



VALTRA BRAND AUDIT

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<p>Abstract</p> <p>In the highly competitive environment it is very important to utilize fully the strength and advantages of the brand in order to gain the desire market share and sustain the profitable growth. If a company has a brand built and explored already, it is needed to investigate the weaknesses and strength of the brand to utilize, maintain and develop it. The brand audit can provide with information needed for these purposes. The complete brand audit is a broad topic. In order to focus the research was done on existing secondary industry and customer data, competitive review, partial sales analysis and brand elements analysis. Management and Employee Interviews and Primary Customer Research were done in a form of the primary qualitative research. There were for the future research: Management and Employee On-site Interviews, Influencer Research, Primary Customer Research, and SWOT analysis left.</p> <p>For the research conducting a constructive research method had been used including both qualitative and quantitative research (partly). Research data was collected by using secondary data from earlier researches and studies, gathering primary data through the personal questionnaire. The literature used for the research as a theoretical background gave valuable information on branding in general, brand identity and elements, brand maintenance and executing. The analysis of the questionnaire results, own working experience and the relevant literatures provided with information to drive conclusions and recommendations. The research was performed as a single-case study, where an international company Valtra Inc. (one of the brands of the AGCO Corporation) in farm tractors manufacturing was selected to be the case company. The results of the research have been used by the management of Valtra Inc. for the creating of new directions of the strategy of Valtra Inc. in the Baltic region.</p>		
Keywords Brand Audit, Brand Elements, Brand Values		
Miscellaneous		

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1 INTRODUCTION

At the end of XX century and at the beginning of XXI century the idea of brands could be identified constantly as the hottest marketing trend. A very famous fraise of an advertising research professional Larry Light from his interview for the Journal of Advertising Research, presented in the work of David Aaker (Aaker, 1991, ix), states:

"The marketing battle will be a battle of brands, a competition for brand dominance. Businesses and investors will recognize brands as the company's most valuable assets. This is a critical concept. It is a vision about how to develop, strengthen, defend, and manage a business. It will be more important to own markets than to own factories. The only way to own markets is to own market-dominant brands."

For the present business environment this statement can be considered as a global trend, which applied to different industries and markets. The agricultural business is not an exception. This "battle of the brands" we observe in the agricultural equipment manufacturing sector as well. TractorData.com database gives a list of 152 different tractor brands/producers for farm tractors only (TractorData.com, 2008). This amount is quite significant and indicates a very high competition in the industry. The hard competition leads usually to the result that strongest brands with superior products will survive in the brand battle. The table 1 presents the amount of the tractors produces in 2003-2007 by the country.

The final aim and the reason to establish and run a company are to get a profit. The profit can be generated by sales. In our case it means that someone decides to buy a tractor. There are many factors which influence on making a purchasing decision. There are different approaches are here. To discuss these approaches is behind the scope of the research.

According to the research of K. Walley, P. Custance and others conducted in the UK there are five the most important attributes for the customers to make an industrial purchasing decision namely a brand name, price, dealer proximity, quality of dealer's service, and buyer's experience of the dealer. The analysis exposed that the brand name was the most important in making 38,95% of the purchase decision, the price obtained the second score with 25,98% and service was ranked as the third one with 14,90%. However, the same

study found out that the importance of the brand varies according to the tractor brand. (K. Walley et al, 2007.)

TABLE 1. Worldwide Production (in units). VDMA, Tractor report, 2008, 16.

Western Europe	2003	2004	2005	2006	2007
Germany	51.407	59.236	54.590	58.623	60.732
Finland	10.928	9.766	9.945	10.380	10.737
France	22.490	27.530	27.280	26.551	27.984
United Kingdom	30.408	29.138	26.685	25.557	25.068
Italy	79.847	78.707	82.891	79.602	80.809
Austria	8.509	9.856	8.922	9.299	9.768
Spain	1.039	1.027	600	428	428
Total	204.628	215.260	210.913	210.440	215.526
Europe (others)					
Moldova	476	327	.	.	
Poland	4.708	8.017	5.713	6.381	7.405
Russia	9.086	9.747	9.844	12.337	14.985
-other CIS states	.	3.202	.	.	.
Ukraine	3.192	5.806	5.534	3.704	5.276
Uzbekistan	2.804	2.865	.	.	.
Belarus	26.993	34.676	42.152	50.058	59.647
Others					
Argentina	549	840	890	1.167	1.705
Brazil r	47.109	52.768	40.871	35.586	50.719
India	193.670	246.693	.	.	
Iran	15.005	15.005	17.020	25.339	25.013
Japan	165.405	202.169	213.170	212.708	.
Pakistan	35.770	43.200	35.308	39.249	.
South Korea 1)	23.620	26.590	30.528	26.202	32.315
Turkey	28.794	38.627	34.907	38.847	33.518
China r	51.120	93.997	161.140	207.300	203.100

Only strong brands can catch the customers attention, drive them to choose it instead of other alternatives and competing product. Strong brands could influence on customers' choice, build and secure long-lasting relationships with customers and create the loyal customers. (Interbrand, 2007, 4, 7.) For the tractor industry customers' loyalty is a very important aspect because the product by itself is a working tool with a comparatively long life span. Depending on the brand and the amount of working hours it is about 30 years.

The Research Problem

The topic of the research and main research questions were generated by the real life business processes, problems and environment, which were risen in process of the author's work as a sales and marketing assistant at Valtra Inc for the Baltic region. In the process of the work on the research the topic had been modified and focused on the exact problem and the direction. Because of the rapidly changing environment, it was needed to keep the report updated continuously. The work on the research helped to get more detailed, deeper and better understanding of the company's history, brand philosophy, and objectives. In addition it was broadly benefiting to combine and apply the theoretical knowledge and skills have gotten from the University of Applied Sciences to the job performance and tasks, and the research problem solving as well. Information gathered and analyzed for the research gave very good possibilities to correct the researcher's professional activities and made a space for the future development and growth.

The aim of the research was to find out of strengths and weaknesses of existing Valtra brand. In other words it meant to make a brand audit. It was very important to understand an external and internal brand environment on the basis of using secondary data of the existing researches and conducting a research to obtain a primary data. According to Carol Phillips (2005) a complete brand audit involves examining a data for the following directions/topics:

- Existing Research Review
- Competitive Review
- Management and Employee Interviews
- Influencer Research: Perceptions of the media, analysts and other constituencies.
- Primary Customer Research: Qualitative and/or quantitative research with designated market segments to uncover customer perceptions, build the brand pyramid and identify any obstacles for strengthening the brand's relationship with stakeholders.

