



AUSTRALIAN COMPETITION  
& CONSUMER COMMISSION

# Agricultural machinery market study

**Purchaser survey results**

May 2021

Australian Competition and Consumer Commission  
23 Marcus Clarke Street, Canberra, Australian Capital Territory, 2601  
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# Introduction

The ACCC survey for purchasers of agricultural machinery was open to respondents across Australia from 28 February to 22 April 2020. The survey was promoted through relevant news outlets and with the assistance of industry associations. This report summarises responses to survey questions, excluding free-text responses.

## Interpretation of the results

A small number of respondents did not provide answers to all questions. Unless otherwise indicated, the percentages shown in each chart are a percentage of the respondents who answered the question.

Agricultural machinery users could choose whether or not to respond to the survey. Therefore, participants do not represent a random sample of the industry.

In some charts numbers may not necessarily add up to 100%, this is owing to rounding.

## Response rates

We received 335 survey responses from across Australia. Response levels varied across different regions and across industries, as shown in tables 1 and 2.

**Table 1**

State	Responses	
	Number	Distribution
New South Wales/Australian Capital Territory	83	27%
Queensland/Northern Territory	32	10%
South Australia	43	14%
Victoria/Tasmania	72	23%
Western Australia	77	25%
<b>Grand total</b>	<b>307</b>	

**Table 2**

Industry sector	Responses	
	Number	Distribution
Cropping/grain	150	45%
Mixed livestock and cropping/grain	97	29%
Cattle	26	8%
Horticulture	16	5%
Sheep/lamb and mixed livestock	11	3%
Dairy, cotton and other	33	10%
<b>Grand total</b>	<b>333</b>	

Table 3

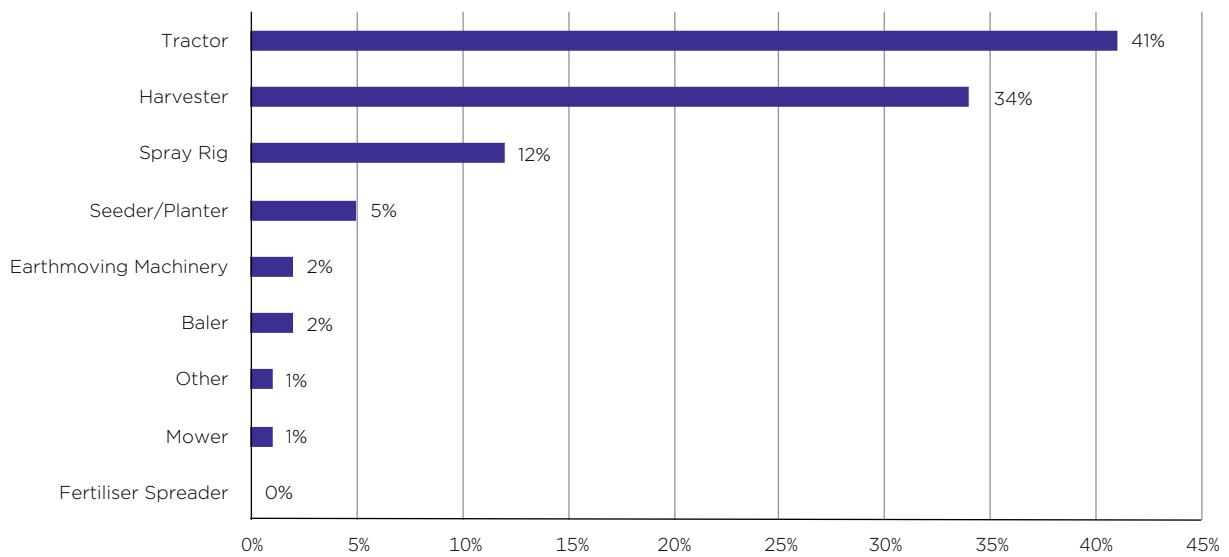
Respondent age	Responses	
	Number	Distribution
19-25	9	3%
26-35	50	16%
36-45	83	26%
46-55	69	22%
56-65	72	23%
65+	36	11%
<b>Grand total</b>	<b>319</b>	

# Results

## 1. About you

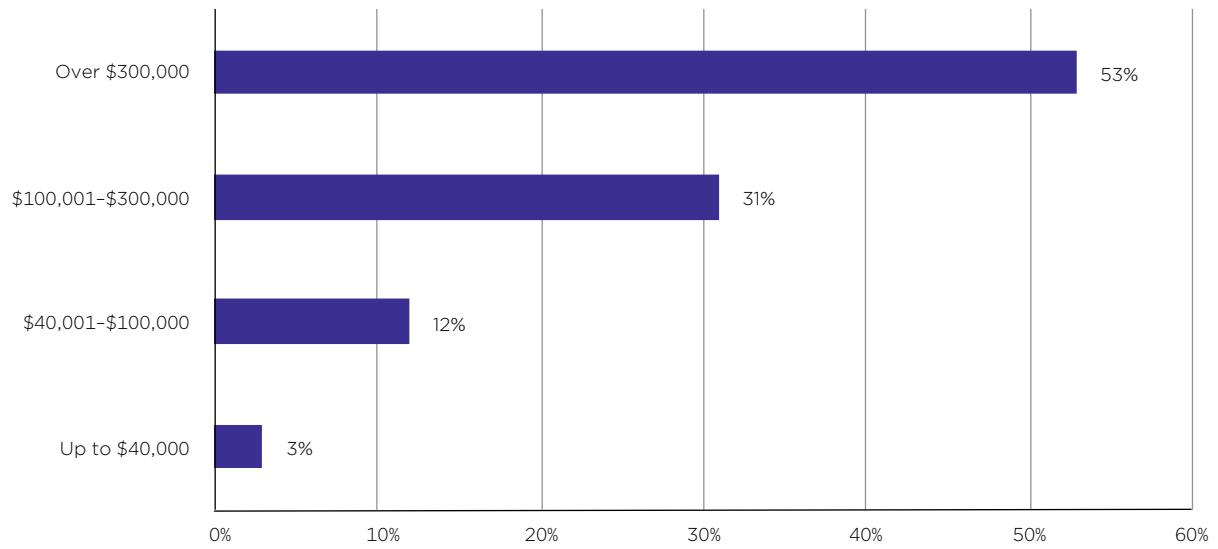
What is the most significant purchase you have made in the past ten years?

Figure 1.1.



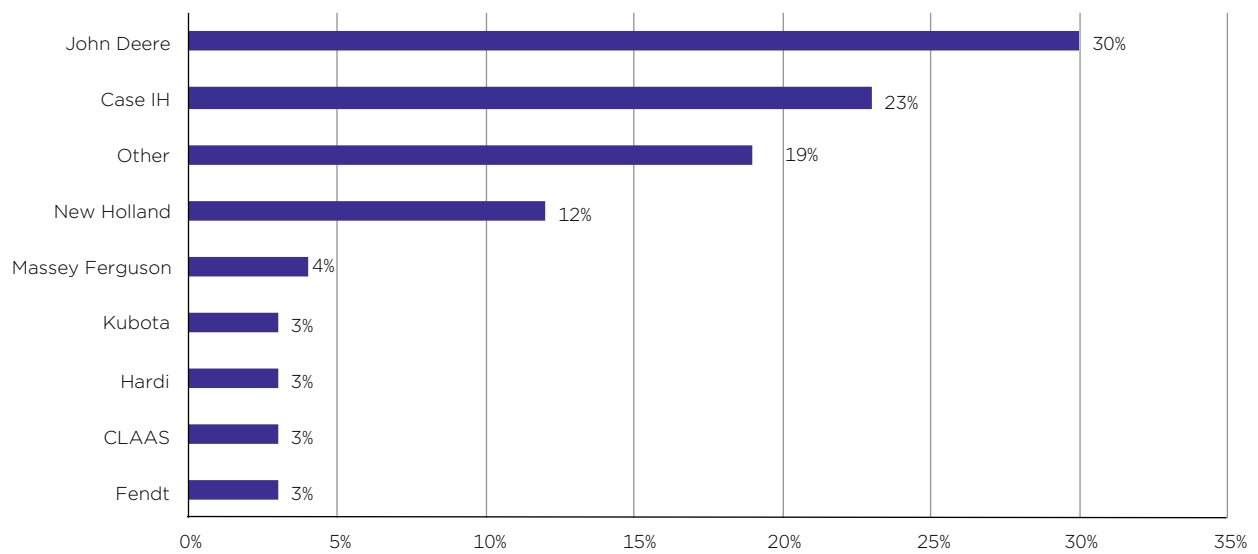
## How much did the machinery cost?

Figure 1.2.



