discussion, +81 3 53 63 34 44, 2007-07-10
202 www.bishamon.co.jp/contents/en/products/car-lift/use_case/05/index1.html 2007-08-10
Sugiyasu Corporation cultivates new markets at the same time as they expand their existing markets through developing new products and exploring markets overseas.\footnote{203} The homepage is in Japanese and English.

10.1.12 Dynotech
Dynotech’s products make it possible to test hydraulic chassis (type of lift) with or without removing the engine from the vehicle. The products can control the cooling temperature within a tolerance of two degrees F. The principal customers for Dynotech’s products are public testing facilities, amateur and for professional racers, some major corporations, publishers wishing to assess engine performance, tuning and emission.\footnote{204} Dynotech is an American company and has its head quarter in New York.

**Products**
Dynotech produces power dynamometers and hydraulic chassis.

**Employees**
Dynotech has one area manager in Japan.\footnote{205}

**Marketing tools**
The homepage allows the visitors to chat about the products with each other as well as with experts. The homepage shows as well written articles about their researches. And the visitors are allowed to chat about the results. The homepage is in English.

10.1.13 Anzen Motor Car Co., Ltd
Anzen Motor Car Co., Ltd (Anzen) is one of the large competitors in the Japanese automotive equipment market.

**Products**
The product groups Anzen offers its customers are:

- Wheel changers
- Side slip testers
- Car wash equipment
- Lifting technology
- Engine tuning tester
- Brake testers

With Anzen’s products an inspection, which are done in vehicle testing stations, takes only 25 minutes.

**Employees**
Anzen has 165 employees\footnote{206} in its 100 offices in Japan.

**Marketing tools**
Anzen is in a cooperative arrangement with Quattro Alignment Pro Shop, which makes bumpers.\footnote{207} Quattro in turn has agreements to provide bumpers to the largest car manufacturers. Anzen is a member at Tokyo Motor Show, produces pamphlets, and maintains a homepage in Japanese. It also has a sales staff which visits customers.

\footnotelist
\footnoteref{203}{www.bishamon.co.jp/contents/en/company/policy/index.html 2007-08-10}
\footnoteref{204}{www.dynotechresearch.com/about.htm 2007-08-06}
\footnoteref{205}{www.snapon-equipment.net/hofmann/en/About/vertriebexp_h_de.asp 2007-07-30}
\footnoteref{206}{www.anzen.co.jp/jp/industry/profile/gaiyou.html 2007-09-04}
\footnoteref{207}{www.quattro1994.co.jp/frame.htm 2007-08-09}
10.1.14 Iyasaka Limited
Iyasaka is a specialized trading company for products in the automobile inspection and maintenance equipment and has been in the Japanese market since 1944. It offers car washing equipment, emission testers and wheel alignment equipment. Iyasaka is a distributor for Hunter Engineering Company, SICE S.p.A. and Onodani.

Products
Iyasaka offers products for diagnosis and car inspection businesses, workers alignment business, body maintenance businesses, future-oriented car wash businesses and high volume care maintenance businesses. Iyasaka’s products can implement the combination break/speedometer tests, silent-type brake speedometer combination tests, side-slip tests, screen-type headlight tests, image processing type headlight tests, Co2 emission analysis and diesel smoke meter tests. Iyasaka does not manufacture any products itself. Most of the products it offers come from Hunter. The products that Iyasaka offers for trucks are equipment from Hunter.

Employees
The Iyasaka has 250 employees operating from twelve sales offices in Japan.

Marketing channels
Iyasaka offers planning assistance for those opening a vehicle repair facilities station, and its engineers make planning assistance, installment and maintenance. The engineers also install and repair customers’ products. Iyasaka holds ISO-9001 (International Standard for Quality Management), which stands for the international standard for quality management system. The homepage is in English and Japanese.

10.2 Detailed information about the competitors in Russia
This chapter describes the various companies presently competing in the Russian market.

10.2.1 MAHA in the Russian market
MAHA, has been active in the Russian market through a subsidiary for ten years. The subsidiary has sells MAHA’s products to end users. MAHA has chosen to act through a subsidiary because Russia is a very large market, both geographically and in terms of number of customers; the language difference; and the complexities which arise from Russia’s unique laws and regulations relating to customs, imports and other matters.

Products
The products which MAHA offers in Russia include:

- 150 types of brake testers
- 65 different types of lifts
- 8 types of shock absorber testers
- 5 types of headlight testers
- 12 types of power dynamometers
- 8 types of side-slip testers

For MAHA, automotive brake testers constitute the product group with the highest sales (based on quantity of items) in Russia. In second place is shock absorber testing equipment, followed by lifting technology and power dynamometers.

211 www.iyasaka.co.jp/en/concept/index.html#02 2007-08-07
212 Interview with Islam Erdogan, Export assistant at MAHA Germany, 2007-07-25
213 MAHA’s product brochures.
MAHA has following unit sales numbers in Russia:

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007 (20/7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brake testers</td>
<td>50</td>
<td>133</td>
<td>119</td>
<td>183</td>
<td>113</td>
</tr>
<tr>
<td>Shock absorber testers</td>
<td>24</td>
<td>66</td>
<td>73</td>
<td>122</td>
<td>79</td>
</tr>
<tr>
<td>Power dynamometers</td>
<td>8</td>
<td>2</td>
<td>7</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Emission testers</td>
<td>25</td>
<td>49</td>
<td>52</td>
<td>98</td>
<td>69</td>
</tr>
<tr>
<td>Lifting technology</td>
<td>200</td>
<td>340</td>
<td>214</td>
<td>482</td>
<td>553</td>
</tr>
<tr>
<td>Side-slip testers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Headlight testers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 10.2: MAHA’s sold products in Russia the last five years

**Employees**

MAHA Russia has 20 employees. The employees are in constant touch with the head quarters in Haldenwang. MAHA Russia has fifteen distributors which work for them.

**Strengths**

It is to MAHA’s advantage that it is well represented in the Russian market. The employees of MAHA’s subsidiary speak Russian as well as English and German. They know the Russian culture, language, governmental rules and customs regulations. The fact that MAHA has had a presence in Russia for ten years which gives them valuable experience in the market, and its distributors operate in all areas of Russia.

**Weaknesses**

MAHA distributors serve existing customers adequately, but cannot be depended upon to attempt to seek out new ones. Furthermore MAHA’s products are of high quality, and therefore not the least expensive products. The higher prices pose a problem when selling in the Russian market. MAHA also experiences difficult in getting all of the components of its products to the customer in a single delivery. The delivery problem depends on production problems at MAHA Haldenwang.

**Opportunities**

MAHA’s opportunities in the Russian market can be summarized as follows: (1) the Silk road constitutes a ready-made marketing opportunity because of the numerous testing facilities being constructed along it; (2) there is a growing general economic upswing in progress in Russia; (3) the growing number of non-governmental test stations will require large quantities of testing equipment.

**Threats**

The threats in the Russian market are: Chinese copied products; that the governmental changes rules like which tests that should be performed; and computers will take over the tests.

**Marketing tools**

MAHA does not do any direct marketing. All of its marketing is done through its Russian distributors. The representatives visit their existing customers regularly but they make no effort to develop new ones. MAHA has a special Russian homepage in the Internet, and it was an exhibitor at the Automechanika in St. Petersburg 2006. The Russian sales force visits only the customers, they already have. MAHA also uses pamphlets in the Russian language, and provides the instruction manuals for its equipment in Russian. All MAHA’s product groups utilize the same marketing. MAHA was represented in Automechanika Moscow 2006 through its distributor Barclay-Holding. MAHA was also represented in the Moscow International Motor Show 2007. MAHA Russia in the Autotec exhibition 2008 without any distributor.

---

214 MAHA’s Russian sales numbers from Matthias Eugler, sales controller at MAHA 2007-07-25
215 “MAHA’s workshop news” newsletter, No. 26/September 2007
216 Discussion with Mr. Brutscher, Logistic manager, 2007-08-27
Customers
MAHA’s largest customers in the Russian market are Volkswagen Russia, Audi Russia, Mercedes Benz Russia and MAN Russia. Most of MAHA’s Russian customers and distributors work through MAHA Russia, while some of the larger international Russian customers work directly with MAHA Germany.

10.2.2 Cartec
Cartec is a subsidiary to the Snap-on group. It was founded 1972 in Germany. Cartec’s customers include BMW and Daimler Chrysler.

Products
Cartec offers following product groups:

- Brake testers and test lanes (30 different products)
- Chassis dynamometers (9 different products)
- Emission testers (3 different products)
- Headlight testers (4 different products)

Employees
Cartec has a total of 135 employees. Cartec is represented in Russia through Snap-on.

Marketing tools
Cartec’s Internet homepage is in Russian. All other marketing in Russia is done through Snap-on.