- Sales and Customer Analysis: Analysis of past revenue and sales information. What factors drive revenue? Which sources are growing and where are the sources of decline? Analysis of customer demographic and usage information should be done.
- SWOT Analysis based on marketing profile of primary Products and Services. These should be reviewed, catalogued and evaluated for consistency and impact:
 - Product strengths and weaknesses
 - Pricing strategy and competitive position
 - Distribution strategy
 - Promotion strategy and spending relative to competitors
 - Analysis of Brand Elements such as
 - names, logos, symbols, URL's or trademarks;
 - Characters, "packages", slogans,
 - other design elements (colors, sounds, etc.)
 - Brand personality, characteristics and attributes.

Unfortunately because of limited capacities and a scope of the research only part of elements of the brand audit had been done or started. This research could be stated as a background and a preparatory point of the work on Valtra brand audit. The research was focused on existing secondary industry and customer data, competitive review; partial sales analysis and brand elements analysis was done. To obtain the primary data a questionnaire was created. Management and Employee Interviews and Primary Customer Research were done in a form of primary qualitative research. Behind the scope of the research for the future analysis and development are needed to be done:

- Management and Employee On-site Interviews
- Influencer Research
- Primary Customer Research
- SWOT analysis of Product and Services, and Brand Elements from the point of the marketing strategy.

Collecting of the primary data

As it has been mentioned before to obtain the primary data a questionnaire was created. The pilot interview was done in-house for Valtra employees from Sales and Marketing Department and Valtra Communication Department. In the process of the pilot questionnaire some questions were improved to avoid questions with not clear content or made in a form which pushes the interviewees to the favorable/unfavorable to the company answers. Some ques-

tions were excluded or added accordingly to the main purpose of the research. Employees of Latvia and Lithuania importers were interviewed personally in the importers' premises of SIA Valtek (Latvia) and UAB Rovaltra (Lithuania). The purpose of the interview was to get first hand information and the impression about Valtra brand and its main elements, competitors of Valtra, Valtra customers and possible ways to improve Valtra brand performance in order to generate better sales and as a result of that gaining the market share and better revenue in the Baltic region.

The sample for the interview had been taken in a way that representatives of different significant parts of the tractor business were included. These critically important parts were marketing and sales, spares and services. For any vehicle-, machinery or equipments producers the good cooperation and communication between these three business units are the most crucial for the present and future sales. The work of the service people and after-sales activities influence significantly on the decision to stay with the same brand or change to some other one. In other words – buy or don't buy for the next time the same brand. By the author own experience, for example, one car producer with a very good product had been changed to another one because of the quite bad services and spare parts delivery.

The other parameter for the sample was a time of work in the importer company or in cooperation with Valmet/Valtra. For sample were taken both employees with short and long working relations with Valmet/Valtra. In total there were ten people interviewed. The interview was conducted for four and a half working days, in a quite intensive manner. It was agreed at the beginning of the interview that names of the interviewees would not be included into the analysis and publicly posted in the research. This interview could be considered as anonymous. Interviews were conducted personally. All employees to whom it was suggested agreed to participate in the interviews. The answers were given in the honest manner and quite openly.

The language of the interview could be chosen between English and Russian. 80% of interviewees preferred Russian as an interview language. In general the interviewees didn't experience language problems. However, for one interviewee we had to use both languages because of not very good knowledge of English and Russian either by the interviewee. The sample included directors/owners of the importer companies in the countries, sales managers, marketing managers, spare parts managers, service managers and workers from the service side.

The reporting in the Part 5 was organized as following. The general information about the interviewees was presented for the both countries. However, further information was presented by the country in order to differentiate the results. Despite of the fact of the geographical closeness and using the same type of the distribution channel by the independent third party importer, Latvia and Lithuania are very different by the business procedures, agricultural sector situation, the level of competition, and Valtra brand development history.

Research Method

For the research conducting a constructive research method had been used including both qualitative and quantitative research (partly). Research data was collected by using secondary data from earlier researches and studies, gathering primary data through the personal questionnaire.

The literature used for the research as a theoretical background gave valuable information on branding in general, brand identity and elements, brand maintenance and executing. The analysis of the questionnaire results and the relevant literatures provided with information to drive conclusions and recommendations. The research was performed as a single-case study, where an international company Valtra Inc. (one of the brands of the AGCO Corporation) in farm tractors manufacturing was selected to be the case company.

Results of the research

The research was getting active support and help from the different Valtra departments and from the importers in the countries. The result of the primary research of the thesis were reported and used to create new directions to Valtra strategy in the region already before the writing of the thesis was finalized. The ready thesis had been sent to the parties interested in the result among them were Sales Manager for Central Europe and Baltic region, Valtra Communication Department, Sales and Marketing Director of EAME, Director of Sales EAME, and Marketing Support Manager. The results of the primary research provided with the first-hand information from the region and from the different business units inside the independent third party importing organizations.

2 BRIEF INDUSTRY OVERVIEW

2.1 Trends of the Farm Machinery Industry in 2008

According to the definition given by the Encyclopedia Britannica farm machinery consists of mechanical devices, including tractors and implements, used in farming to save labor. Farm machines include a great variety of devices with a wide range of complexity: from simple hand-held implements used since prehistoric times to the complex harvesters of modern mechanized agriculture. (Encyclopedia Britannica, 2008.)

For sure farm machinery industry depends on the agricultural industry trends and follows its. The main global trend is steadily growing demand for food. The other positive tendency is a rapid development of emergency markets, growing of the purchasing power and busting modernization of the farm machinery, for example, in such markets as Eastern European countries. In addition as positive tendencies for the farm machinery industry should be considered:

- population and economic growth
- relatively high world commodity prices for milk and grain
- potential introduction of new land into production (Agricultural Commodity Markets Outlook 2008-2017, 2008, 3)
- the increase in biofuel production and booming of biofuel markets in North and South America
- increased rapidly demand for meat in the Asia (Bishop, 2008).