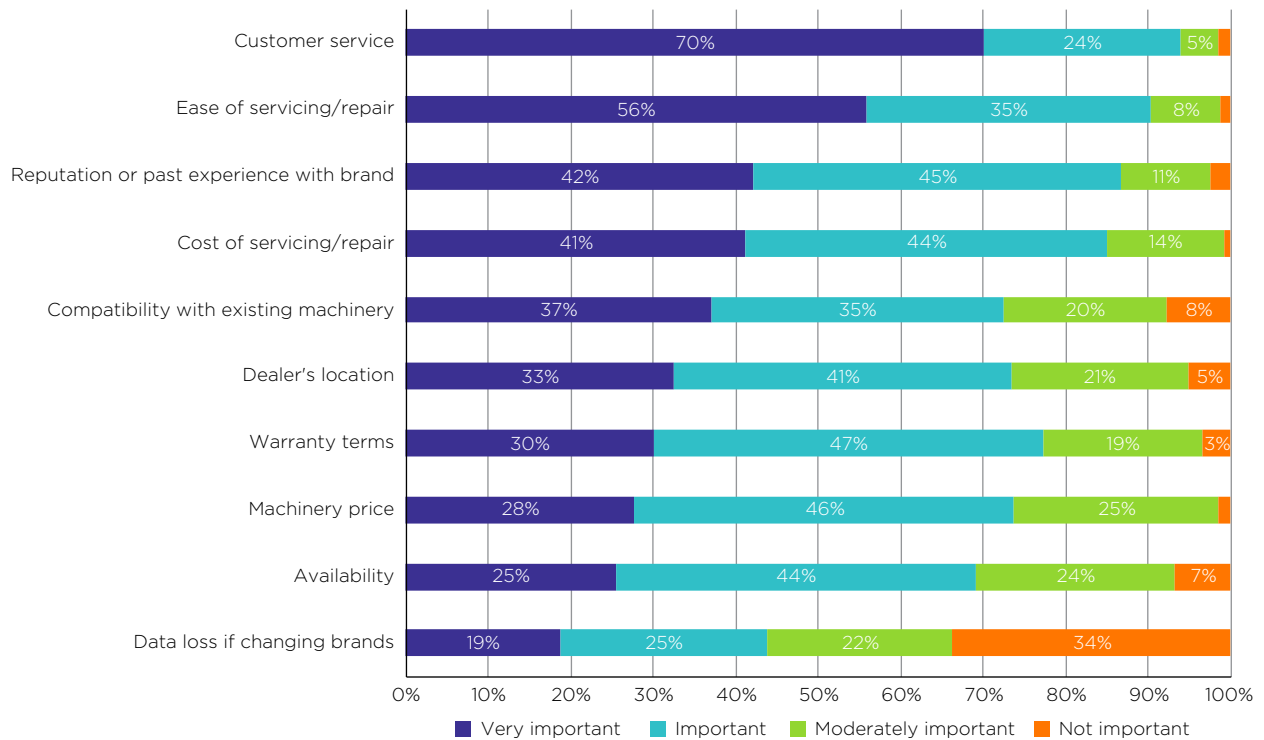
## From which brand was the machinery?

Figure 1.3.



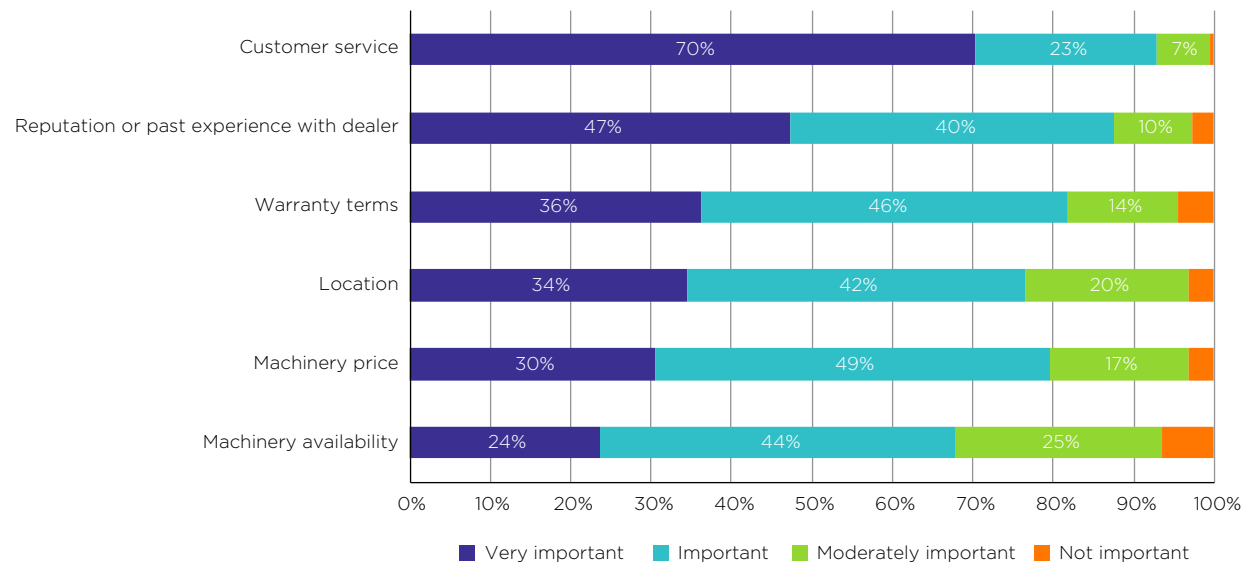
## How important were the following factors when considering which brand of machinery to purchase?

Figure 1.4.



## How important were the following factors when considering from which dealer to purchase the machinery?

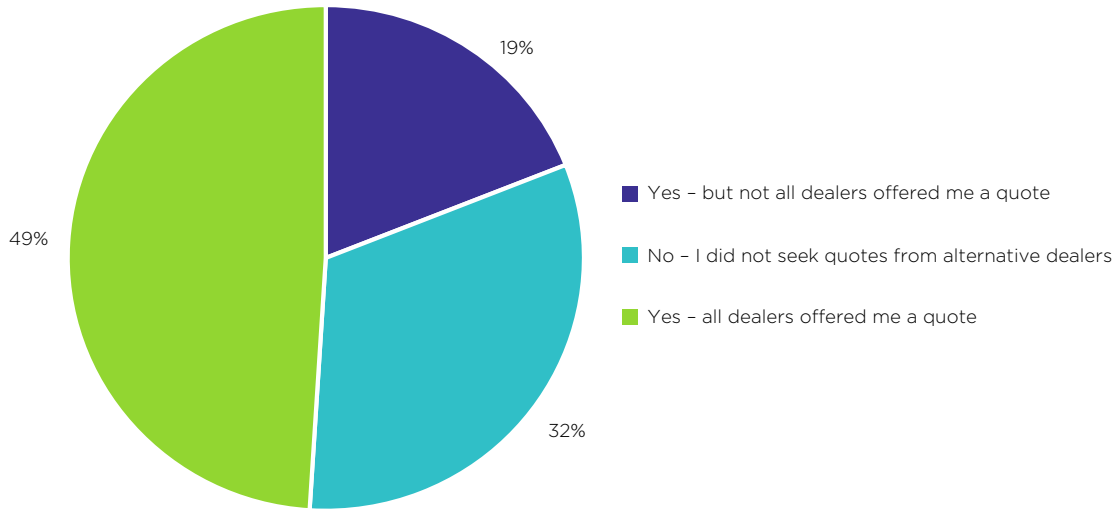
Figure 1.5.



## 2. Quotes and negotiation

### When purchasing the machinery, did you seek quotes from multiple dealers?

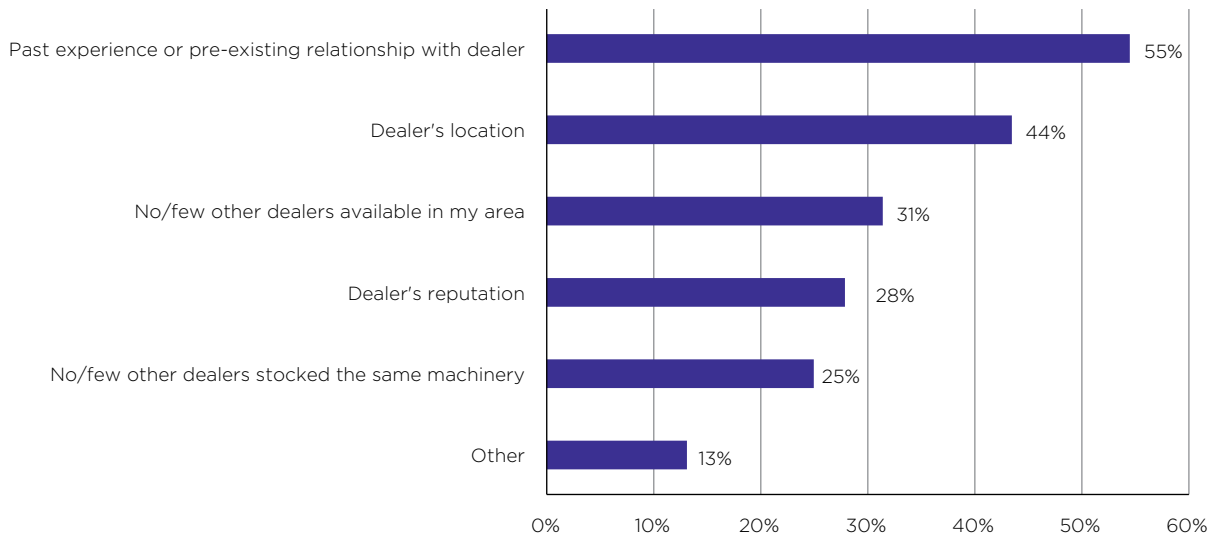
Figure 2.1.



### Why did you seek a quote only from the dealer from which you bought the machinery? Select all that apply

Note: This question was only asked of respondents who answered 'no' to the question, 'When purchasing machinery, did you seek quotes from multiple dealers?'

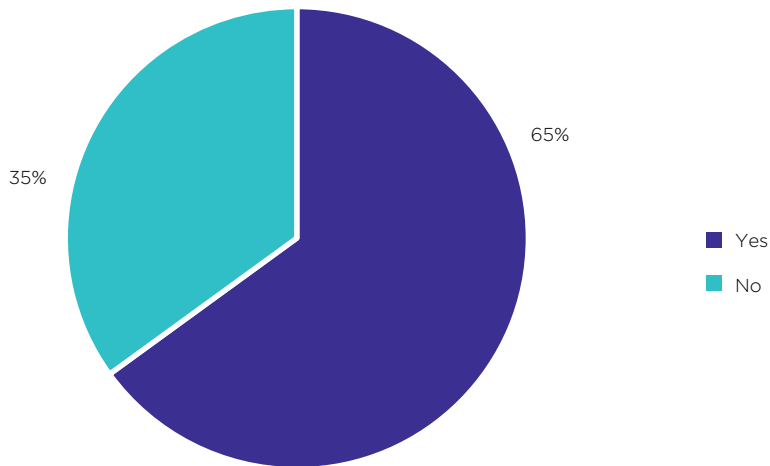
Figure 2.2.