10.2.3 Muller Bean SA
Muller Bean SA is a French company.

Products
Muller Bean manufactures brake testers and shock absorber testers. Muller Bean has a new product called the Bilanmatic’s. It is a flexible and simple solution (because of the touch screen) and it can test side-slip, brake testing, turning angle, infra-red Remote Control Boxes with more.

Employees
Muller Bean uses Barclay-Holding as a distributor.

Marketing tools
Muller Bean was represented at the Automechanika Moscow 2006 through its distributor Barclay-Holding. Muller Bean was also represented at the Moscow International Motor Show 2007.

10.2.4 Nussbaum
Nussbaum has produced lifting technology since 1975. Over 70% of its total production is exported. Nussbaum began as a producer of lifting technology, but in 2001 it expanded its product line. Today it offers an entire line of workshop equipment. Nussbaum offers lifting technology not only for cars and trucks, but also for German trains association (Deutsche Bahn).

Products
The products offered by Nussbaum are:

---

217 www.cartec-bavaria.de 2007-08-02
218 http://www.cartec-bavaria.de/Products/products.htm 2007-08-02
219 www.cartec-bavaria.de 2007-08-02
220 http://www.cartec-bavaria.de/Contacts/Sales.htm 2007-08-02
222 www.nussbaum-lifts.de/front_content.php?idcat=57 2007-08-07
223 www.nussbaum-lifts.de/front_content.php?idcat=265 2007-08-07
224 www.nussbaum-lifts.de/front_content.php?idart=42 2007-08-07
Nussbaum produces different equipment for different purposes. It has separate product lines for test organizations and vehicle repair facilities.

**Employees**
Nussbaum has 75 manufacturing employees in Germany, and over 60 international business partners.\(^225\) It is represented in Russia by Barclay Holding.

**Marketing tools**
Nussbaum’s Internet homepage is in English, French and Spanish. Nussbaum was represented in Automechanika Moscow 2006 through its distributor Barclay-Holding, and at the Moscow International Motor Show 2007.

10.2.5 **Hofmann Werkstatt-Technik**
The Hofmann Werkstatt-Technik has been acquired by the Snap-on group so that it can offer more complete vehicle repair facility/ test organization solutions for its customers since 1997.\(^226\) Hofmann has been a competitor in the global vehicle repair facilities market for 75 years. Examples of Hofmann’s most important customers are Michelin, Bridstone, Pirelli and Continental. Hofmann has subsidiaries in Japan, US, Canada and in the Great Britain. 85% of Hofmann’s sells number comes from distributors and the rest is from own selling. Hofmann’s strength is the service network it has.

**Products**
Hofmann offers lifting technology, brake testers, power dynamometers, test lanes and other vehicle measurement equipment.\(^227\) The most successful products Hofmann has are the wheel balancers and tyre changers.

Hofmann offers the following products:\(^228\):
- Wheel balancers (16 different types)
- Tyre changers (14 different types)
- Lifts (18 different types)
- Braking testers /Suspension (4 different types)
- Chassis dynamometers (2 different types)
- Testlanes (10 different types)
- Wheel alignment (10 different types)

---
\(^{225}\) www.project.nussbaum-lifts.de 2007-07-30
\(^{226}\) www.hofman-ge.com 2007-08-03
\(^{227}\) www.snapon-equipment.de/de/ 2007-07-26
Employees
Hoffmann has four subsidiaries and over 74 importers around the world\(^{229}\), with a total of 10 400 employees.\(^{230}\)

Hofmann operates through the following distributors in Russia\(^{231}\):
- Agroma Plus, Kaliningrad
- Asomi, Togliatti
- Avanti, Moscow
- Barclay-Holding, Moscow
- Fast East Distributor, Vladivostok
- PKF Zavoda Garo, Novgorod
- RusAutoTex, Moscow
- JSC Transtechservice, Moscow

Marketing tools
Hofmann's Internet homepage appears in Czech, German, Danish, English, French, Italian, Magyar, Dutch, Norwegian, Polish and Swedish.\(^{232}\) Hofmann offers training programs, in using and understanding its equipment, for its customers and students. Hofmann does not exhibit at the Moscow International Automobile Exhibition\(^{233}\), but was represented in Automechanika Moscow 2006 through its distributor Barclay-Holding. Hofmann was as well representing in the Moscow International Motor Show 2006.

10.2.6 Sherpa
Sherpa is a German company which cooperates with Stenhoj and Autop in an effort to access a larger market and to offer their customers a wider range of products.\(^{234}\) The company was founded in in Mühldorf, Germany, in 1993 by Josef Femböck and Helmut Lachmann.

Sherpa’s customers include Still Wagner GmbH in Reutlingen Germany, EnBW Regional AG in Biberach Germany, Autobahnmeisterei Baunatal in Baunatal Germany and Tüvsüd Autoservice GmbH in Chemnitz Germany.

Products
Sherpa’s products are: \(^{235}\)
- Platform brake testers (10 different types)
- Brake testers (8 different types)
- Shock absorber testers (3 different types)
- Side slip testers (2 different types)
- Lifts (20 different types)
- Side-slip tests (2 different types)

Employees
Sherpa has between 11-20 employees\(^{236}\) and one representative in Russia.

\(^{229}\) www.sanpon-equipment.de/de/About/Hoffmann.asp 2007-07-26
\(^{231}\) http://www.snapon-equipment.net/hofmann/en/About/vertrieb_h_partnerexp.asp 2007-08-02
\(^{232}\) www.hoffmann-group.com 2007-07-19
\(^{233}\) www.sanpon-equipment.net/hofmann/en/News/Messetermine_h.asp 2007-07-30
\(^{234}\) www.sherpa.de 2007-08-01
\(^{235}\) www.sherpa.de 2007-07-20
Marketing tools
Sherpa’s Internet homepage is in German, English and Spanish. It provides service tips on the company in PDF-format.

10.2.7 Ravaglioli
Ravaglioli was founded 1958 in Italy and has sold over 250 000 lifts in over 110 countries.\(^{237}\) It has over 28 foreign distributors, but no office in Russia. In Russia Ravaglioli received four Pattern Approval Certificates, which is a proof of good businesses in Russia.\(^ {238}\) Ravaglioli’s customers include Alfa Romeo, Chevrolet, BMW, Chrysler, Citroen, Fiat, GM, Honda, Lancia, Maserati, Mazda, Mercedes, Midas, Nissan, Opel, Peugeot, Renault, Skoda, Smart, Toyota and Vauxhall. Two of Ravaglioli’s strengths are its large market and its wide range of products.

Products
Ravaglioli offers: lifting technology; tire servicing equipment; and vehicle testing equipment. In addition to these products, it offers pallet trucks, transmission jacks, engine stands, rotating engine stands, trolleys and workbenches.\(^ {239}\) Ravaglioli intends its product line primarily for the customer focused on economy.

Employees
Ravaglioli has approximately got 101 to 250 employees.\(^ {240}\) Ravaglioli has hired Technoalliance in Russia to get into the Russian market.

Marketing tools
Ravaglioli has its homepage in English, Italian, French, German and Spanish. Ravaglioli does not show its products on the homepage. Ravaglioli offers a complete solution of vehicle repair facilities.\(^ {241}\)

10.2.8 O.M.A
O.M.A, an Italian company founded in 1967, started with a line of lifting technology. Today it offers a full line of high quality and reliable equipment.

Products
O.M.A offers the following types of products:\(^ {242}\)
- Oil changers
- Headlight alignment equipment
- Brake filling and bleeding devices
- Tire inflation equipment
- Greasing equipment

---

\(^ {236}\) [http://de102.kompass.com/staticSearchPage/index.asp?SearchArt=CN&_Zone=DE&_Keyword=s...2007-08-02
\(^ {238}\) [www.ravaglioli.com/eng/rav_04.php] 2007-08-02
\(^ {239}\) [www.ravaglioli.com/eng/products.php] 2007-08-09
\(^ {240}\) [http://de102.kompass.com/staticSearchPage/index.asp?SearchArt=CN&_Zone=DE&_Keyword=s...2007-08-02
\(^ {241}\) [www.ravaglioli.com/eng/rav_03.php] 2007-09-20
\(^ {242}\) [http://213.178.214.71/promotec/18097319.html#anag] 2007-08-02
• Trolleys for tools
• Trolley jacks
• Cranes and lifting gears
• Wheel mounting and demounting machinery
• Pneumatic lifts for wheel specialists
• Vehicle lifts
• Hydraulic presses
• Bead breakers for wheel changing

Employees
O.M.A has a total of 51 to 100 employees and is represented in Russia by Technoalliance.

Marketing tools
O.M.A’s marketing is done through Technoalliance in Russia. Technoalliance uses marketing tools like exhibitions, personal visits, telephone calls and a homepage in Russian.