Among tendencies which impact negatively on the farm machinery industry the following could be listed:

- growing prices for oil
- growing prices for diesel fuel
- increasing out costs for fertilizers (UK tractor sales on a high, 2008)
- increasing of transportation costs
- a fluctuation of agricultural commodity prices
- increasing of the production costs for the industry
- for the European producers the exchange rates of Euro against US dollar
- strong depending on the weather conditions and the prices for the agricultural production

- changing of the global climate and weather related factors, which can lead to water shortage and increasing of the global temperature (Agricultural Commodity Markets Outlook 2008-2017, 2008, 5);
- declining of the industry as a result of the economical slow-down.

There are some general tendencies, which can play both negative and positive impacts on the industry. For example, urban migration and ageing of the globe population could be considered as positive trends because continuing of these tendencies leads to reducing workers in the agricultural sector meaning a need in more advanced technologies and powerful agricultural machinery. Urbanization changes income profile of the population and dietary model. As a result in many cases demand for dairy products, fruits and vegetables is increasing. However, the same tendency might impact negatively as well. The reduction of the work force and ageing of the population for the agriculture might mean the decreasing of the experienced workers, who is able to utilize efficiently the new generation of agricultural machinery getting more sophisticated and electronically equipped. In addition, urbanization reduces rural areas around urban units available for agricultural production. (Op. cit. p. 8.)

There are some industry trends, which are specific or more significant for some regions, countries and etc. For example, for European Union agricultural industry some trends and Policies play very critical part in the forming the directions of the agricultural industry development and as a result for structuring of the demand and forming the purchasing power of the present and potential customers.

Among the positive trends for the farm machinery industry the following matter might have the biggest impact. Among European Union policies the Common Agricultural Policy (CAP) should be considered. The Common Agricultural Policy which has been created to the strength competitiveness of EU farming to ensure that development of the farming businesses, rural communities and environment preserving are going hand in hand.

(<http://europa.eu/pol/agr/>, 2008.) For example, under the Policy farmers have got some subsidies. However, the amount of farm subsidies under the CAP is continued to be reduced. As a result of this processes some reducing of costs and rationalization of operations will be needed to keep farming business on a competitive level. In many cases it gets to the need in larger and more efficient machinery.

The other very important trend is enlargement of the European Union, which brings new markets and new export opportunities inside the European Union.

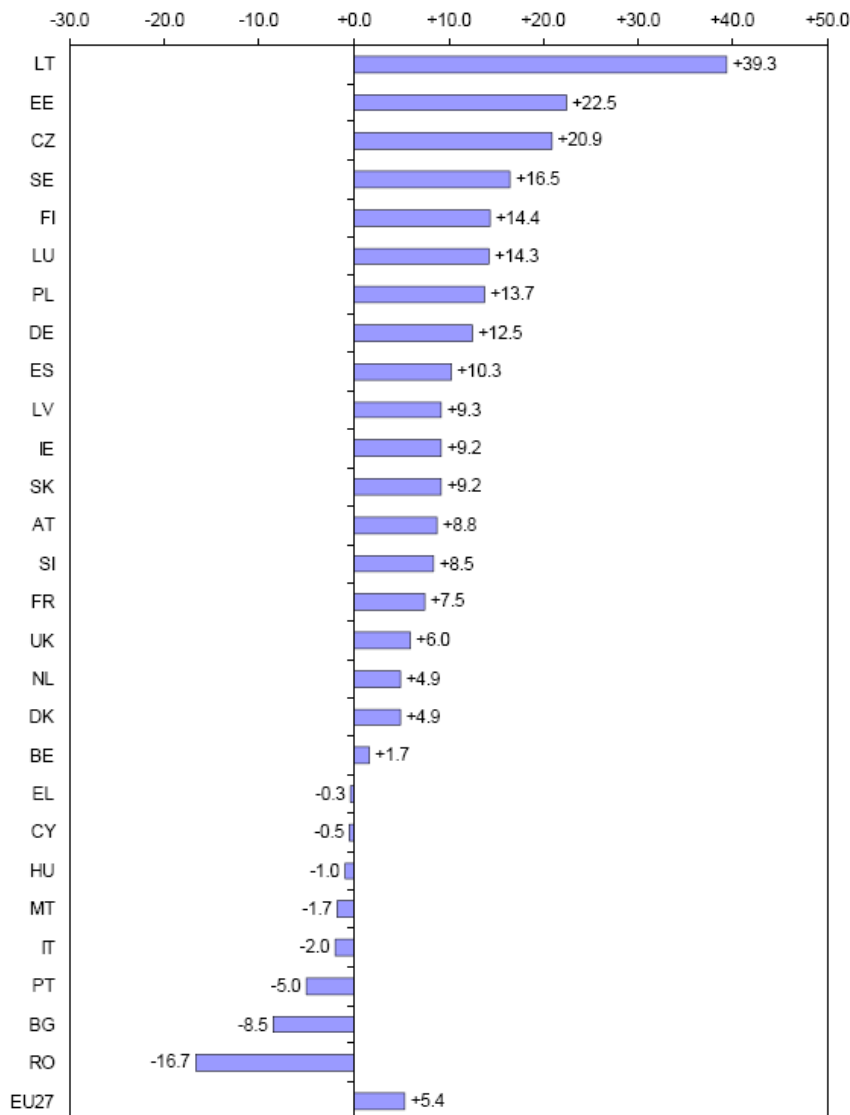


FIGURE 1. Agricultural Income (Indicator A) in the EU, %, 2007/2006. Figure is presented in Statistics in Focus, Agriculture and Fisheries, Eurostat, issue 24, 2008.

The agricultural income per labor unit is increased in 2007. According to the second estimates for the Economic Accounts for Agriculture (EAA) submitted to Eurostat by the Member States at the end of January 2008 agricultural income per labor unit (Indicator A) is estimated to have increased by 5.4% in the European Union (EU-27) in 2007, continuing an increase of 3.3% in 2006. (Statistics in Focus, Agriculture and Fisheries, 2008.) The FIGURE 1 presents the agricultural income by countries. As we see there are some countries,

which experience the negative level of income and should be considered as smaller sales capacities countries for the industry in 2008-2009.

The negative trends for the industry within European Union are the following. European Union faces declining of the farms number. Some of the farms becoming as a part of bigger farms but some farms are disappearing due to urbanization processes. This tendency can be considered as a negative trend for the industry in general especially for the segment of the small and middle horse power range of tractors. Cutting and restructure of the aid subsidies under CAP, getting more complex procedures and regulations to be qualified for funds bring less and less incentives and benefits for farms.