## Did you seek quotes for comparable machinery manufactured by different brands?

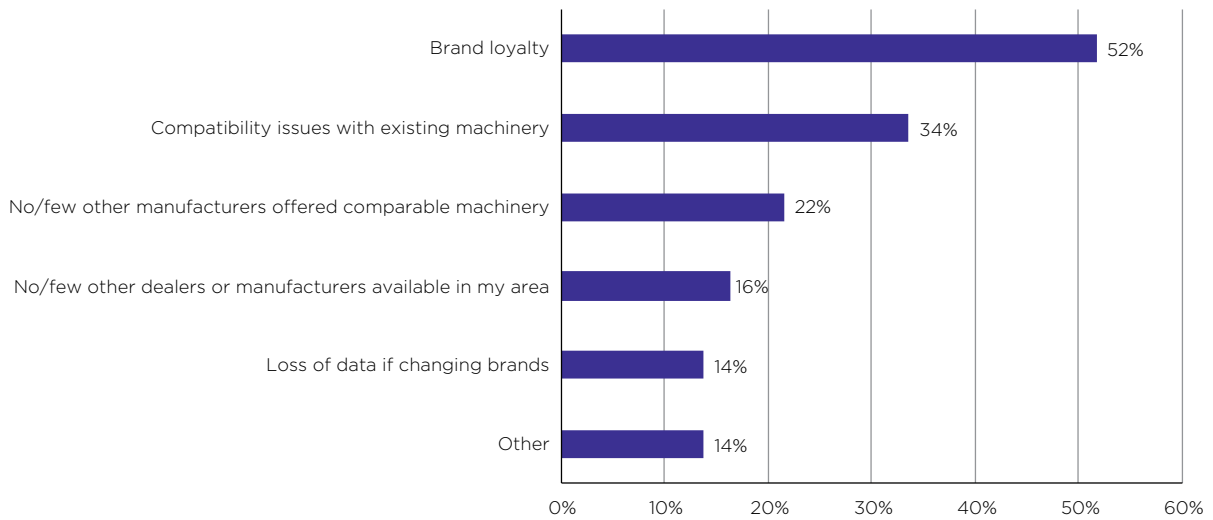
Figure 2.3.



## Why did you not seek quotes for other machinery brands? Select all that apply.

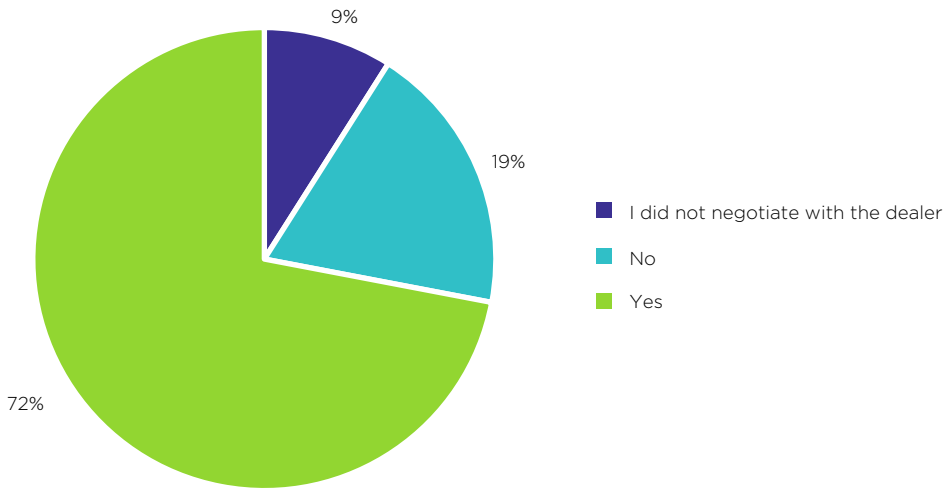
Note: This question was only asked of respondents who answered 'no' to the question, 'did you seek quotes for comparable machinery manufactured by different brands?'

Figure 2.4.



## When purchasing the machinery, were you able to successfully negotiate any elements, such as price, warranty or peripherals?

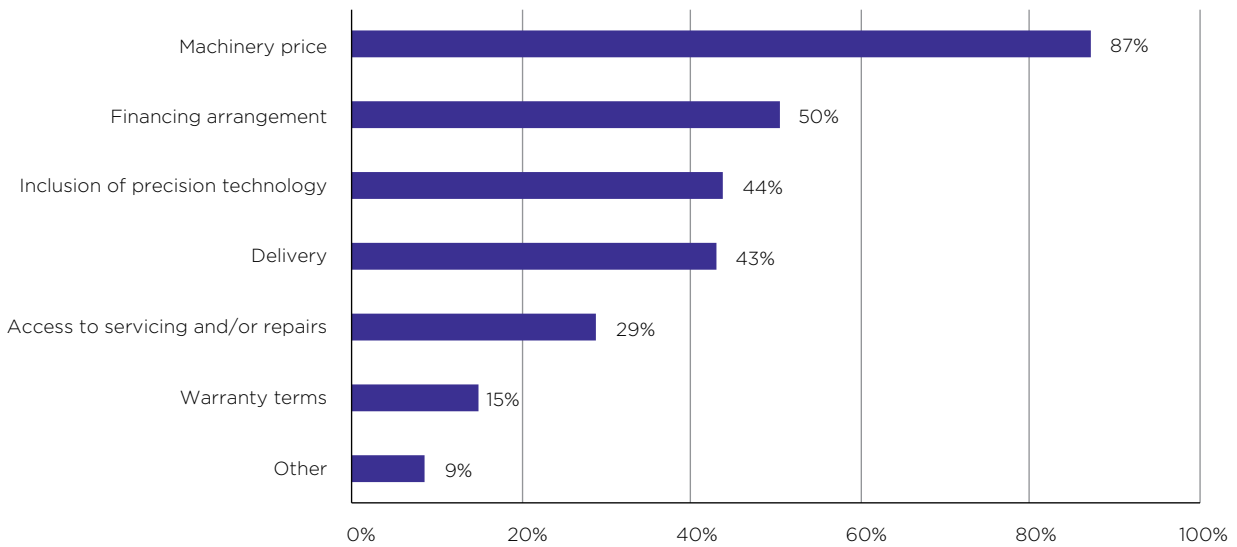
Figure 2.5.



## What could you successfully negotiate? Select all that apply.

Note: This question was only asked of respondents who answered 'yes' to the question, 'When purchasing the machinery, were you able to successfully negotiate any elements?'

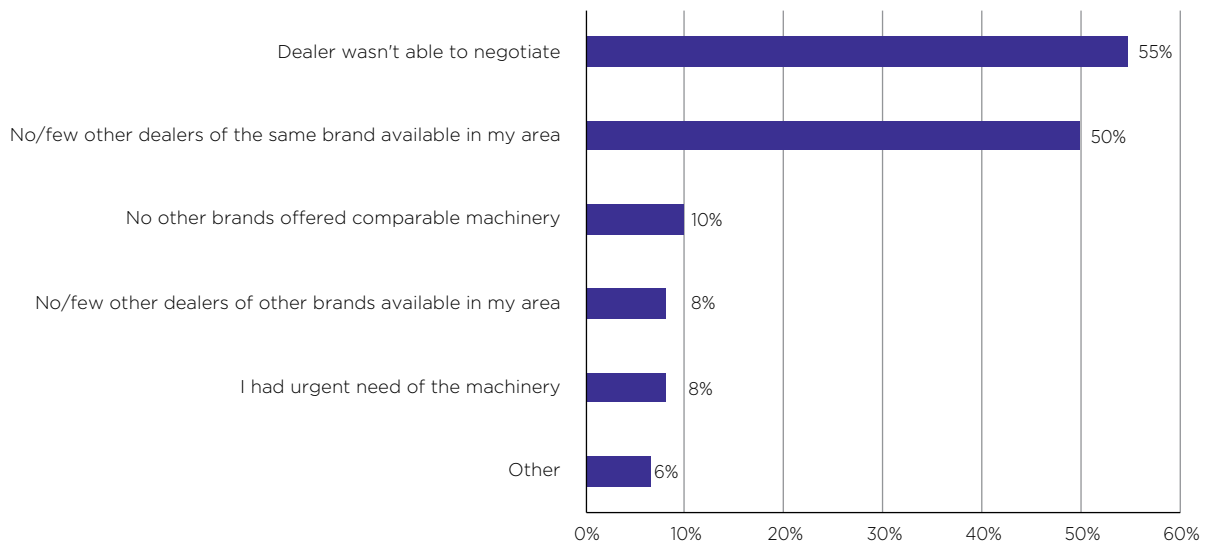
Figure 2.6.



## Why were you unable to negotiate? Select all that apply.

Note: This question was only asked of respondents who answered 'no' to the question, 'When purchasing the machinery, were you able to successfully negotiate any elements?'

Figure 2.7.