10.2.9 Stenhoj
Stenhoj is a Danish company that has produced lifting technology since 1917. The company exports world-wide and has 13 wholly owned subsidiaries and as well two cooperation companies. The cooperation companies are Sherpa Autodiagnostik, which takes care of the testing equipment, Autop that produces lifts. Sherpa and Autop are two manufacturing companies. To offer its customers plate and roller brake testers Stenhoj cooperates with Escon. Stenhoj’s main goal the last years has been to increase their market share in Great Britain.

Products
The products that Stenhoj offers are; automotive lifts, compressors, hydraulic presses, workshop planning and service. 50% of Stenhoj’s selling comes from the 2-post lift, 10% from its scissors lift and 10% from its 4-post lifts. The other 30% comes from its other products.

Employees
Stenhoj employs 700 employees in seven countries. Stenhoj’s distributors in Russia are Technoalliance and Intrade.

Marketing channels
Stenhoj offers annual service, reparations and service contracts for its customers. Sherpa Autodiagnostik offers its test-technique and service to the Stenhoj group (GEMCO Equipment and MSI Ltd.)Sherpa’s homepage is in English.

References
245 [www.stenhoj.dk/Filer/about/about.html 2007-08-01]
246 [www.stenhoj.dk 2007-07-26]
247 [www.visas.no 2007-08-01]
10.2.10 J.A. Becker & Söhne
J.A. Becker & Söhne is a German company that has been in the market for 110 years.\(^{251}\)

**Products**
J.A. Becker & Söhne offers different types of lifting technology. In Russia J.A. Becker and Söhne offers lifts and reserve tools.

**Employees**
J.A. Becker & Söhne has over 140 employees.\(^{252}\) J.A. Becker & Söhne has a represent in Russia, Equinet in Moscow.\(^{253}\)

**Marketing tools**
J.A. Becker & Söhne does not act at any exhibitions in Russia. Its homepage is at German, English and French.\(^{254}\)

10.2.11 Beissbart
Beissbart was founded in 1899. Beissbart cooperates with Bosch. 95% of Beissbart selling quantity comes from the distributors and 5% from its own selling.

**Products**
Beissbart offers a wide product spectrum like\(^{255}\);

- Wheel alignment, 7 types
- Brake testers, 5 types
- Vehicle testing, 2 types
- Wheel changers, 4 types
- Wheel balancers, 4 types
- AC Service Units, 5 types
- Vehicle hoists, 1 type

**Employees**
Beissbart has between 101 and 250 employees.\(^{256}\) Beissbart has two distributors in Russia; Equinet Neva in St. Petersburg and Equinet in Moscow.

**Marketing tools**
Beissbart has its homepage in English and German. Other marketing is done by Equinet in Russia.

10.3 Detailed information about the competitors in Italy
European competitors have mostly got subsidiary in the Italian market.

10.3.1 MAHA Italy
MAHA decided to entry the Italian market because it is close geographical and it was a second step in the internationalization process. MAHA has a subsidiary in Italy. The reason for the subsidiary is of the importance of the Italian market. MAHA’s products are expensive in comparison to Italian

---


competitors’. MAHA does also have a high quality on its products. MAHA has been in the Italian market for ten years.\textsuperscript{257}

**Products**

The most popular products in Italy are the brake testers for trucks and busses. In the second place come the car brake testers. The lifting technology is a smaller market for MAHA than the brake testers. Tuning is not a big hit in Italy. At the moment there are no substitute products for tuning in the Italian market.

MAHA’s products that they offers in Italy;\textsuperscript{258}

- Brake testers, 150 product variations
- Lifts, 65 product variations
- Shock absorber testers, 8 product variations
- Headlight testers, 5 product variations
- Power dynamometers, 12 product variations
- Side slip testers, 8 product variations

MAHA has following sales numbers in Italy:

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007(20/7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brake testers</td>
<td>38</td>
<td>28</td>
<td>22</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>Shock absorber testers</td>
<td>15</td>
<td>7</td>
<td>4</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Power dynamometers</td>
<td>116</td>
<td>13</td>
<td>15</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Emission testers</td>
<td>113</td>
<td>17</td>
<td>1</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Lifting technology</td>
<td>16</td>
<td>25</td>
<td>16</td>
<td>25</td>
<td>62</td>
</tr>
<tr>
<td>Side-slip testers</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Headlight testers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 10.3: MAHA’s sold products in Italy the last five years\textsuperscript{259}

MAHA has following market share in the products\textsuperscript{260}:

- Lifting technology, 1%
- Brake tester, 15%
- Power dynamometers, 20%
- Shock absorber testers, 20%
- Emission tester, 1%
- Headlight tester, 0%

**Employees**

MAHA Italy has four employees in the Italian market, and around 20 distributors.\textsuperscript{261}

**Marketing tools**

The marketing tools which MAHA uses today in the Italian market are pamphlets in Italian, education in Italian (in Germany) of the customers, an Italian homepage\textsuperscript{262} and exhibitions like Automechanica in Italy, Autopromotec and Transportec. Good recommendations from independent sources are as well important. For the reason of MAHA’s good reputation, customers come alone and take contact with MAHA. MAHA has the certificate CE, Omologazioni Case Costruttrici and Omologazioni Italia as

\textsuperscript{257} Discussion with Vezzani, A., 2007-09-19
\textsuperscript{258} www.maha.it 2007-10-02
\textsuperscript{259} MAHA’s Italian sales numbers from Matthias Eugler, sales controller at MAHA 2007-07-25
\textsuperscript{260} Snap-on market research, 2005, 2007-09-24
\textsuperscript{261} Discussion with Vezzani, A., 2007-09-19
\textsuperscript{262} www.maha.it 2007-10-02
certificates in Italy. MAHA sells ways to customer is done 80% through distributors and 20% from itself.

Customers
The most important customers in Italy are Mercedez Bendz Milano and Dolomiti Busses.

10.3.2 Facoman
Facoman is an Italian company which has been in the market for 75 years. Facoman has five certificates: three times Rian; Assoa; Associata; Specialiesta del Risparmio Energetic; and Domotecnia.

Products
Facoman manufactures fuel equipment. Examples of products are: maintenance distribution fuels system; hydraulics tankers; air condition; and solar systems.

Employees
Facoman has 21 to 50 employees in Italy.

Marketing tools
Facoman offers service for its customers and the ISO 9001-2000 certificate. Facoman has the homepage in Italian. Facoman was not an exhibitor at Autopromotec 2007 and Automechanika in Italy.

10.3.3 Mondial Lift
Mondial Lift is a young company, only 20 years old. This gives the strengths of flexibility and efficiency.

Products
Mondial Lift has lifting technology in eight different shapes. Mondial Lift produces only scissors lifts. Mondial Lift has a small market share in the Italian lifting technology market for the reason that it just offer scissors lifts.

Employees
Mondial Lift is located in the eastern part of Italy, 160 km from Rome.

Marketing tools
Mondial Lifts´ homepage in English and Italian. Is a member in the Autopromotec in Bologna and the Automechanika in Rome.

263 www.maha.it/certificati.htm 2007-10-02
264 Frost and Sullivan, 2007, p. 419
265 Discussion with Vezzani, A., 2007-09-19
266 www.facoman.com 2007-09-20
267 www.facoman.com 2007-09-20
269 www.facoman.com 2007-09-20
270 www.mondial-lift.com/england/theme.htm 2007-10-02
271 www.mondial-lift.com 2007-10-02
272 www.mondial-lift.com/england/theme.htm 2007-10-02
10.3.4 Ravaglioli

Ravaglioli is an Italian company which was founded 1958. Ravaglioli’s advantages in the Italian market are that it can the language and has low transport costs. Ravaglioli has offices in France, Germany, Great Britain, Spain and Belgium. Ravaglioli’s strength is: its product range, the strong distributor relations, complete design of vehicle repair stations and prices of its products. Ravaglioli’s weakness is its low product quality and that it sells Chinese products through its name. Ravaglioli is one of the world’s leading manufacturers in vehicle repair equipment. Ravaglioli have 110 export countries (28 in Europe) and sells its products through dealers.

Products

Ravaglioli offers nine different product groups: lifting technology; wheel changer; wheel alignment; and wheel balancers.

Lifting technology includes:
- Two post lifts
- In-ground piston lifts
- Double scissor lifts
- Mid rise lifts
- Motorcycle lifts
- Scissor lifts
- Four post lifts
- Mobile column lifts

Tyre changer:
- Top professional
- Racing
- Automatic
- Semi-automatic
- Bike
- Tyre service accessories

Wheel alignment
- Trucks
- Cars

Wheel balancers
- Professional
- Standard
- Trucks

Brake testers
Play detector testers
Side-slip testers
Suspension testers

Employees
Ravaglioli has totally got 101-250 employees in Italy.