Livestock is threatening because of increasing feeding costs and diseases. It will impact very negatively to the farms income level in the nearest future already. In addition it is needed to consider that in some cases the increasing of the farming income in 2007 occurred because of the general prices rising for food. (Statistics in Focus, Agriculture and Fisheries, 2008.)

However, despite of the pessimistic prognoses about flattening, slow down and even declining in sales of farm machinery in 2007 and continuing these processes in 2008, the industry has been experienced enormous continuous growth for these 2 years. In addition to some negative industry trends the reason of the pessimistic prognoses was partly in the declining of sales of farm equipment in 2006. According to statistics from the Association of Equipment Manufacturers (AEM) Farm machinery sales were strong in 2004 and 2005. But 2006 was a dud for sales of agricultural power equipment. Sales of 100 plus horse powers including both two wheel drives and four wheel drives tractors dropped almost 20%. (Equipment Sales Flat, 2006.)

At the beginning of 2007 the same situation continued. For example, In March sales declined for the same horse powers range tractors for about 1%. However, the sales' situation changed dramatically starting from April 2007. Sales of four wheels drive tractors in April-September increased up to 10% in average, compared to 2006. (Hest, 2007.)

The first half of 2008 was very successful and promising to be the best year for the industry for the last decades. According to a 2008 business trends survey conducted by Farm Equipment magazine presented in the article of Hest (Op. cit., 2007) about 90% of the deal-

ers responding to said about their positive expectation as for 2008 sales and the better level of its (up to about 2.5%) comparing to 2007. By the public reports for the second quarter of 2008 of the main leading companies in the industry John Deere, CNH and the AGCO Corporation (comparing to the same period of 2007) reported that the worldwide net sales and revenues of John Deere increased on 18 percent up to \$8.097 billion; CNH's agricultural industry sales and market share gains drove net sales of equipment to \$5.3 billion, up 29%; the AGCO Corporation had reported increasing of net sales for approximately 24% to \$4.2 billion. Factories of these companies had worked on the highest level of production in order to meet the growing customers' demand. However, some markets were declining in quantities. According to the internal Valtra report on amount of registered in Finland tractors in the range less than 35kW the cumulative difference in % for the period of 6 months of 2008 is -6% comparing to the same period of 2007.

However, the situation has changed radically at the third and fourth quarter of 2008. First the economical crisis had started in the USA and came very fast to Europe and Asia. Crisis of the banking and financial systems led to the difficulties with crediting and getting the machinery under leasing. The end of 2008 is going to be quite tricky to the globe machinery producing. The most dangerous in here is getting big frozen stocks of the ready products.

2009 could be not an easy year for the industry in some countries because of getting stronger general global negative trends and some trends specific for the particular countries. For example, the TABLE 2. below presents the industry forecast 2009 for Latvia. We can observe some industry declining from the total 1083 units expected in 2008 to 1017 units forecasted in 2009. In addition to global negative trends strength such as climate changing, growing prices for diesel and increasing prices for fertilizers, there are some "local" negative trends namely critically growing migration of the professional work force due to joining the European Union and quite deep financial slow down in Latvia started in September 2008.

TABLE 2. Latvia market forecast. The table is modified from Latvia, Distributor Profile, 2008, 2.

	A07		E08		B09		Diff B09-E08	
	units	MS %	units	MS %	units	MS %	units	MS %
Valtra	156	13,6%	138	12,7%	142	14,0%	4	0,01
MF	54	4,7%	88	8,1%	70	6,9%	-18	-0,01
Fendt	15	1,3%	22	2,0%	25	2,5%	3	0,00
Total AGCO	225	19,6%	248	22,9%	237	23,3%	-11	0,4%
John Deere	183	16,0%	210	19,4%	190	18,7%	-20	-0,7%
Case	116	10,1%	95	8,8%	105	10,3%	10	1,6%
New Holland	81	7,1%	90	8,3%	100	9,8%	10	1,5%
Claas	69	6,0%	50	4,6%	45	4,4%	-5	-0,2%
Belarus	352	30,7%	250	23,1%	230	22,6%	-20	-0,5%
Others	120	10,5%	140	12,9%	110	10,8%	-30	-2,1%
Total Market	1146	100,0%	1083	100,0%	1017	100,0%	-66	

The industry competition is getting harder and on the more advanced level. New players are coming. Some “old” players consolidate into bigger corporation-conglomerates with a better financial base, competitive power and influences. Under these circumstances the clear forming and utilizing the brand as an assets of the company is becoming more and more important as a competitive advantage of the company.

It should be mentioned that the chapter on the industry overview had to be rewritten and updated three times at least because of the rapidly changed the economical and industry environment. The strong dependency of the agricultural equipment producers from the agricultural sector conditions (the weather, this year's harvest and prices of the commodity market) and the general global economical conditions (slow-down of the economy) changed the industry overview for a very large extend. After some weeks it was not possible to keep the same text full of the expectations for the prosperous of the industry at the time of the coming economical crisis.

2.2 Main producers of the farm equipment worldwide

At the present time there are three companies-leaders and the biggest players in the farm equipment manufacturing and distribution, whose brands are strongly competing in the in-

dustry for markets and customers namely John Deere, Claas and New Holland (CNH) and AGCO Corporation.

John Deere



The company was established in 1837. Headquarters located in the Moline, Illinois, the USA. The amount of employees is 52000 people. The values of John Deere are integrity, quality, commitment and innovation.