### 3. Manufacturer warranties

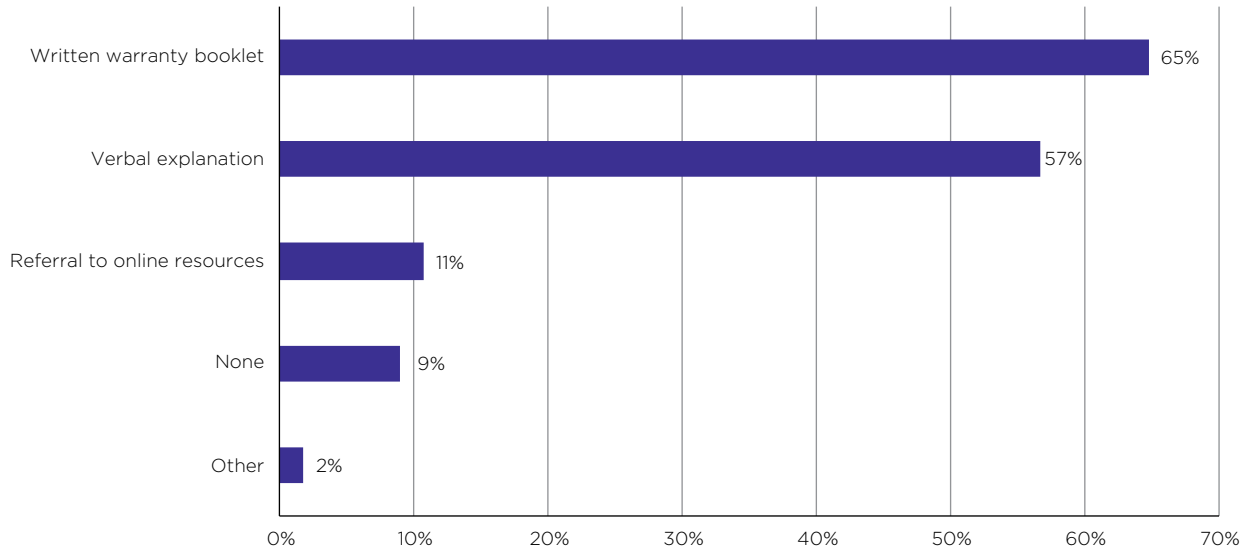
Warranties are voluntary agreements offered by a manufacturer or retailer, detailing what can be expected from a good or service. The warranty usually provides for specific remedies if the purchaser's machinery has a problem that occurs within the warranty period.

Most new agricultural machinery comes with a manufacturer's warranty against defects. Some dealers also sell an extended warranty for an additional cost, which could extend the manufacturer's warranty, or provide stand-alone rights that apply once the manufacturer's warranty expires.

The following questions apply to the single most significant purchase of agricultural machinery that the respondent made in the past ten (10) years.

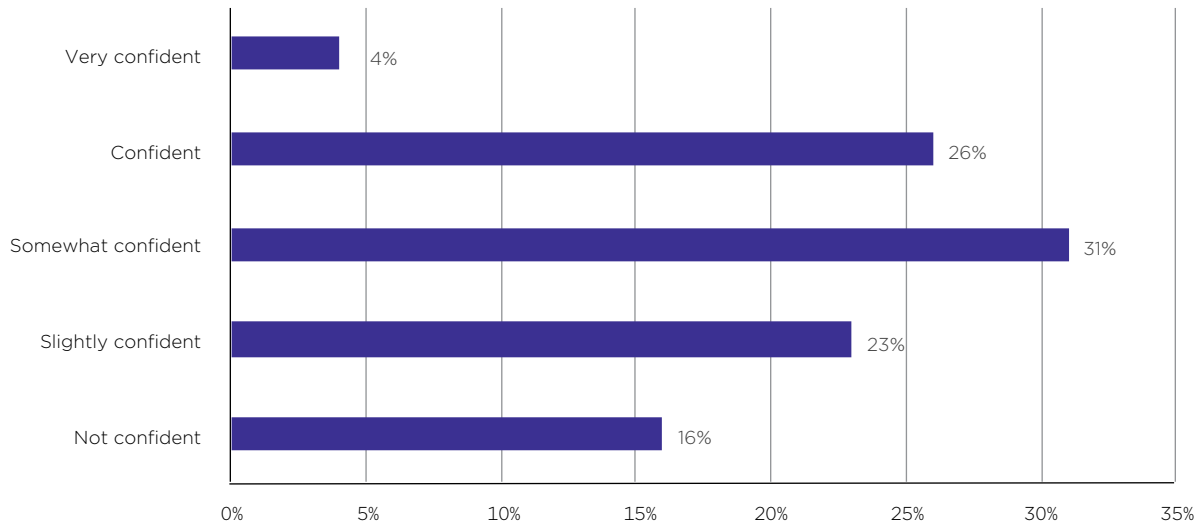
**What information were you provided from the dealer at point-of-sale about the manufacturer's warranty? Select all that apply.**

**Figure 3.1.**



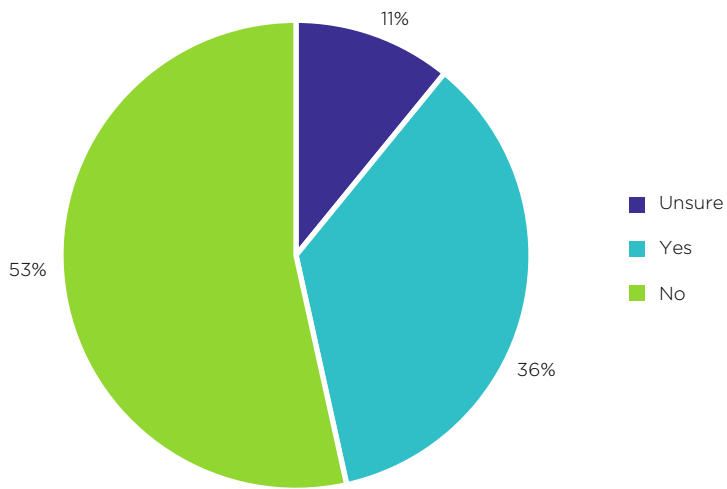
**How confident are you that you understand your manufacturer's warranty and, in particular, which categories of repairs or servicing are and are not covered by your warranty?**

**Figure 3.2.**



## Were you offered an extended warranty with your purchase of agricultural machinery?

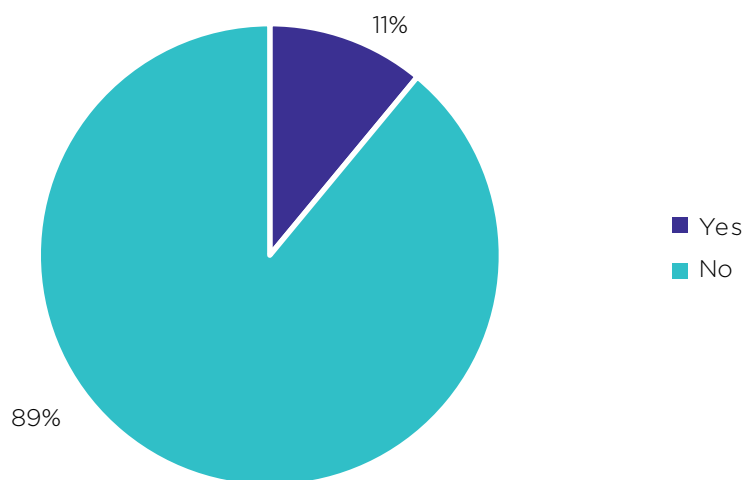
Figure 3.3.



## Did you buy an extended warranty?

Note: This question was asked of all respondents, regardless of how they answered the question, 'Were you offered an extended warranty with your purchase of agricultural machinery?'

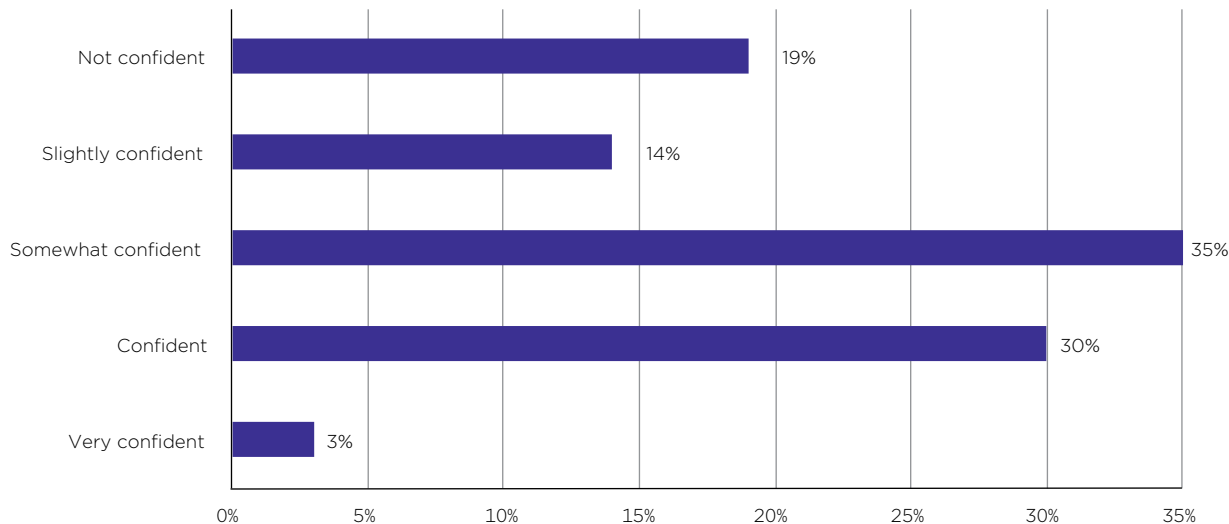
Figure 3.4.



## How confident are you that you understand the rights you would obtain under the extended warranty based on the salesperson's explanation?

Note: This question was asked only of respondents who answered 'Yes' to the question, 'Did you buy an extended warranty?'

Figure 3.5.