Marketing tools
Have the homepage in English, Italian, French, German and Spanish. Ravaglioli offers complete solution of vehicle repair facilities. Ravaglioli was an exhibitor in the Autopromotec.

---

273 Discussion with Vezzani, A., 2007-09-25
274 www.ravaglioli.com/eng/testlc001.php 2007-09-20
10.3.5 Texo Lift
Texo Lift is a small company.

Products
Produces lifting technology

Employees
-

Marketing
Was a member in the Autopromotec 2007. Texo Lift has not got a homepage. The marketing from Texo Lift are done through telephone calls, personal visits, articles and seminars.

10.3.6 OMCN
OMCN was founded 1958 in Italy. OMCN is represented in over hundred countries.276 OMCN’s strength is its post lifts. OMCN’s weakness is the low product range.

Products
OMCN makes all the manufacturing at itself, from raw material to finished product.277

The products OMCN offers are:278
- Electromechanical 2-post car lifts
- Electro hydraulic 2 post car lift
- Electromechanical 1 post car lift
- Electro hydraulic twin scissor hoists
- Electro hydraulic scissor hoists
- Electro hydraulic 4 post car lift
- Electromechanical 4 post car lift for heavy vehicles
- Hoists for heavy vehicles
- Electro mechanical lifts with independent columns
- Free wheels pneumatic lift and lifting crosspieces
- Heavy vehicles equipment
- Hydraulic bottle jacks
- Motorbike hoists
- Stands
- Electro hydraulic lift with build-in pull bench

Employees
OMCN have 51 to 100 employees in Italy.279

Marketing tools
OMCN has the TÜV certificate.280 The homepage is in German, French, Italian and English.
10.3.7 O.M.E.R
OMER is an Italian company. O.M.E.R has been manufacturing lifts since 1978.\textsuperscript{281} O.M.E.R is a worldwide company. O.M.E.R has high technology in its products and has over 60 international patents. O.M.E.R does not produce any 2-post-lifts for the reason that the Italian market is staturated. O.M.E.R’s strengths are the high technological scissors lifts and the quality of the products. The weaknesses with O.M.E.R’s products are that the products not have high enough quality to compete with German manufactures.\textsuperscript{282}

Production
OMER offers different kind of lifts:
- Lifting platforms for motorcycles (one type)
- Lifting platforms- bodywork contact (eight types)
- Lifting platforms –wheel contact (nine types)
- Two-column lifting platforms (three types)
- Heavy duty lifting platforms (ten types)
- Play detector for cars (four types)
- Play detector for lorry (two types)\textsuperscript{283}

The lifts can lift weight from 500 to 52000 kg.

OMER produces as well parking systems.

Employees
OMER. have 51 to 100 employees in its company.\textsuperscript{284}

Marketing tools
Homepage in Italian, Spanish, English, German and French.\textsuperscript{285} Will be exhibition in Transportec 2007.\textsuperscript{286}

10.3.8 Corghi
Corghi is one of the largest wheels servicing equipment in the world. Corghi has been in the Italian market since 50 years.\textsuperscript{287} Corghi is represented in 140 countries and has subsidiaries in China, Ghana, Greece, Sri Lanka, Canada and Germany.\textsuperscript{288} Corghi is a manufacturer for the Ferrari team, for vehicles repair facilities as well as for the Formel 1 team. Corghi has its fabric in the north Italy. Corghie’s strength is its brand and lobby. Corghi’s weakness is its poor range of other products.

Products
Fourth place lifting technology.

Corghi offers following products:
- Tire changers (28 different types)
- Wheel balancers (16 different types)

\textsuperscript{281} \url{www.omerlift.com/parking-systems/hydraulic-lift.htm} 2007-09-20
\textsuperscript{282} Frost & Sullivan, 2007, p. 521
\textsuperscript{283} \url{www.omerlift.com/files/index.cfm?id_rst=1065} 2007-10-02
\textsuperscript{285} \url{www.omerlift.com/files/index.cfm?id_rst=1001&lingua=en} 2007-10-02
\textsuperscript{286} \url{www.omerlift.com/files/index.cfm?id_rst=1089} 2007-10-02
\textsuperscript{287} \url{www.corghiauto.webprofessional.it/default.php?site&pgid=69} 2007-09-20
\textsuperscript{288} \url{www.corghiauto.webprofessional.it/default.php?site&pgid=69} 2007-09-20
• Wheel alignment (17 different types)
• Lifting equipment (21 different types)
• Testing equipment (7 different types, includes headlight testers)
• Bike line (4 different types)
• Miscellaneous (11 different types)

**Employees**
Corghi has 251 to 500 employees in Italy.²⁸⁹

**Marketing tools**
Corghi has a homepage in Italian and English. One of the largest marketing tools Corghi has is the cooperation with Ferrari. Corghi was an exhibitor in the Autopromotec exhibition.

### 10.3.9 Werther International
Werther International is a dynamic company which has been 30 years in the market. Werther operates in Italy, France, Denmark and Poland. Werther has distributors in almost 150 countries.²⁹⁰

**Products**
Werther offers following products:²⁹¹

- Lifts (9 group of different types)
- Tyre changers (2 group of different types)
- Tyre balancers (2 group of different types)
- A/C recovery unit (5 group of different types)
- Hydraulic cranes
- Hydraulic presses
- Jacks (21 group of different types)
- Transmission jacks and axle stands (11 group of different types)
- Car body shop equipment (19 group of different types)
- Tyre servicing equipment (10 group of different types)
- Industrial wet/dry cleaner
- Headlight setters (5 group of different types)
- Tools holder trolley

**Employees**
Werther has three factories in Italy, with totally 200 employees.

**Marketing tools**
Has the homepage in Italian and English. Werther International was a member in the Autopromotec in Bologna.

### 10.3.10 Snap-on Equipment Srl a Unico Socio
Snap-on is a company which cooperates with Cartec, Hofmann and John Bean. Snap-on was founded 1920 in US. Snap-on’s strength is its high quality and its weakness its sales strategy.²⁹²

**Products**

²⁹² Discussion with Vezzani, A. 2007-09-25
The product groups that Snap-on offers comes from the company Hofmann and includes wheel alignment, montage equipment, lifting technology, brake testers, power dynamometers, test lanes, vehicle measurements and accessories. The product groups that come from John Bean are vehicle measurements, wheel alignments, montage equipment and lifting technology. Snap-on Italy offers equipment from John Bean and Boxer.

**Employees**
Snap-on’s distributor in Italy is Aratek S.A.S. di Musso Danilo & Co. (www.aratek.it)

**Marketing**
Snap-on has a homepage in Italian. Snap-on was an exhibitor in the Autopromotec in Bologna.

### 10.3.11 Beissbart
Beissbart was founded in 1899 in Germany. Beissbart cooperates with Bosch. Beissbart’s strength is its brand and its weaknesses are its price and quality.

**Products**
Fourth place in brake testers and shock absorber system

Beissbart offers a wide product spectrum like;
- Wheel alignment, 7 types
- Brake testers, 5 types
- Vehicle testing, 2 types
- Wheel changers, 4 types
- Wheel balancers, 4 types
- AC Service Units, 5 types
- Vehicle hoists, 1 type

**Employees**
Beissbart has totally between 101 and 250 employees.

**Marketing tools**
Beissbart has its homepage in English and German. Beissbarth was an exhibitor in the Autopromotec in Bologna.

### 10.3.12 Cartec
Cartec is a subsidiary to the Snap-on group. The relationship has been working for over 30 years. They were founded 1972 and is a German company. Customers’ to Cartec are BMW and Daimler Crystler. Cartec’s total turnover was 10-25 million Euro 2006. Cartec is the manufacture of

---

293 www.snapon-equipment.de/de/Catalog/products.asp?PID=9&GID=11&ID=11&Brand=JBEG 2007-08-07
294 Discussion with Vezzani, A. 2007-09-25
297 www.cartec-bavaria.de 2007-08-02
298 http://www.cartec-bavaria.de/Contacts/Sales.htm 2007-08-02
testing and diagnostics technology for cars and trucks. Snap-on is a big company that offers tools for not just cars.

**Products**  
First place in power dynamometers and shock absorber testers

Cartec offers following products\(^{300}\):
- Brake testers and test lanes, 30 different products
- Chassis dynamometers, 9 different products
- Emission testers, 3 different products
- Headlight testers, 4 different products

**Employees**  
Cartec has totally 135 employees\(^{301}\)

**Marketing tools**  
Cartec has their homepage in German, and their brochures are at English, German, Russian, Spanish and Italian. Cartec was an exhibitor in Autopromotec in Bologna.

### 10.3.13 Bapro

Bapro has ten distributors in Europe and the US.