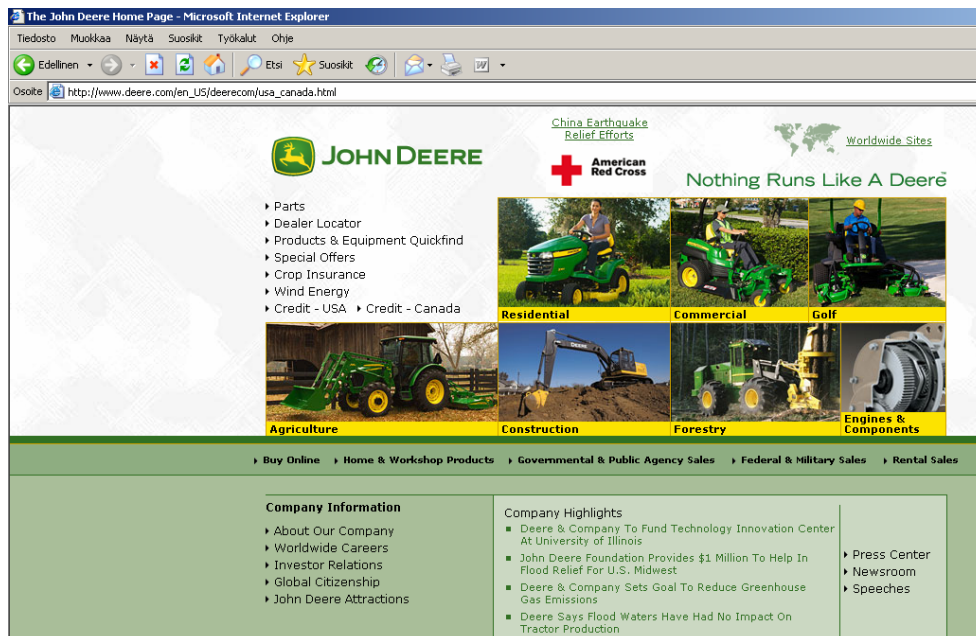


FIGURE 2. Web page of John Deere

The strategy of John Deere is stated as:

We aspire to distinctively serve customers — those linked to the land — through a great business, a business as great as our products. To achieve this aspiration, our strategy is:

- Exceptional operating performance
- Disciplined SVA growth
- Aligned high-performance teamwork.

In one fraise the strategy is formulated as following – Growing a Business as Great as our Products.

The promise of John Deere is: Reliability is our Strength.

Execution of this strategy creates the distinctive John Deere Experience that ultimately propels a great business and, for all with a stake in our success, delivers...

The slogan of the company: Performance That Endures. The company colors are John Deere's green and pure yellow. The farm/agricultural machinery production is only a part of John Deere business (www.deere.com) All products are kept under the brand name – John Deere.

Claas and New Holland (CNH)



This company was founded in 1999 through the merger of New Holland N.V. and Case Corporation – two companies with very long traditions, roots and great experiences in the farm machinery production. The amount of employees is more than 25,000 people. CNH is a majority-owned subsidiary of Fiat S.p.A., the parent company of the Fiat Group, Italy.

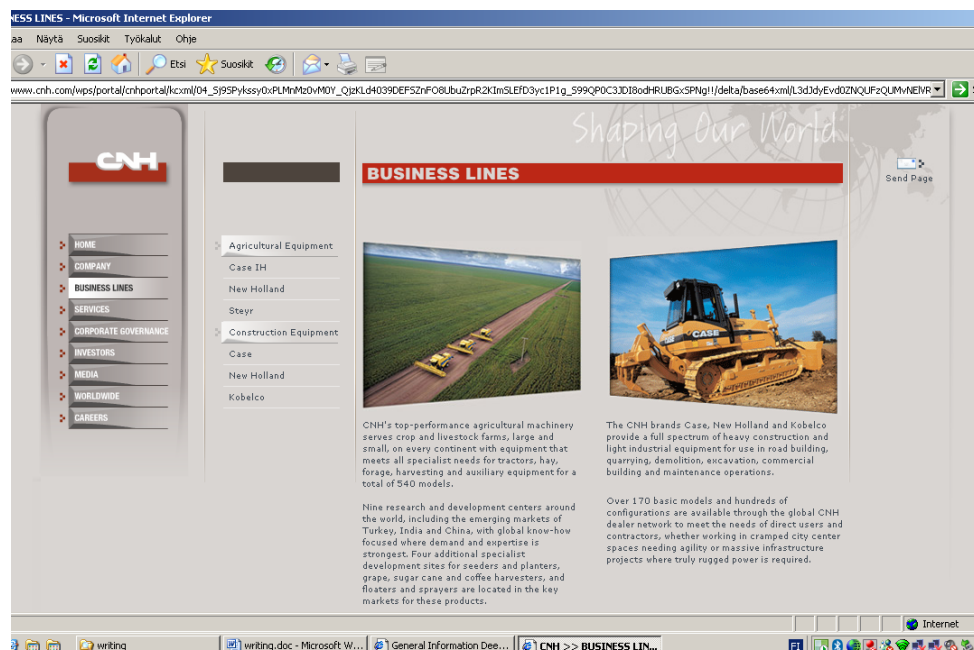


FIGURE 3. Web page of CNH

CNH mission is: “to grow and create value by supplying innovative products and services to maximize our customers' success. We achieve this by empowering all our people to develop their ideas and to make their visions a new reality”.

The promises of CNH are:

New Holland: Your success – our specialty

Case IH: Power by tradition

Steyr: Innovation.

The values of CNH are: “All business relationships will be established and maintained with integrity and loyalty and without any conflict of interest between business and personal affairs”. (www.cnh.com)

There are two business lines: agricultural and construction machinery and equipments. After the merger all brand names are kept originally: Case, New Holland, Steyr and Kobelco. Each brand has its own brand elements: logo, colors, slogan and others.

The AGCO Corporation



The AGCO Corporation was established in 1990. Headquarters located in Duluth, GA, the USA. Vision and mission are clearly stated as following.

Vision is: High–tech solutions for professional farmers feeding the world.

Mission is: Profitable growth through superior customer service, innovation, quality and commitment.

The promises of AGCO are the following:

MF: Pedigree, Power & Performance

Valtra: Power Partner

Fendt: Quality has a name (Wer Fendt fährt führt)

Challenger: Challenging convention

Values of the corporation are allocated to the main directions namely: Customer Focus, Dealer Focus, Human Dimensions (employees), Customer Perceived Quality, Ethical Standards, Brand Values and Shareholder Values.

The AGCO Corporation has the main and only line – agricultural machinery and equipment. The AGCO Corporation is a multi-brand company, which maintains the value of the each brand from the family. Each brand inside the AGCO family has its own logo, colors, slogan and other brand elements. (www.agcocorp.com)

At the moment when the research was almost ready, the information about the changing the AGCO logo and the slogan came. The previous slogan: “Always Growing” had been changed to “Your Agriculture Company”. The logotype appearance had been changes to:

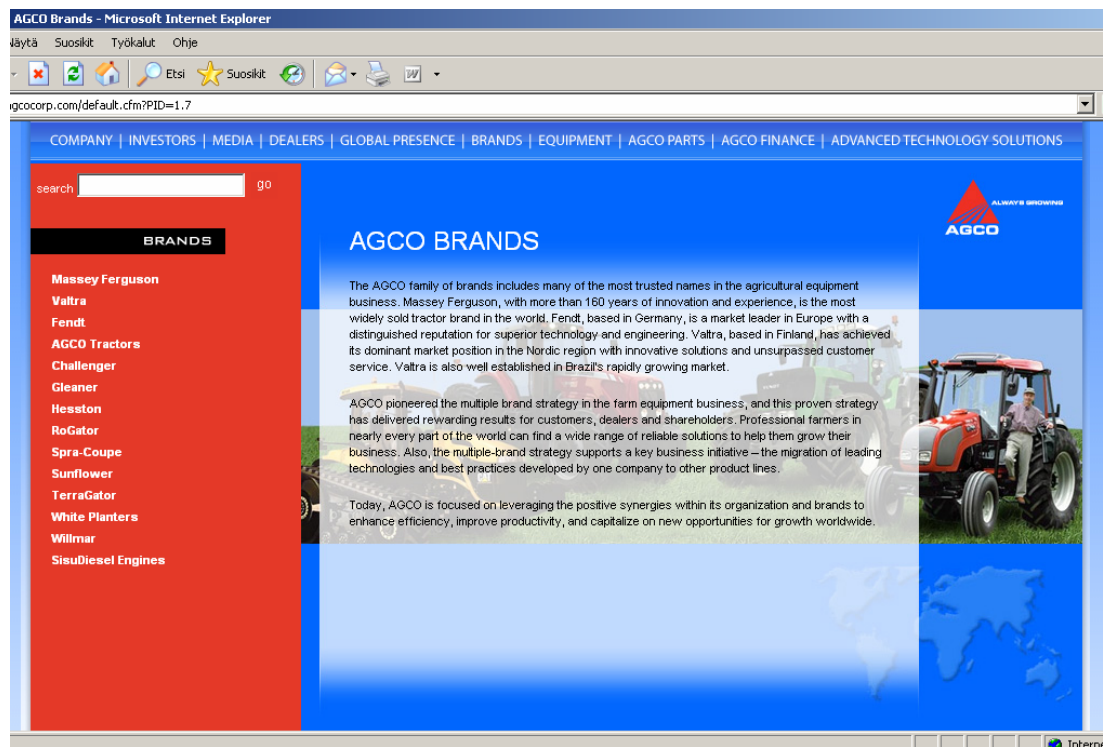


FIGURE 4. Web page of the AGCO Corporation

Already after the analyzing of the general information on three leaders in the farm machinery production industry it is possible to make a conclusion that they are different by the

brand utilizing approaches starting from John Deere “one brand” solid strategy to the multi-brand direction of AGCO. There is no one correct way of the running a business and no one right answer to the question: What is the more successful and profitable in the long-run approach to utilize brand as an asset of the company?

For sure multi-brand companies appear as more complex and complicate conglomerates comparing to one-brand companies. It is needed for the parent company to create the common vision, mission, strategy and values along with each brand in the family creating its own set of vision, mission, strategy and values on the individual brand level. In order to differentiate the brand inside the parent company the individual brand creating and maintenance is a very interesting problem by itself. In the scope of this research Valtra brand identity inside the AGCO Corporation family was investigated. The next chapters of these papers were concentrated mainly on the AGCO Corporation and one of its brands – Valtra Inc.

3 INDIVIDUAL BRAND INSIDE THE PARENT COMPANY

To move forward with solving of the research problem it would be needed to give the definition of the term “brand”. There are quite many different definitions for this term. But basically the definitions could be divided into two big groups by the “narrow” and “broad” understanding and identifying the brand. For this research it had been decided didn’t stick to one definition of the brand but present some of the latest studies on it.

Over decades the meaning of the brand is getting more and more complicate. Modern-day branding didn’t exist as a business category 100 years before. For that time the art of creating the brand has evolved from only designing of logos and placing advertising to creating the complex image, including visual identity, features, benefits, and set of value, which the brand presents (See Figure 5). It is critically important to create a “brand culture” that customers can join; they perform their values and vote by their wallets (See Figure 6.) (Lowell, Hahn, 2007). All these concepts should go hand-in-hand with strategy of the company and objectives (Rik Riezebos, 2003).

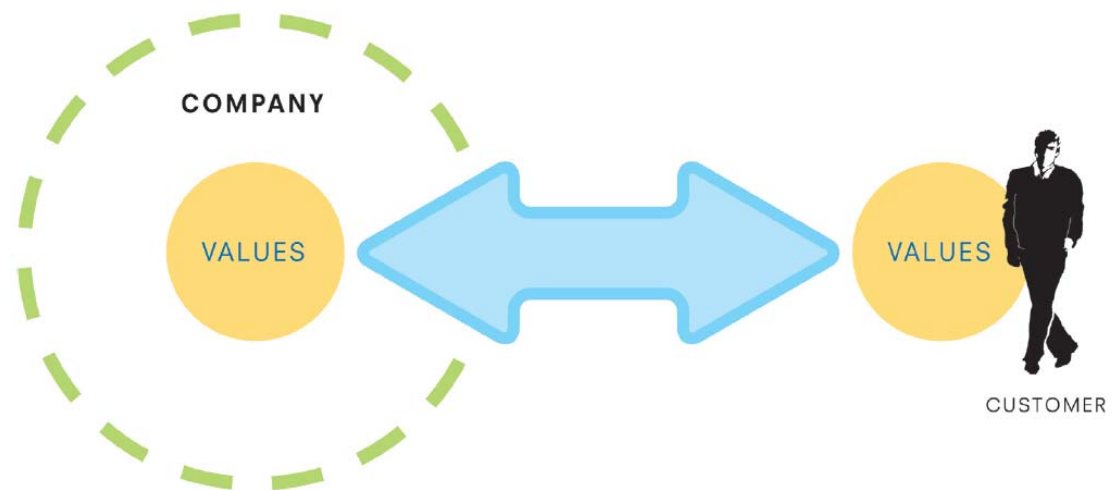


FIGURE 5. The brand’s values are compatible with the customer’s values. Adapted from Lowell&Hahn, 2007.