## Did the extended warranty cover additional years or hours of operation?

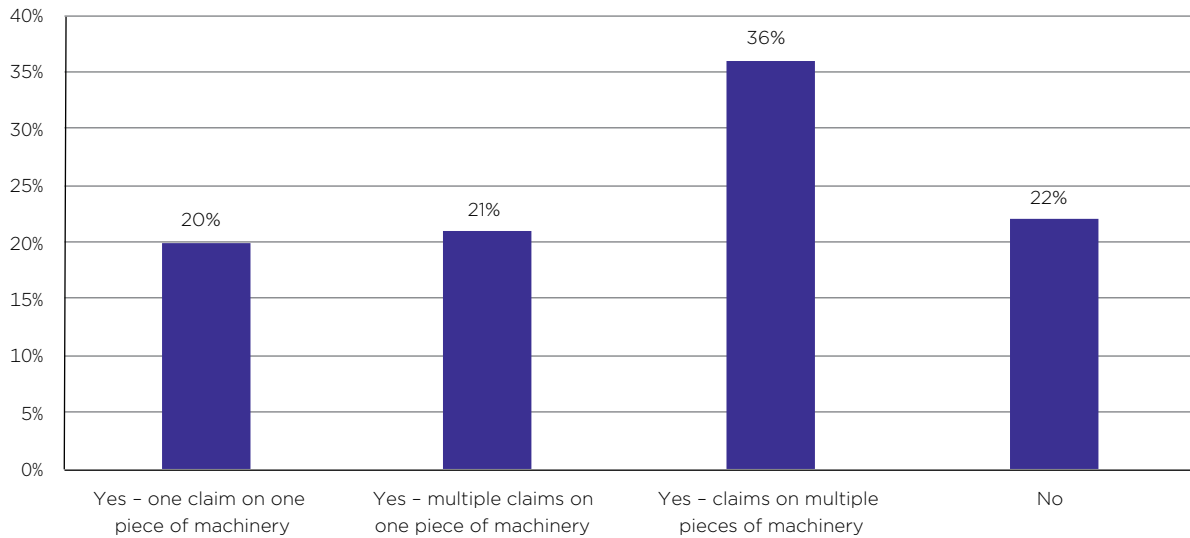
The majority of responses (84%) indicated that the extended warranty covered additional years or hours of operation, whichever comes first. 13% of responses indicated that the extended warranty covered additional hours of operation; and 0% additional years. 3% of respondents were unsure.

The additional coverage provided by an extended warranty was indicated to range from 1,000–5,000 hours, with the average being less than 3,000 hours; and 1–5 years, with the average being 3 years. The cost of an extended warranty was indicated to vary from \$2,500 to tens of thousands of dollars. The average was just over \$9,000; however, the sample size for responses to this question was low.

## 4. Claims

**Have you made a warranty claim on any of your agricultural machinery in the past 5 years?**

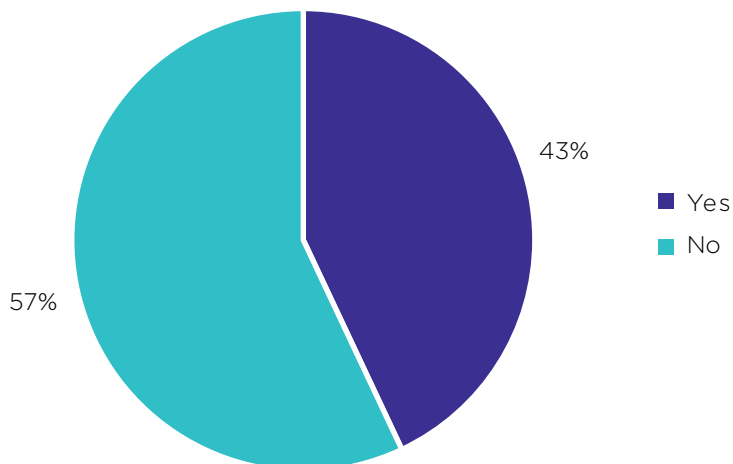
Figure 4.1.



**In the past 5 years, have any of your warranty claims been rejected?**

Note: This question was asked only of respondents who answered 'Yes' to the question, 'Have you made a warranty claim on any of your agricultural machinery in the past 5 years?'

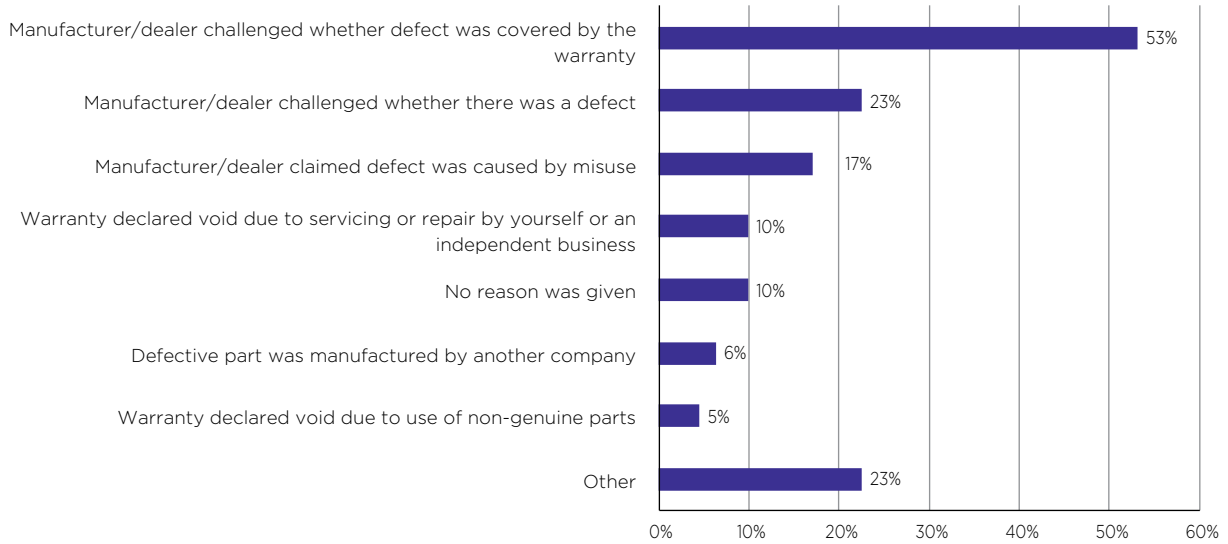
Figure 4.2.



## What reason were you given for your most recent claim rejection? Select all that apply.

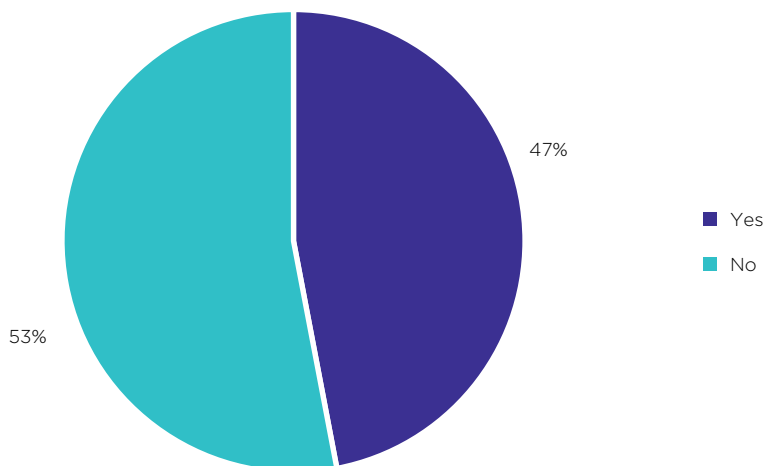
Note: This question was asked only of respondents who answered 'Yes' to the question, 'In the past 5 years, have any of your warranty claims been rejected?'

Figure 4.3.



## In the past 5 years, have you experienced any delays in having a warranty claim processed?

Figure 4.4.