**Products**  
Bapro has three types of product groups\(^{302}\):
- Brake tester for two wheel drive vehicles
- Brake tester for four wheel drive vehicles
- Simulator of road conditions (air-condition and power dynamometers)

**Employees**

**Marketing tools**  
Homepage in Italian, English and French.\(^{303}\) Offers leasing and renting of its products. Even sells its older products.

### 10.3.14 Simpesfaip

Simpesfaip is an Italian supplier which offers a wide spectrum of products for garage equipment.\(^{304}\) Simpesfaip is a fusion between the companies Simpes and Faip. The fusion was done 1995. Simpesfaip has distributors and service centers all over the world. The customers of Simpesfaip are state bodies and vehicle manufacturing firms, with often special plants of applications. Simpesfaip offers a wide spectrum of products. Simpesfaip sells approximately 450 units every year, of these quantity are 360 scissors lifts. The strengths of Simpesfaip are: its good technology; the experience and competence of the team; its good position in the Italian market; and the wide spectrum of products. The weaknesses of Simpesfaip are: it does not have market shares in main markets as Germany and France; and Simpesfaip has broken cooperation’s with companies, which give them a bad reputation. Simpesfaip’s largest customer in Italy is the vehicle manufacturer Fiat.\(^{305}\)

**Products**  
Simpesfaip offers products like:

\(^{300}\) [http://www.cartec-bavaria.de/Products/products.htm](http://www.cartec-bavaria.de/Products/products.htm) 2007-08-02
\(^{301}\) [www.cartec-bavaria.de](http://www.cartec-bavaria.de) 2007-08-02
\(^{302}\) [www.bapro.it/Home.htm](http://www.bapro.it/Home.htm) 2007-10-02
\(^{303}\) [www.bapro.it](http://www.bapro.it) 2007-10-02
\(^{304}\) [www.simpesfaip.it/default.php?site&pgid=71](http://www.simpesfaip.it/default.php?site&pgid=71) 2007-10-05
\(^{305}\) Frost and Sullivan, 2007, p. 509
• Tire changers
• Wheel balancers
• Wheel aligners
• Light lifts
• Scissor lifts
• Brake testing lines
• Testing equipment
• Miscellaneous equipment
• Multi-station testing lines
• End-of-production car testing

**Employees**
Simpesfaip has 51 to 100 employees.\(^{306}\)

**Marketing tools**
Simpesfaip has a homepage in Italian and English.\(^{307}\) Simpesfaip was an exhibitor in Autopromotec in Bologna.

10.3.15 **Motorscan**
Motorscan was founded 1991 in Parma, Italy.

**Products**
- Gas analyzer, five different types
- Smoke meters, two different types
- Head light testers, two different types
- Diagnosis, twelve different types
- Brake tester, two different types
- Power dynamometers (for cars and trucks), three different types

**Employees**
Motorscan has 21 to 50 employees.\(^{308}\)

**Marketing tools**
Motorscan offers service from its agents, points of sale, importers in foreign countries and national presence.\(^{309}\) Motorscan offers as well service through the homepage and through telephone calls. New software for its products is possible to download at the homepage with help from a password. The homepage are done in English, Italian, French, German, Spanish, Russian, Chinese and Portuguese. Motorscan was an exhibitor in the Autopromotec in Bologna.

---


\(^{307}\) [www.simpesfaip.it/default.php?site=EN&PHPSESSID=e4e12d37a915d2b64cd25c971a5618e4 2007-10-05](http://www.simpesfaip.it/default.php?site=EN&PHPSESSID=e4e12d37a915d2b64cd25c971a5618e4 2007-10-05)


10.4 Detailed information about the distributors in Russia

Following chapters shows detailed information about the distributors in Russia.

10.4.1 Technoalliance

The companies that Technoalliance represents in the Russian market are Ravaglioli, HEKA, Gutmann Messtechnik, Spin, Zeca, Comec, Lamco, Headson, Cemont, Tecna, Stenhoj, Alfa, Oma, Omi, Comaria, Aircomp, Atlas Copco, Aircast, Usag-tools, IR-tools, Festool, Ferum, Delvir, Stegoplast, Metron, Nederman and Stanzanitools.310

Products

The products Technoalliance offers are:

- Air and fluid technology
- Air conditions
- Brake testers
- Cylinders
- Drills
- Emission testers
- Garage equipment
- Headlight testers
- Lifting technology
- Repairing tools
- Side-slip testers

Employees

Technoalliance has six offices in Russia.

Marketing tools

Technoalliance’s Internet homepage is just in Russian only. To market its products Technoalliance uses E-mail and its homepage; telephone calls, and personal visits. Ads and articles in specialty magazines and presence at exhibitions are also used. Services offered by Technoalliance include installation of equipment, repair in 48 hours, regular servicing of equipment and support by telephone and E-mail.

10.4.2 Technoservice

Technoservice was founded 1992 and has its headquarters in Moscow.311

Products

Technoservice offers the following products:

- Brake testers
- Emission testers
- Headlight testers
- Lifting technology
- Power dynamometers
- Shock absorber tester
- Side-slip testers

310 www.technoalliance.ru/catalog 2007-08-07
Employees
Technoservice has 101 to 250 employees.

Marketing tools
Technoservice uses marketing tools such as newsletters, E-mail/homepage, telephone calls and personal visits. In Moscow, Technoservice has 48 sales persons who visit its established and new customers. Technoservice offers a training program for its customers, technical support from specialists and repair service in 24 to 46 hours.

10.5 Detailed information about the distributors in Italy
Following chapters shows detailed information about the distributors in Italy.

10.5.1 Pesci Attrezzature
Pesci Attrezzature has been in the Italian market since 29 years. Customers from Pesci Attrezzature are: Scania, Volvo, Mercedes, Iveco, Man, Daf and Renault. Pesci Attrezzature is a company which sells equipment for trucks.

Products
Pesci Attrezzature offers products from Josam, Slift and Balzer. Pesci Attrezzature offers just lifting technology.

Employees
Pesci Attrezzature has one to ten employees.

Marketing tools
Pesci Attrezzature has a training center and a free service telephone number for its customers.

10.5.2 Utensil85
Utensil85 was founded 1985. One of its customer is IVECO in southern Italy. Utensil85 sells products from MAHA Italy, Carole, Pasquin, BrainBee Automotive and CleanMek

Products
- Brake testers from Carole.
- Brake testers, lifting technology, power dynamometers, emission testers, headlight testers, side-slip testers and shock absorbers testers from MAHA.
- Emission testers and brake testers from Brain Bee.
- Hydraulic jacks from Pasquin.

Employees
MAHA Italy, pasguin and Carole use Utensil85 as a distributors in Italy.

Marketing tools
Utensil85 offers technical assistens for its customers with the P.N. Service as a service operator. Utensil85 plans the vehicle repair facilities for its customers. Utensil85’s homepage is in Italian.

312 www.pesciattrezzature.it 2007-10-02
313 www.pesciattrezzature.it/slift.htm 2007-10-02
315 www.pesciattrezzature.it/trainung_center.htm 2007-10-01
316 www.utensil85.it/page5/page5.html 2007-10-02
10.5.3 Motorscan Roma
Motorscan was founded 1991 in Parma, Italy.

Products
The product groups Motorscan offers are:

- Diagnose equipment
- Emission testers
- Headlight testers
- Opazimeter
- Test lanes

Employees
Motorscan has importers in Europe, Asia, Middle East and South America.

Marketing tools
Motorscan’s homepage is in Italian, English, French, German, Spanish, Russian, Chinese and Portuguese. Motorscan offers a training program for its customers as well as technical support over telephone and downloads from the homepage.

10.5.4 Informauto
Informauto was founded 1996 from the Bulli family. Informauto’s customers are vehicle repair facilities, garage makers, vehicle testing stations and concessionaires. Manufacturers which Informauto has are MAHA, Texo, Modolfo Ferro, Technocolor, Bruel and Kiaer, MMB and Giuliano.

Products
Informauto offers following products:

- Aircondition testers
- Brake tester
- Emission tester
- Shock absorber tester
- Tuning

Employees
Informauto has 1-10 employees

Marketing tools
Informauto has its homepage in Italian. At the homepage it is possible to see price tables for its products and description catalogs of the products.

10.6 Methodology
This chapter explains which methods used and the reasons for their use.

10.6.1 Data Collection
The greatest challenge is not the collection of data, but rather knowing how to use it. There are two types of data, secondary and primary data.

---

318 www.motorscan.com/Ing/chisiamo/page_chisiamo.asp 2007-10-17
319 www.motorscan.com/Ing/chisiamo/page_chisiamo.asp 2007-10-17
323 C-A. Engdahl, 2006
Primary data is information that is collected for the first time, generated from original sources. Primary data is specific made for the research questions. In this thesis primary data was collected principally through interviews and questionnaires. The major advantage of primary data is that the information is specific, current and relevant. Disadvantages are the high costs and time associated with the collection of the primary data.