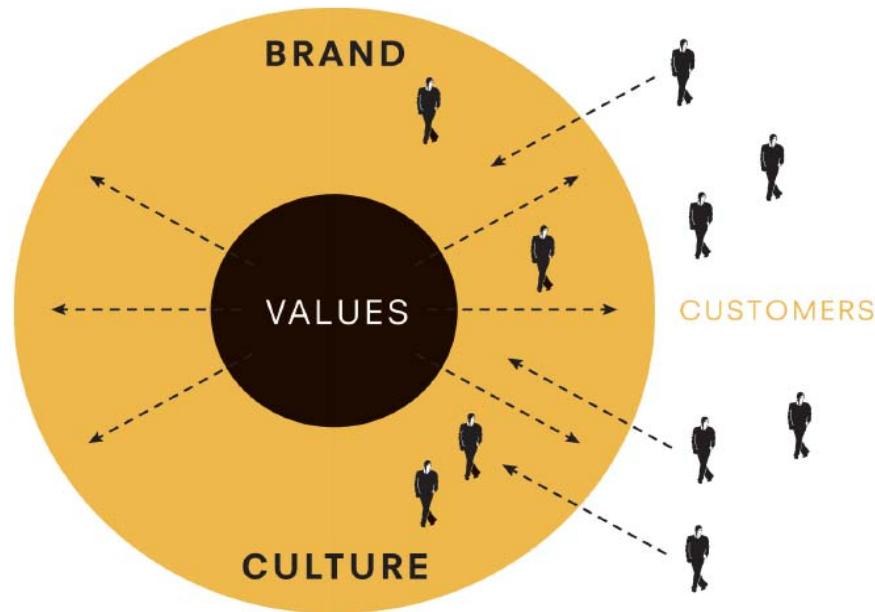


FIGURE 6. It is vital to create a culture that customers can join. Adapted op.cit. 2007.

For this paper the broad understanding of the brand was adopted. This brand understanding included the idea of the visual brand identity and brand values shared with customers.

3.1 The AGCO Corporation

The AGCO Corporation is a world's third largest farm equipment manufacturer and distributor. The AGCO Corporation, formed in 1990, is a global designer, manufacturer and distributor of agricultural equipment and related parts. (The AGCO Corporation Annual Report, 2007, 1.) The AGCO Corporation is a parent company of Massey Ferguson, Valtra, Fendt and Challenger, as well as other North American farm equipment brands and the SisuDiesel engine business.

Net sales of AGCO Corporation in 2007 are \$ 6.8 billion. Comparing to 2006 AGCO's sales and earnings increased impressively. For 2007 AGCO's sales increased approximately 25.6% to \$ 6.8 billion, and adjusted diluted earnings per share increased over 125% compared to 2006 meaning adjusted earnings per share \$2.55 compared to \$1.12 in 2006. (The AGCO Corporation Newsletter, 2008, 2.)

To get the better understanding of the financial results of the AGCO Corporation we could compare it to the financial results of the most powerful producer in the industry - John Deere. According to John Deere's Annual Report, the company got the following results: net income in 2007 was \$1,822 million, or \$4.00 per share diluted, compared with \$1,694 million, or \$3.59 per share diluted in 2006. (John Deere Annual report, 2007, 10.)

The AGCO Corporation got a very impressive growth and results in 2007 in the industry. The corporation has climbed 62 places to 359 in US business magazine Fortune's list of the 500 largest US corporations (AGCO climbs Fortune 500, 2008). The AGCO Corporation is getting to be more and more strong and powerful worldwide player among the agricultural machinery and equipment producers, and going head-in head to the industry leading brands. It means that in the "battle of the brands" the AGCO Corporation manages to attract customers around the globe. The FIGURE 7 presents the AGCO Corporation worldwide sales by the regions (The Official Valtra Company Presentation, 2008, 3).

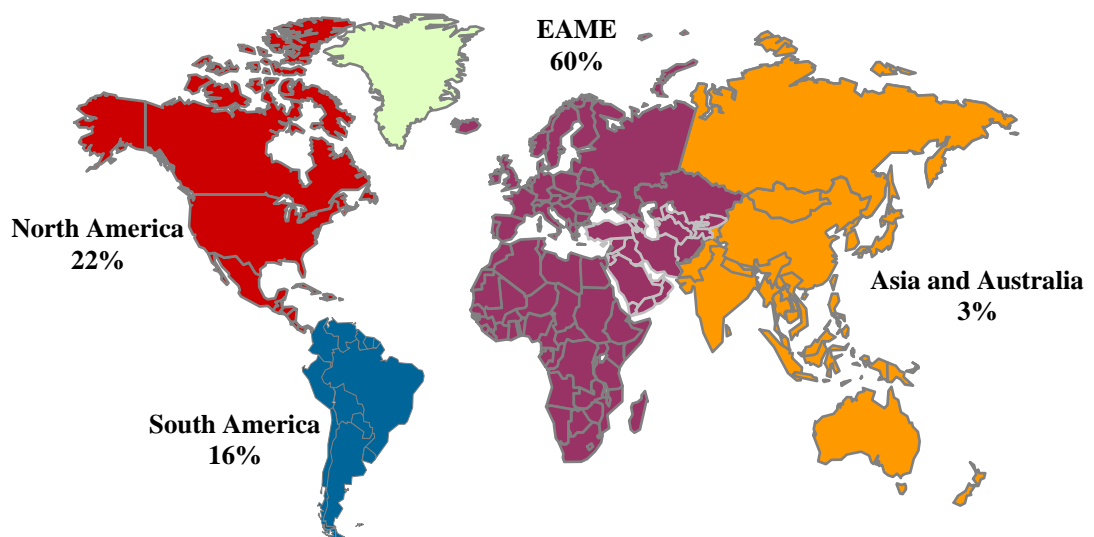
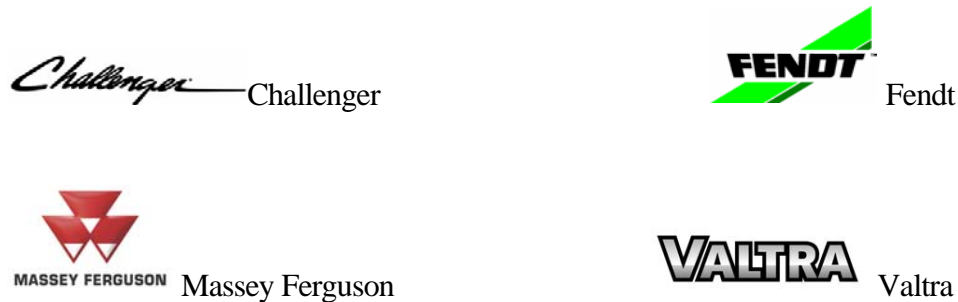


FIGURE 7. The AGCO Corporation Worldwide Sales by the Regions

What is behind the success and growth? Which brands are making possible to keep sustainable growth and good financials results of the AGCO Corporation?