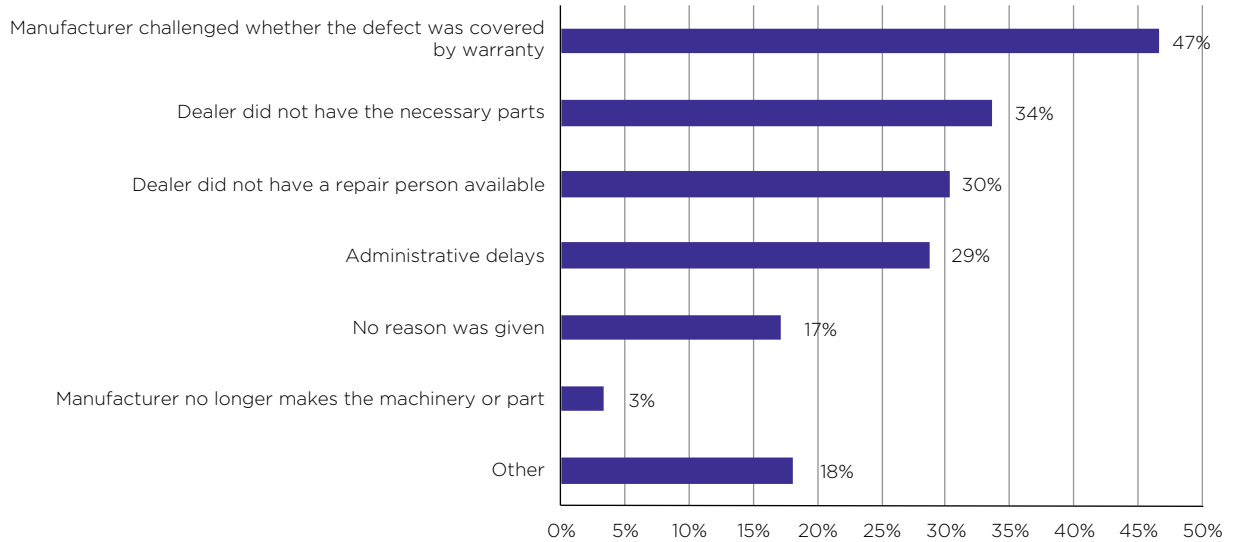




## What reason were you given for your most recent claim delay? Select all that apply.

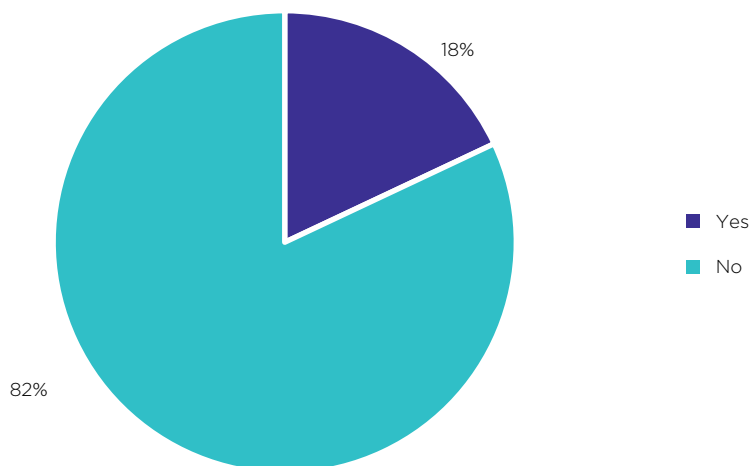
Note: This question was asked only of respondents who answered 'Yes' to the question, 'In the past 5 years, have you experienced any delays in having a warranty claim processed?'

Figure 4.5.



## In the past 5 years, have you been told you must deal with the parts manufacturer, rather than the dealer or machinery manufacturer, when making a warranty claim?

Figure 4.6.



## Did the parts manufacturer process your claim?

Note: This question was asked only of respondents who answered 'Yes' to the question, 'In the past 5 years, have you been told you must deal with the parts manufacturer, rather than the dealer or machinery manufacturer, when making a warranty claim?'

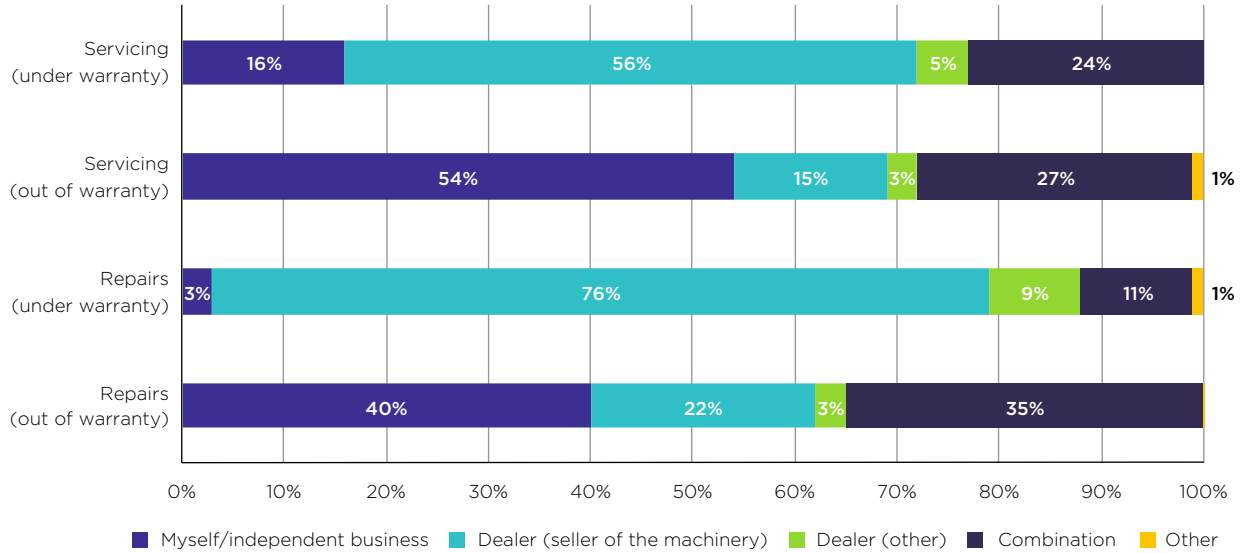
Figure 4.7.



## 5. Servicing and repairs

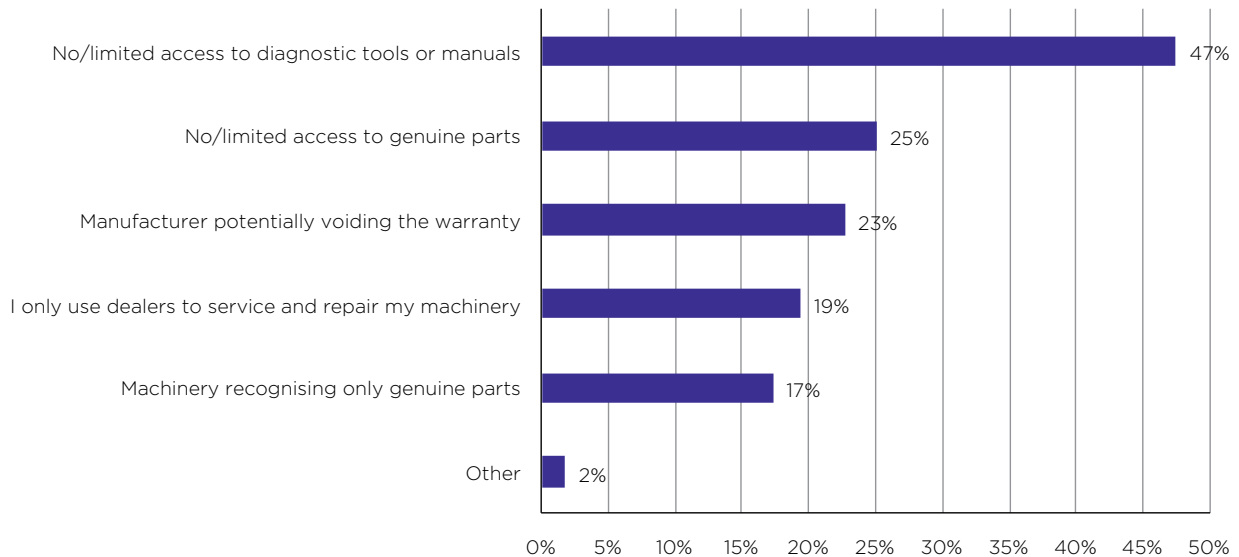
### Who services and repairs your machinery?

Figure 5.1.



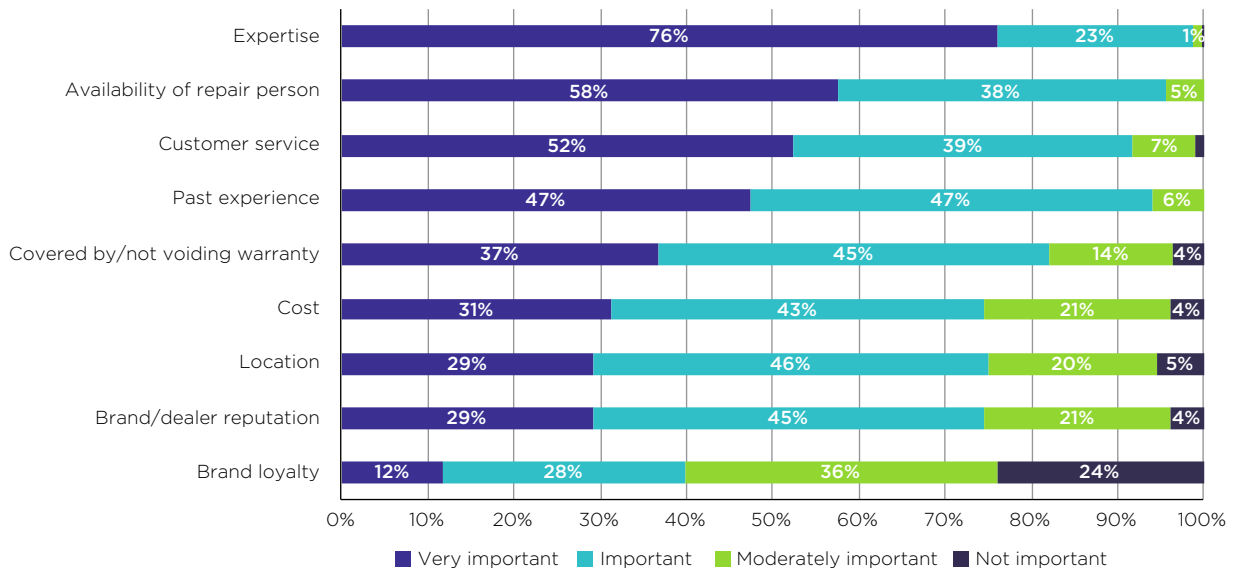
### Have you, or an independent business that you have engaged, experienced any of the following? Select all that apply.

Figure 5.2.