Secondary data is information that already has been collected for other purposes and is available to the researcher. Secondary data gives an overview over the market and competitors. The major advantages of secondary data are the low costs and time associated with its collection. The disadvantage is that it is more general in nature than primary data. Secondary data is collected from the desk-top, via published articles and the Internet.

To collect empirical information from Internet can give advantages. Internet can be used to collect information from companies, organizations and articles. It can as well be used to do questionnaires and interviews electronic. The disadvantage about Internet is the lack reliability. Information should be double-check and come from the main source to be reliable.

The rule is that no primary data should be collected before secondary has have been collected.

10.6.2 Qualitative and quantitative methods

A quality data collection method is a method that is close to the data’s source. The collection of data with the quality method is done by one person. The collection is made by interviews. The interviews include questions, data retrieval and analysis. The critical element of a qualitative research is the interviewer’s competence.

A quantitative data collection method is done through measurements. The measurements can be done through observations, interviews and questionnaires. The steps; questionnaire, data retrieval and analyze is presented in different steps. The critical element is the questionnaire, which is not a complete method.

It is possible to combine the qualitative and quantitative method. It is often useful for the reason that they can complement each other. The combination of the qualitative and quantitative methods increases accuracy and validity. The qualitative method provides insight in to the results of the quantitative inquiry. Primary data may be qualitative or quantitative in nature.

Contact methods are of three different kinds: personal (face-to-face) interviews, telephone interviews and E-mail survey. The E-mail questionnaire is the best way get in contact with people who are not available for interviews. The principal disadvantages with E-mail are that the response rate is low and the response time is high. Telephone interviewing is the fastest method to get the information. The advantage of telephone interviewing is that there is opportunity to explain any questions the respondent does not understand. The personal interview should neither be too long nor too personal. Personal interviewing is the most flexible method because the interviewer can ask follow-up questions as needed.

324 S. Hollensen, 2004, p. 138
325 S. Hollensen, 2004, p. 138
327 S. Hollensen, 2004, p.139
328 S. Hollensen, 2004, p. 144
330 S. Hollensen, 2004, p. 144
331 S. Hollensen, 2004, p. 145
332 S. Hollensen, 2004, p. 148
333 P. Kotler, 2003
10.6.3 Validity, reliability and generalizing

Validity refers to appropriateness, which means that the tests that are done should test precisely what is asked and not irrelevant factors.\textsuperscript{334} To have a high grad of validity means that it is an agreement between the used theory and the operational definition.\textsuperscript{335} There are four types of validity; statistical, construct, external and internal. In this master thesis is the external validity has been used. The results in this master thesis are possible to generalize to other participants, conditions, times and places.\textsuperscript{336}

Case-studies are done in a limited environment and the results of them shows the essential interest in the studied markets.\textsuperscript{337}

Case-studies enhance the generalizability of researches. Case-studies can be used to test the generalizability of the research. The results from a case-study can together be generalized to theories and patterns with references to earlier theory.\textsuperscript{338}

Reliability is the factor which measures the results of the measurement, that it is not random mistakes in the results. In this master thesis the reliability is measured through that the information is double controlled from different sources.

10.7 Investigated products

The vehicle repair facilities and vehicle testing organizations use different equipment depending on: their customers, what should be tested and how it should be tested. Following is a description and explanation of the products this master thesis investigates.

Side-slip test
The side-slip tester measures the vehicles wheel alignment. During this test the one of the wheels rolls and the movement of the plate indicate whether an axle needs a wheel alignment. The test is important if the wheels are tracking safety and/or causing unnecessary tire wear. The vehicle axles can get skew in frontal accidents. There are not regulations in every country that this should be tested at the test organizations, but it is useful for vehicle safety and maintenance screening.

Shock absorber test
The shock absorbers test is a test for the shock absorber on a vehicle. The test can be done in two dimensions or four dimensions. The two dimension model the shock absorber tester moves in two directions and is sensitive to how the car stands at the plate. The four-dimension test the position from the car does not matter and the test can be more exactly done. In the shock absorber tester the frequency response is measured for each wheel. This test is done to see that the shock absorbers are functioning properly. The shock absorber tester should be replaced when they are pitted, bent, broken, there are dented dust shield, serve oil leaking from shock, threadbare or missing bushings and abnormally worn or cupped wheels.\textsuperscript{339} It is necessary to test the shock absorbers because they have influences on the brakes in the vehicle.\textsuperscript{340}

Brake testers
The brakes of vehicles can be tested in four different ways, through road tests, visual inspection, roller brake testers and plate tester system. The roller brake tester works that the rolls is driven by an electric motor and the sensor roller between the rolls. Drive rollers monitors the wheel speed and stops the test when slip of the wheel is detected. When the brakes are applied, the sensor roller and sends data to the computer. It is important to test each side independently so that the sides can be compared.

\textsuperscript{334} A. M. Graziano and M. L. Raulin, 2003, p. 181
\textsuperscript{335} U. Lundahl and P.-H. Skäravad, 1999, p. 150
\textsuperscript{336} A. M. Graziano and M. L. Raulin, 2003, p. 182
\textsuperscript{337} A. M. Graziano and M. L. Raulin, 2003, p. 129
\textsuperscript{338} U. Lundahl and P.-H. Skäravad, 1999, p. 195
\textsuperscript{339} www.hunter.com/pub/undercar/4187I/index.htm 2007-08-03
\textsuperscript{340} Frost & Sullivan, 2007, p. 89
There are two different types of roller brake testers. The first type is the two-wheel-drive brake tester and the second is the four-wheel-drive brake tester. The two-wheel-drive brake tester works that the vehicle stands at tester and the wheels moves in the equal direction. The wheels are moving to a known orbit counter and at that point they brake. At the four-wheel-drive brake tester the rolls rotates in opposite directions. The brake testers for four-wheel-drive have two drive axels that have contact with each other but rotate in different directions. The wheel that is tested is moving in the driving direction and the other wheel is moving backwards.341

![Figure 10.4: Four-wheel brake tester](image)

There is another type of brake tester which is the platform testers. These testers work that the vehicle dives and brakes over the two plates and the plates feel how the link and right brakes work. With the plate tester method two or four steel plates lays at the flour. During the test the vehicle drives 4-8 km/h and then brakes over the plates and the plates measures the braking forces. The plate form testers are not to prefer for the reason that they are not so exactly in their measurements like the roller brake testers.343

**Headlight test**

The headlight test works for cars and trucks, and is a test for the lamps at the vehicles. The test is done with help from a laser to get the right place for the headlight tester. The headlight tester then measures the broken angle from the light. If the light does not break at the right angle because if they do not are they can dazzle the other drivers. The headlight position can change in accidents and they also change their position by themselves.

**Axle plate detector**

At the axle plate detector the vehicle stands at one moving plate. The cars axle plate detector rotates in different angles, but for trucks does it just move forwards, backwards and sideways. The vehicle repair facilities or vehicle testing organizations employee stands under the vehicle and looks for damages at the axle. This is done at the front and back axle.

**Power dynamometers test**

With power dynamometers the vehicle repair facilities and vehicle testing organizations can test if the vehicle has a tuned engine and the vehicles reactions at different speed levels. The power dynamometers’ test begins with that the vehicles front or back wheels stand on a stop between two rolls. The stop sinks under the ground when the vehicle has been standing there for three seconds. To use this power dynamometer, it must be a fan for the reason that normally is it the breeze from the speed that cools the engine. The machine works so that electro magnetically field brakes the rolls when the vehicle drives it on. The sensor is here included in the back roll. The rolls have no friction and rolls easily.


Emission testers
There are two types of emission testers; the diesel smoke meter and 4-/ 5-gas tester. The diesel smoke meter is for cars and trucks and has a laser that measures the intensity of the emission. The product works so that the emission is collected through a pipe from the exhaust pipe to the machine. The diesel measure product sends a laser jet which from one side of the machine and the laser jet is reflected of the other side of the machine. Of the laser jets strength that return can the diesel emissions density be measured. The 4-/ 5-gas tester are for gas cars and measure the mixture between four and five gases. The gas machine has the same connection to the exhaust pipe as the diesel emission tester. The machine measures the mix of four to five gases and gives the result of the size of the parts.