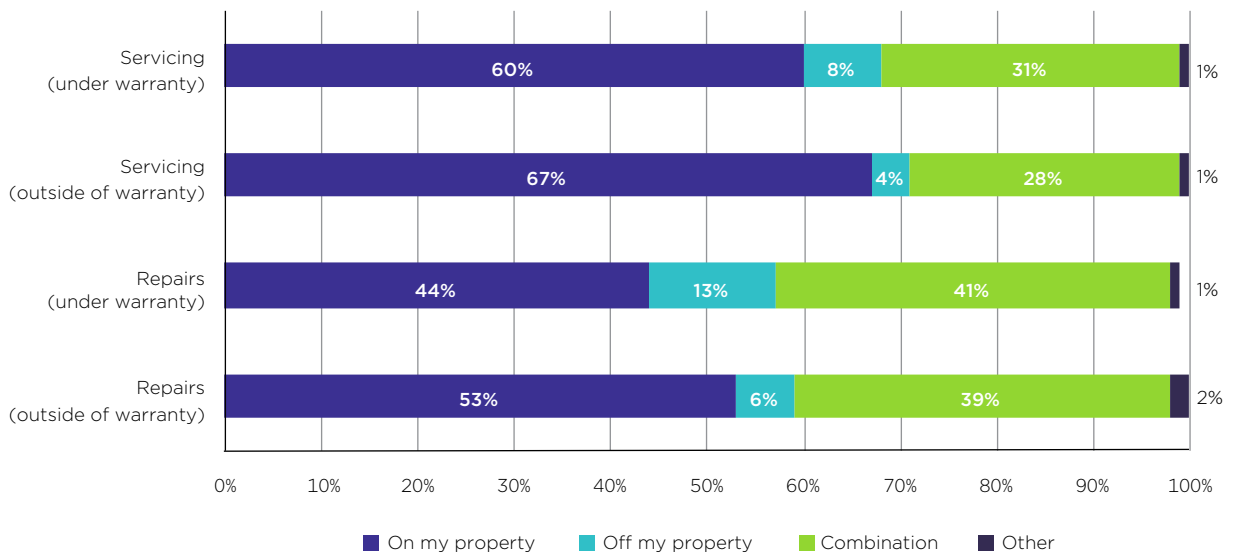
## How important are the following factors when deciding who will service and repair your machinery?

Figure 5.3.



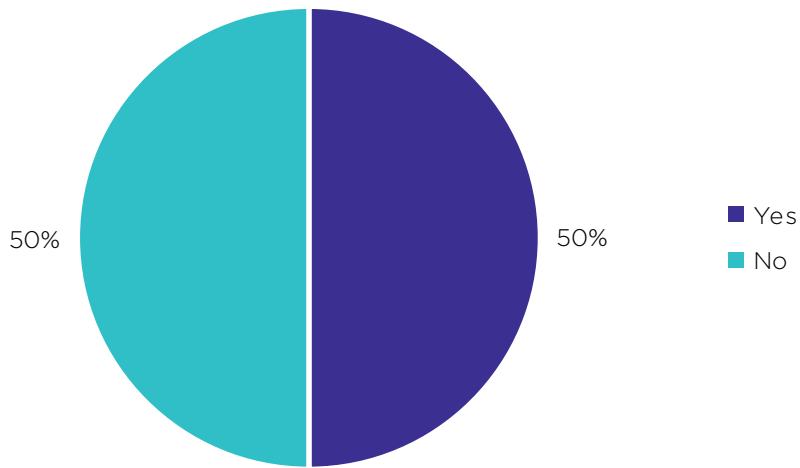
## Where is your machinery serviced and repaired?

Figure 5.4.



Have you ever asked the dealer or manufacturer about what could void your warranty, including servicing or repairing the machinery yourself, or using an independent business?

Figure 5.5.

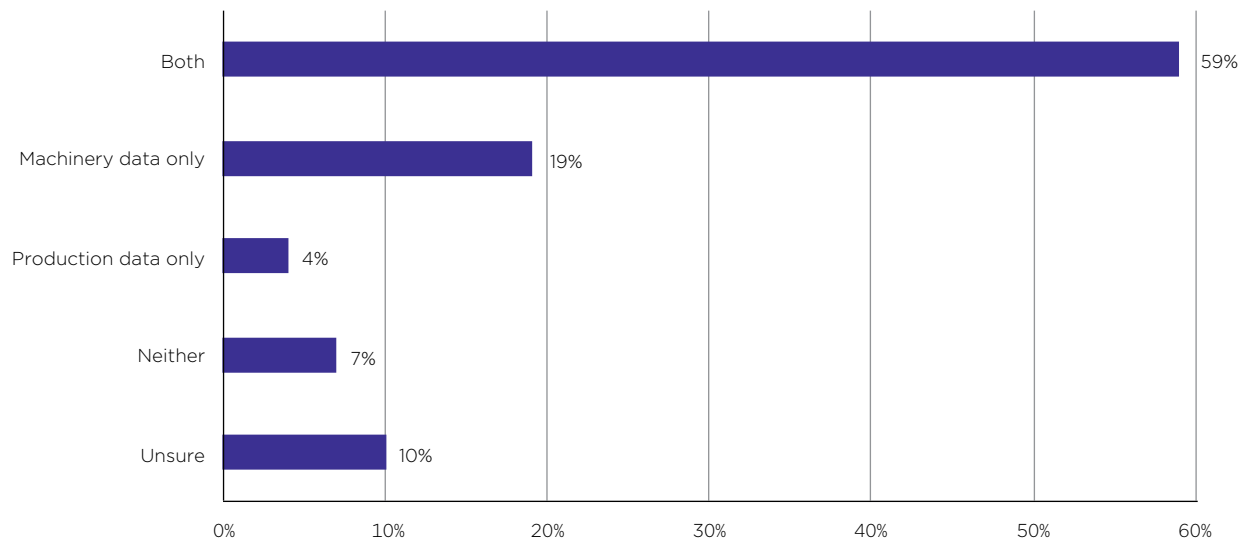


## 6. Data collection

Does any of your current agricultural machinery have the ability to collect production data or machinery data?

Note: Examples of production data: machinery's output, grain quality and quantity, soil characteristics. Examples of machinery data: running time, oil levels, engine operating data, fault warnings.

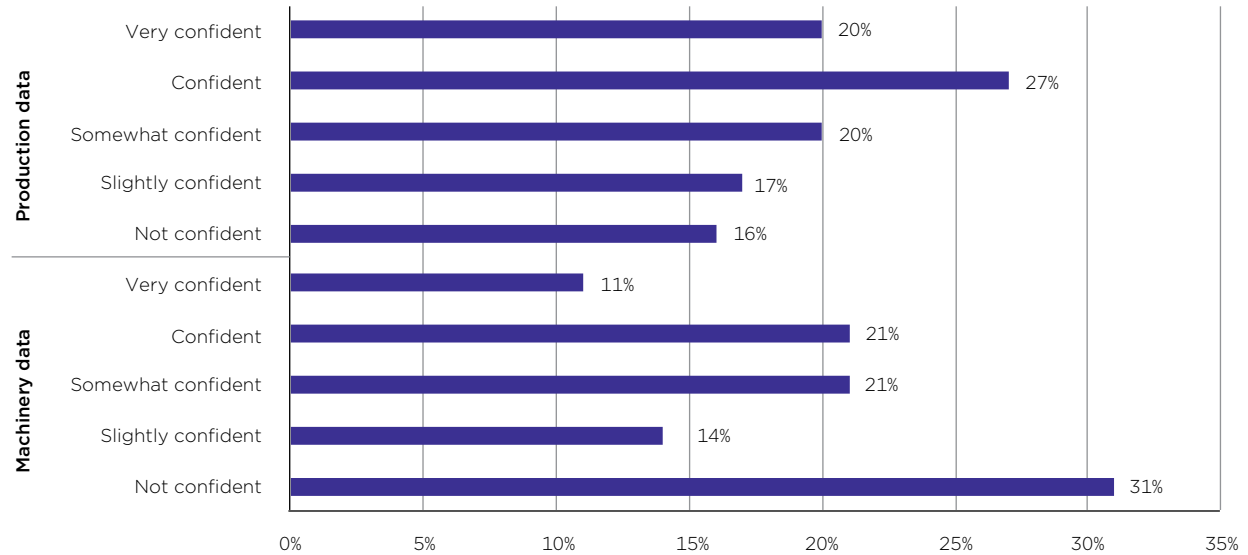
Figure 6.1.



## How confident are you that you could access, in a useable format, the data gathered by your machinery?

Note: This question was asked only of respondents who answered 'Both', 'Machinery data only', or 'Production data only' to the question, 'Does any of your current agricultural machinery have the ability to collect production data or machinery data?'

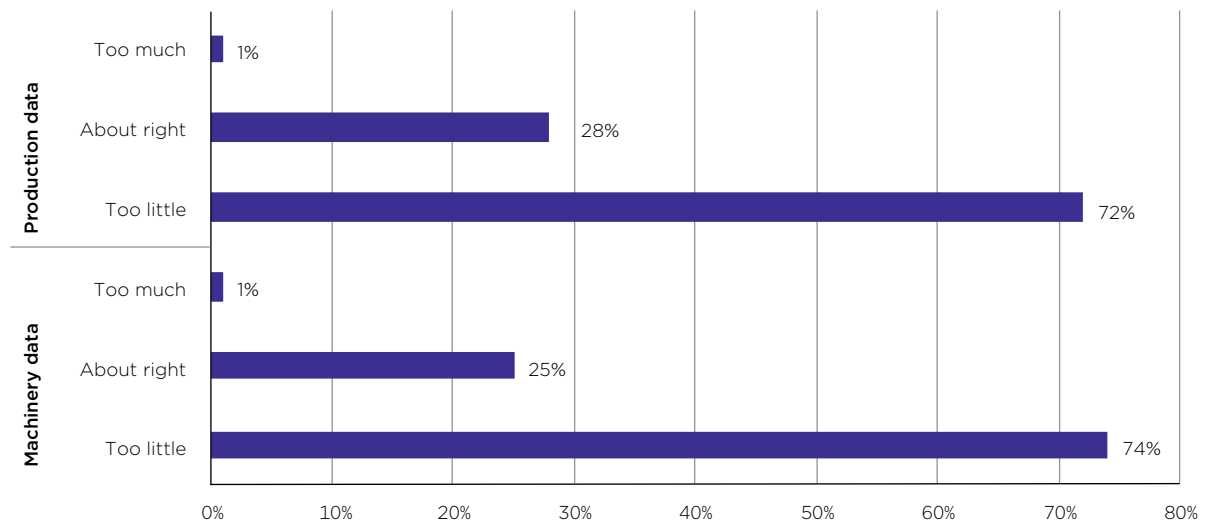
Figure 6.2.