Lifting technology
The manufactures of vehicle repair facilities and vehicle testing organizations equipment offers many different types of lifts. The lifting technology groups are; two post lifts, four post lifts and scissors lift. The two post lift lifts the vehicle up with help from two arms (the arms have each two arms) and is just done for cars. The four posts lifts lift the whole vehicle under the wheels. This is a more stable solution and can also be used for trucks. The scissors lifts lift vehicle like a cross, it exists single and double lifts. In the double scissors lifts the vehicle is lifted with two cross at top of each other. Different lifts are used for different purpose. The scissors lifts are used for vehicle testing organizations for the reason that the lifts can lift and low the vehicles with a high intensity. The high intensity is a result from that the employees’ do not need to do any adjustments or secure, the scissor lift manage that factors. With the scissors lift is it important that the vehicle stands straight at the platforms. At vehicle facilities the two/four pole lifts are the most used products. These lifts can lift the vehicle even if they are not standing straight, and they are cheaper than the scissors lifts. The most important factors for vehicle repair stations about the lifting technology are: the employees’ safety; that the lifts are working fast; the reliability; the ergonomic; and the reduction in service.

10.8 Interview questions for employees at MAHA Haldenwang

Market discussion

Market:
Name of interviewed person:
His/her position at MAHA:
Date:
Time:
Condition: First general questions about MAHA will be asked, and then specific questions for MAHA’s three products; BPS (Bremsenprüfstände), LPS (Dynamometers) and HEB (Hebetechnik).

General questions
1. How long time has MAHA been represented in the market?
2. Why did MAHA decided to enter the market?
3. How is MAHA organized in the market? Contact person?
4. Why did MAHA choose that alternative?
   a. Do other foreign companies have other solutions in their organizations in the market?
5. What is the main social and culture differences between the market and Germany?
6. How is the market’s competitors’ attitude against European/German companies?
   a. Has that changed during MAHA’s presence in the market?

Market questions for BPS
1. Total market for BPS in the market?
   a. Is it a risk for any substitutes at the market?
   b. How is the structure at the BPS-market in the market?

344 Frost & Sullivan, 2007, p. 416
2. How does the future look like for BPS in the market?
   a. Next year? What do you base that on?
   b. In two years? What do you base that on?
   c. In five years? What do you base that on?
3. What is the MAHA’s;
   a. Strength?
   b. Weaknesses?
   c. Opportunities?
   d. Threats?
4. Which marketing tools does the MAHA representative use?

**Competition**
5. Who are the main competitors in the BPS area in the market?
6. What is MAHA’s market share in BPS?
   a. What are the reasons for not being larger?
7. What are the strength/weaknesses of the different competitors?
8. Is it a possibility for new competitors, if yes, from where?

**Customers**
9. Which are MAHA’s main customers in the market?
10. Typical branch?
11. Typical size?
12. Which branches are MAHA active in Japan?
13. How does MAHA’s work with the customer take place?

**Market questions for HEB**
1. Total market for HEB in the market?
   a. Is it a risk for any substitutes at the market?
   b. How is the structure at the HEB-market in the market?
2. How does the future look like for HEB in the market?
   a. Next year? What do you base that on?
   b. In two years? What do you base that on?
   c. In five years? What do you base that on?
3. What is the MAHA’s;
   a. Strength?
   b. Weaknesses?
   c. Opportunities?
   d. Threats?
4. Which marketing tools does the MAHA representative use?

**Competition**
5. Who are the main competitors in the HEB area in the market?
6. What is MAHA’s market share in HEB?
   a. What are the reasons for not being larger?
7. What are the strength/weaknesses of the different competitors?
8. Is it a possibility for new competitors, if yes, from where?

**Customers**
9. Which are MAHA’s main customers in the market?
10. Typical branch?
11. Typical size?
12. Which branches are MAHA active in Japan?
13. How does MAHA’s work with the customer take place?

**Market questions for LPS**
1. Total market for LPS in the market?
   a. Is it a risk for any substitutes at the market?
   b. How is the structure at the LPS-market in the market?
2. How does the future look like for LPS in the market?
   a. Next year? What do you base that on?
   b. In two years? What do you base that on?
   c. In five years? What do you base that on?
3. What is the MAHA’s;
   a. Strength?
   b. Weaknesses?
   c. Opportunities?
   d. Threats?
4. Which marketing tools does the MAHA representative use?

**Competition**
5. Who are the main competitors in the LPS area in the market?
6. What is MAHA’s market share in LPS?
   a. What are the reasons for not being larger?
7. What are the strength/weaknesses of the different competitors?
8. Is it a possibility for new competitors, if yes, from where?

**Customers**
9. Which are MAHA’s main customers in the market?
10. Typical branch?
11. Typical size?
12. Which branches are MAHA active in Japan?
13. How does MAHA’s work with the customer take place?

**Final questions**
1. Do you know any organization that has sales numbers from the market or industry magazines/newsletters?
2. Do you want to add something to this interview?
3. May I come back later to complement the interview?

10.9  **Interview questions for the represents in the market**

**Market discussion**

Market:
Name of interviewed person:
His/her position at MAHA:
Date:
Time:
1. Which customs numbers/codes does… have?
2. Do you have contact information for the customs in the market?

**Market share**
3. How large market share does MAHA have at the lifting technology market?
4. How large market share does MAHA have at the brake systems market?
5. How large market share does MAHA have at the dynamometers technology market?
6. How large market share does MAHA have at the shock absorb systems?

**Branch organizations**
7. What name and contact information does the branch organization for workshop equipment have?
8. How is the structure of the market according to sold products at the markets? Just Japanese companies, just European companies, a mixture of companies in percent?

**Competitors**
9. Which are MAHA’s five main competitors at the brake testers market?
10. Which are MAHA’s five main competitors at the lifting technology market?
11. Which are MAHA’s five main competitors at the dynamometers technology market?
12. Which are MAHA’s five main competitors at the shock absorber testers market?
13. Which are the largest actors at the brake system, lifting technology and dynamometers technology market according to sold products?
14. Additional information?
15. May I come back later to complement the questions?

**10.10 Interview questions for customers in the market**

**Customers questionnaire**

*Company:*
*Interviewed employee’s position and name:*
*Date:*

1. Which of the following equipment does your company use, and how long has your company had these products?

<table>
<thead>
<tr>
<th>Product</th>
<th>Brand (car equipment)</th>
<th>Brand (truck equipment)</th>
<th>Number of years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Side-slip testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shock absorb testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brake testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emission testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifting technology</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Headlight tester</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. How does your company get information about the products? If your company gets information via the distributor, please make your choices in matrix 2a. If your company gets information via the manufacturer, please make your choices in 2b. If your company gets information from both the distributor and manufacturer, please make your choices in both matrices.

1 = always, 2 = often, 3 = sometimes, 4 = couple of times, 5 = one time, 6 = never

<table>
<thead>
<tr>
<th>Matrix 2a</th>
<th>Distributor marketing channels</th>
<th>Side-slip test</th>
<th>Shock absorb test</th>
<th>Brake test</th>
<th>Emission test</th>
<th>Lifting tech.</th>
<th>Headlight test</th>
<th>Power dynamometer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamphlets in the post</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Newsletters</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Email or homepage</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Telephone call</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Personal visit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ads in branch magazines</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Exhibitions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Give away</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Via Independent media</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Articles in branch magazines or via Internet</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Branch organizations annual meetings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Speech at seminar, workshop, conference</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recommendations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Training on technical school</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others:</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Matrix 2b</th>
<th>Manufacturer marketing channels</th>
<th>Side-slip test</th>
<th>Shock absorb test</th>
<th>Brake test</th>
<th>Emission test</th>
<th>Lifting tech.</th>
<th>Headlight test</th>
<th>Power dynamometer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamphlets in the post</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Newsletters</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Email or homepage</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Telephone call</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Personal visit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ads in branch magazines</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Exhibitions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Give away

<table>
<thead>
<tr>
<th>Via Independent media</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Articles in branch magazines or via Internet</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branch organizations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>annual meetings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Speech at seminar, workshop, conference</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recommendations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training on technical school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others: ____________________</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. What do you prefer, marketing from the manufacture or from your distributor? Please make a cross at right alternative.

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Cross</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacture</td>
<td></td>
</tr>
<tr>
<td>Distributor</td>
<td></td>
</tr>
</tbody>
</table>

4. Which marketing does your company value most? Please rank your alternatives after priority where the first alternative is the most important alternative. Alternatives may be chosen from question number 2a.

1. 
2. 
3. 
4. 
5. 

5. Which is your company’s main reason of signing a contract? Please use following scale.

1=very important, 2=important, 3=not important

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product:</strong></td>
<td></td>
</tr>
<tr>
<td>Products physical quality</td>
<td>-</td>
</tr>
<tr>
<td>Products reliability and appearance</td>
<td></td>
</tr>
<tr>
<td>Low power consuming products</td>
<td></td>
</tr>
<tr>
<td>Fast work with the products</td>
<td></td>
</tr>
<tr>
<td>High quality life time</td>
<td></td>
</tr>
<tr>
<td>Products practical possibilities (number of functions, takes small place)</td>
<td></td>
</tr>
<tr>
<td>Products safety</td>
<td></td>
</tr>
<tr>
<td>Worth its price products</td>
<td></td>
</tr>
<tr>
<td>Products simplicity</td>
<td></td>
</tr>
<tr>
<td>Products delivery time</td>
<td></td>
</tr>
<tr>
<td><strong>Service:</strong></td>
<td>-</td>
</tr>
<tr>
<td>Regular information from distributor</td>
<td></td>
</tr>
<tr>
<td>Product sample</td>
<td></td>
</tr>
<tr>
<td>Contract with the distributor</td>
<td></td>
</tr>
<tr>
<td>Price for service and repair</td>
<td></td>
</tr>
<tr>
<td>Consulting with the distributor</td>
<td></td>
</tr>
<tr>
<td>Building a consulting position over a time</td>
<td></td>
</tr>
</tbody>
</table>
### Installation service
Distributor supplies with the right products (offers products for many purposes)
Service in 24 hours
Telephone/mail support
Technical support

**Vehicle repair facilities planning:**
- Products which costs more, but fits better
Total solution
Flexible solution

**Company offers:**
- Good references of the company
- Reduction price at long delivery
- Package price
- Guaranty
- Information in your language
- Education of the customer
- Updating in your software
- Others: ________________________________

6. Additional information?

7. May I come back later to complement the questions?

#### Interview questions for distributors in the market

### Distributors questionnaire

*Company:*

*Interviewed employee’s position and name:*

*Date:*

1. Which marketing methods does your company use? Please make your choice at following alternative(s).

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent media</td>
<td>-</td>
</tr>
<tr>
<td>Pamphlets in the post</td>
<td></td>
</tr>
<tr>
<td>Newsletters</td>
<td></td>
</tr>
<tr>
<td>Email or homepage</td>
<td></td>
</tr>
<tr>
<td>Telephone call</td>
<td></td>
</tr>
<tr>
<td>Personal visit</td>
<td></td>
</tr>
<tr>
<td>Manufacture direct</td>
<td></td>
</tr>
<tr>
<td>Via Independent media</td>
<td>-</td>
</tr>
<tr>
<td>Ads in branch magazines</td>
<td></td>
</tr>
<tr>
<td>Articles in branch magazines or via Internet</td>
<td></td>
</tr>
<tr>
<td>Exhibitions</td>
<td></td>
</tr>
<tr>
<td>Speech at seminar, workshop, conference</td>
<td></td>
</tr>
<tr>
<td>Via Other channels</td>
<td>-</td>
</tr>
<tr>
<td>Recommendations</td>
<td></td>
</tr>
</tbody>
</table>
2. How does your company contact new customers? 
1=always, 2=often, 3=sometimes, 4=couple of times, 5=one time, 6=never

<table>
<thead>
<tr>
<th>Alternative Marketing channels</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamphlets in the post</td>
<td>-</td>
</tr>
<tr>
<td>Newsletters</td>
<td></td>
</tr>
<tr>
<td>Email or homepage</td>
<td></td>
</tr>
<tr>
<td>Telephone call</td>
<td></td>
</tr>
<tr>
<td>Personal visit</td>
<td></td>
</tr>
<tr>
<td>Ads in branch magazines</td>
<td></td>
</tr>
<tr>
<td>Exhibitions</td>
<td></td>
</tr>
<tr>
<td>Give away</td>
<td></td>
</tr>
<tr>
<td>Via Independent media</td>
<td></td>
</tr>
<tr>
<td>Articles in branch magazines or via Internet</td>
<td>-</td>
</tr>
<tr>
<td>Branch organizations annual meetings</td>
<td></td>
</tr>
<tr>
<td>Speech at seminar, workshop, conference</td>
<td></td>
</tr>
<tr>
<td>Recommendations</td>
<td></td>
</tr>
<tr>
<td>Training on technical school</td>
<td></td>
</tr>
<tr>
<td>Others:_____________________</td>
<td></td>
</tr>
</tbody>
</table>

3. How do you select potential customer groups? Please make a cross at each right alternative(s).

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Cross (x)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of customers</td>
<td></td>
</tr>
<tr>
<td>Localization</td>
<td></td>
</tr>
<tr>
<td>Car</td>
<td></td>
</tr>
<tr>
<td>Truck</td>
<td></td>
</tr>
<tr>
<td>Others:_________________</td>
<td></td>
</tr>
</tbody>
</table>

4. How much time does your company spend on: (Please answer in %, your total time at work = 100%) 
   a. Finding new customers: 
   b. Working on existing customers:

5. Which of the following equipment does your company sell?

<table>
<thead>
<tr>
<th>Product</th>
<th>Brand (car equipment)</th>
<th>Brand (truck equipment)</th>
<th>Sold units 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Side-slip testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shock absorb testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brake testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emission testers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifting technology</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Headlight tester</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power dynamometers</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6. Which service does your company offer customers? Please make a cross at each right alternative.

<table>
<thead>
<tr>
<th>Service</th>
<th>Cross (x)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular information about new products</td>
<td></td>
</tr>
<tr>
<td>Product sample</td>
<td></td>
</tr>
<tr>
<td>Installation of equipment</td>
<td></td>
</tr>
<tr>
<td>Repair in 24 hours</td>
<td></td>
</tr>
<tr>
<td>Repair in 48 hours</td>
<td></td>
</tr>
<tr>
<td>Regular service of equipment</td>
<td></td>
</tr>
<tr>
<td>Technical support by phone or E-mail</td>
<td></td>
</tr>
<tr>
<td>Leasing equipment</td>
<td></td>
</tr>
<tr>
<td>Others:____________________________________</td>
<td>-----------</td>
</tr>
</tbody>
</table>

7. What does your company find most important when it chose to represent a foreign manufacturer? Please rank your alternatives, where 1 is the most important alternative and the highest number is the less important alternative.

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Your scale number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>-</td>
</tr>
<tr>
<td>News</td>
<td></td>
</tr>
<tr>
<td>Quantity of variations</td>
<td></td>
</tr>
<tr>
<td>Product quality</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td></td>
</tr>
<tr>
<td>Technical documentation</td>
<td></td>
</tr>
<tr>
<td>Delivery time</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>-</td>
</tr>
<tr>
<td>Regular information from manufacture</td>
<td></td>
</tr>
<tr>
<td>Telephone/E-mail support form manufacture</td>
<td></td>
</tr>
<tr>
<td>Technical support</td>
<td></td>
</tr>
<tr>
<td>Marketing support</td>
<td></td>
</tr>
<tr>
<td>Offers</td>
<td></td>
</tr>
<tr>
<td>Delivery time of reserve parts</td>
<td></td>
</tr>
<tr>
<td>Reputation</td>
<td>-</td>
</tr>
<tr>
<td>Well known references</td>
<td></td>
</tr>
<tr>
<td>Established company</td>
<td></td>
</tr>
<tr>
<td>Unknown company</td>
<td></td>
</tr>
<tr>
<td>Others:________________________________________</td>
<td>-------------------</td>
</tr>
</tbody>
</table>

8. Which alternative(s) are necessary for your company to increase existing market share? Please rank your alternatives, where 1 is the most important alternative and 6 is the less important alternative.

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Your numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td></td>
</tr>
<tr>
<td>Marketing support</td>
<td></td>
</tr>
<tr>
<td>Technical support</td>
<td></td>
</tr>
<tr>
<td>Offers</td>
<td></td>
</tr>
<tr>
<td>Delivery on time</td>
<td></td>
</tr>
<tr>
<td>Reserve parts delivery</td>
<td></td>
</tr>
<tr>
<td>Others:________________</td>
<td>-------------</td>
</tr>
</tbody>
</table>
9. Additional information?

10. May I come back later to complement the questions?

10.13 Request to the Russian customs
(This questionnaire was send on request from the Russian customs by post in Russian. It has not been answered to the present date.)

Dear Mr. / Mrs.,
My name is Charlotte Wallin and I am investigating the Russian workshop equipment market for my master thesis. To succeed with the investigation I need information from you. Each product that arrives in Russia gets a special code from the Russian customs. I am interested to know the codes of three product groups, as well as in which quantity the products have been imported yearly.

Product groups:

1. Test lanes

Brake testers:

Headlight testers:

Shock absorber testers:

Side-slip testers:
2. Lifting technology

Two post lift:

Four post lift:

Scissors lift:

Pitjacks:

3. Dynamometers technology
Power dynamometers testers:

Emission dynamometers testers:


Please answer this letter as soon as possible and preferably before last July!

Replay address:
MAHA Maschinenbau Haldenwang GmbH & Co. KG.
Charlotte Wallin
c/o: Johan Siwers
Hoyen 20
D-874 90 Haldenwang
DEUTSCHLAND

Replay Email:
chwa03@student.bth.se

Best regards, Charlotte Wallin