## When purchasing your newest data-capable machinery, how much information were you given about your rights related to the data your machinery can collect?

Note: This question was asked only of respondents who answered 'Both', 'Machinery data only', or 'Production data only' to the question, 'Does any of your current agricultural machinery have the ability to collect production data or machinery data?'

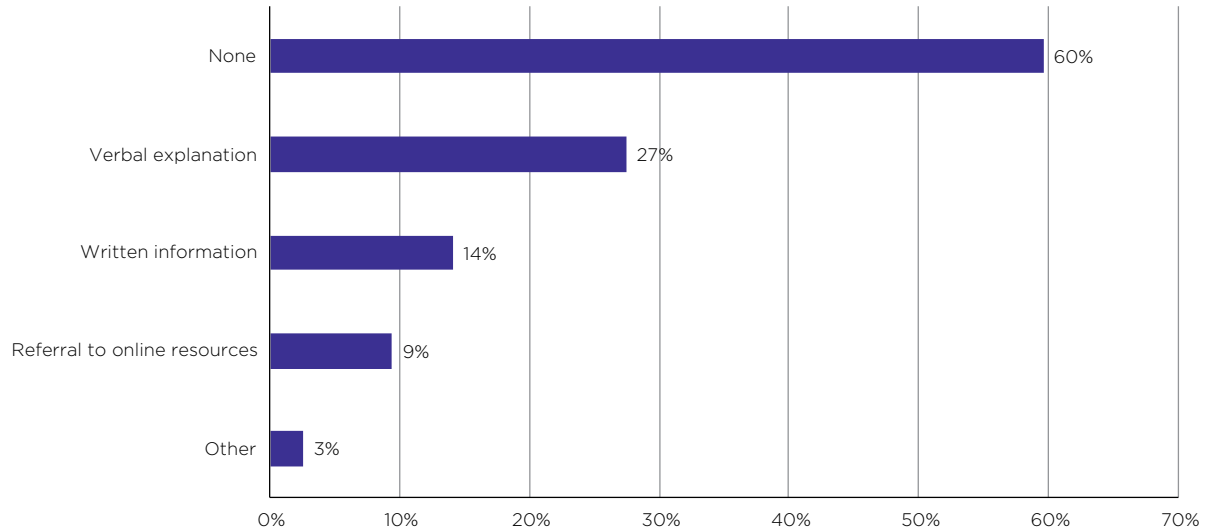
Figure 6.3.



## What information did you receive about your rights to data collected by the machinery? Select all that apply.

Note: This question was asked only of respondents who answered 'Both', 'Machinery data only', or 'Production data only' to the question, 'Does any of your current agricultural machinery have the ability to collect production data or machinery data?'

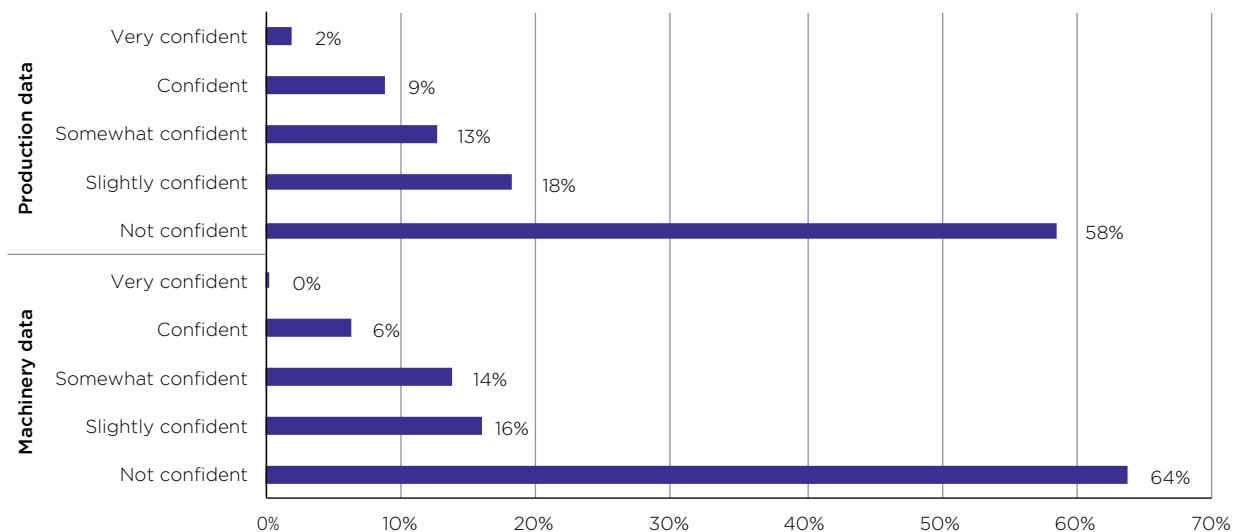
Figure 6.4.



## How confident are you that you understand your rights to the data gathered by your machinery?

Note: This question was asked only of respondents who answered 'Both', 'Machinery data only', or 'Production data only' to the question, 'Does any of your current agricultural machinery have the ability to collect production data or machinery data?'

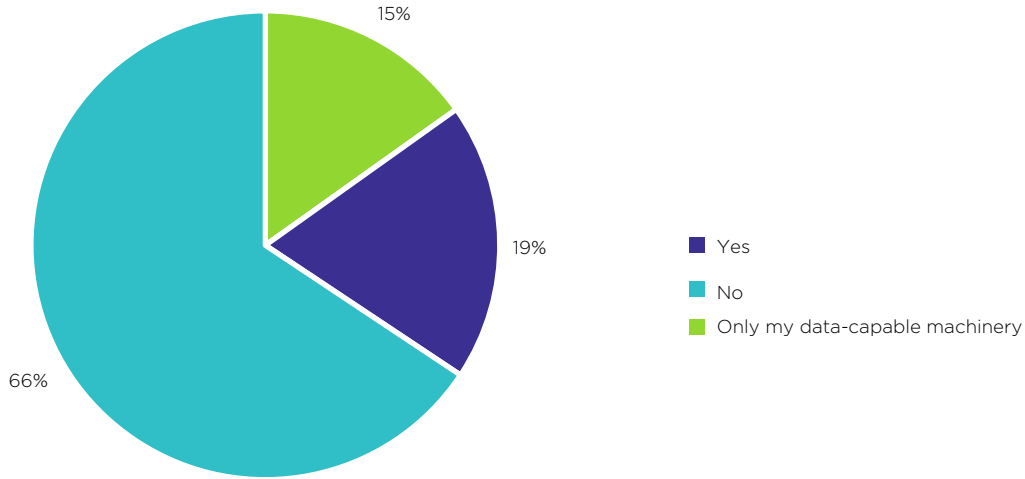
Figure 6.5.



## Is all of your machinery manufactured by the same brand?

Note: This question was asked only of respondents who answered 'Both', 'Machinery data only', or 'Production data only' to the question, 'Does any of your current agricultural machinery have the ability to collect production data or machinery data?'

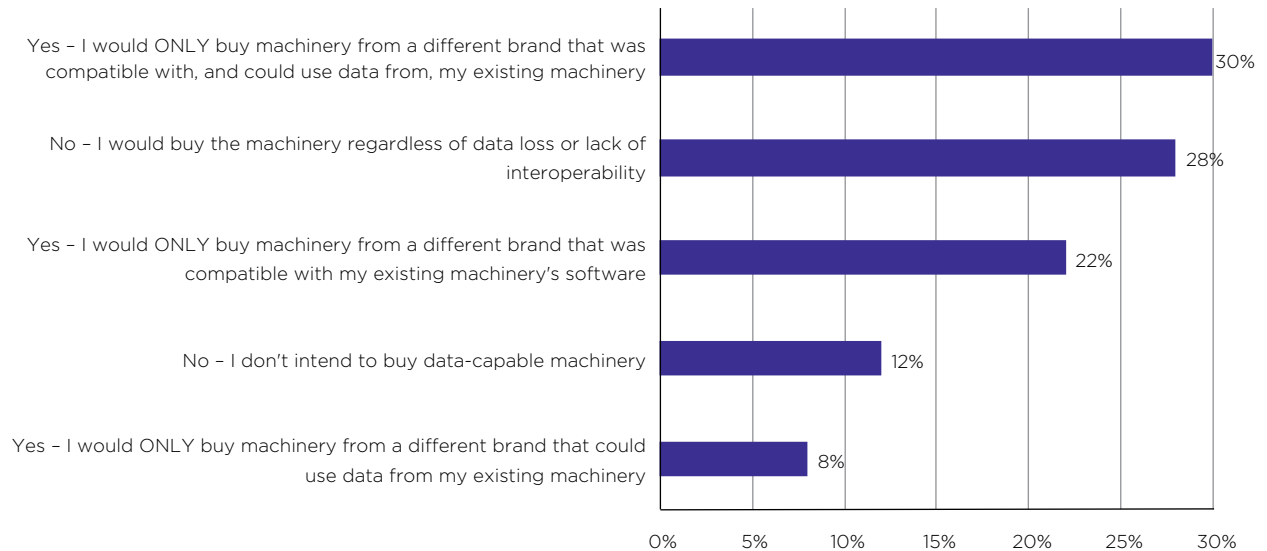
Figure 6.6.



## Would interoperability or data loss impact your decision when buying data-capable machinery?

Note: The ability of one system to work with another to exchange information is termed 'interoperability'.

Figure 6.7.







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