The AGCO's family of brands includes many of the most trusted global names in agricultural equipment producers, including



Through these core brands AGCO is providing high-tech solutions for the growing sector of professional farmers. Challenger, Fendt, Massey Ferguson and Valtra, alone, accounted for more than 86 percent of AGCO total machinery net sales in 2007. (See Figure 8.) (The AGCO Corporation Annual Report, 2007, 5).

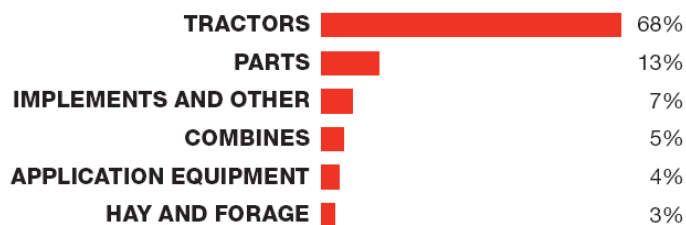


FIGURE 8. Sales of the AGCO Corporation by Products.

3.2 Tractor Brands of AGCO

As it has been mentioned already, the AGCO Corporation as a parent family keeps four individual brands of the tractor producers. Three companies out of four have their “countries of origin” in Europe except Challenger which is from the USA. Fend headquarter is located in Germany, Massey Ferguson is in France (plus a part of production facilities are in Brazil) and Valtra is in Finland (and a part of production facilities are in Brazil – Valtra-do-Brazil).

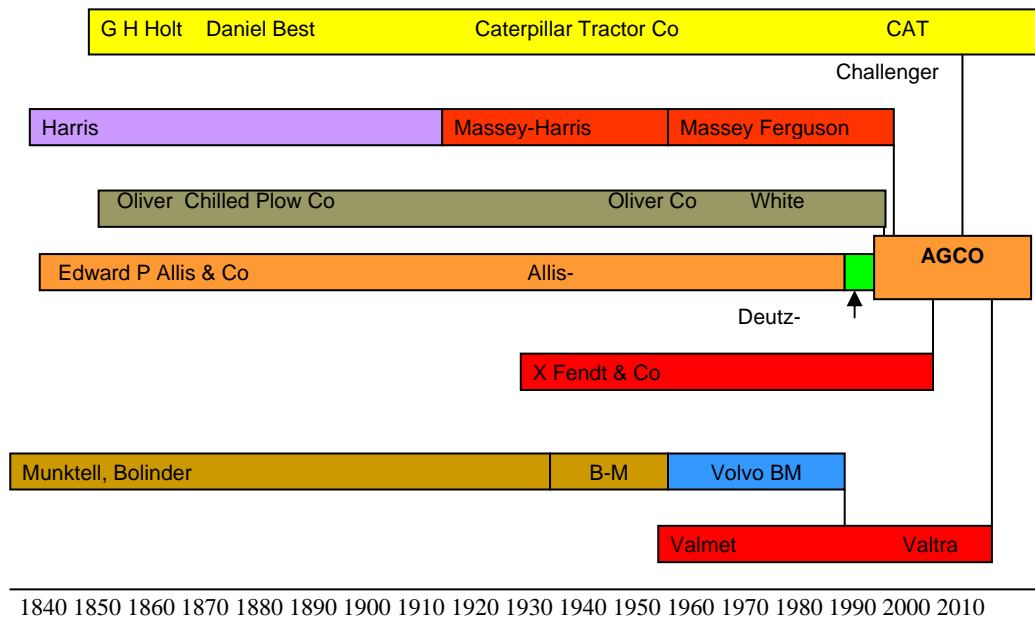


FIGURE 9. Main Tractor Roots of AGCO. Presented in Valtra Brand Development presentation, 2008.

Fendt, Massey Ferguson, Challenger and Valtra have a very long history and powerful roots. Figure 9 presents with time coordinates the history of these companies including the historical development through the owners and parent companies.

At the present days in the tractor production Fendt, Massey Ferguson and Valtra manufacture wheels tractors (4 wheels drive) and in some power range they might compete with each other. Even the product of the companies is tangible, it is extremely important still to create clear differentiation of the brands from the same parent family, to identify the best benefits and the expertise of the each brand. According to the AGCO Annual Report, the brands are presented in the following way (in bold by I.S.):

Massey Ferguson is one of the most widely sold tractor brands in the world, with more than 150 years of **innovation and experience**, and offers one of **the most complete lines** of agricultural equipment in the industry. Fendt is a market leader in Europe with a reputation for **superior technology and engineering**. Valtra has achieved a leading market position in the Nordic region and a strong presence in Brazil with **innovative solutions** and **unsurpassed customer service**. Challenger markets its **full line of high-end** farm equipment to

customers requiring **high performing, powerful and rugged** machinery
(marked by the author). (The AGCO Annual Report, 2007, 4-5.)

After analyzing these descriptions the key words for each of the brand could be specified:

Massey Ferguson – innovation and experience;

Fendt – superior technology and engineering;

Valtra – innovative solutions and unsurpassed customer service;

Challenger – full line, high performing, powerful and rugged machinery.

3.3 Core of the Brand

In order to recognize and differentiate brands inside the family and among competitors we are getting to the idea of core of the brand. Hoffmann & Forcher differentiated three elements of the brand image namely: the brand shell, the brand space, and the brand core. (See Figure 10.)

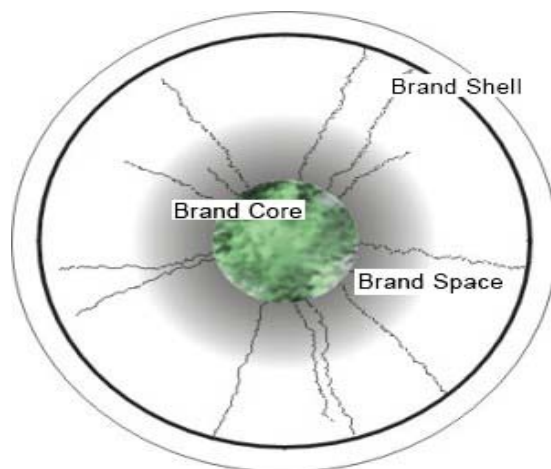


FIGURE 10. The Brand Essence Model . Hoffmann & Forcher, 2008.

The Brand Shell level consists of the visual characteristics of the brand such as “name, logo, symbols, design, packaging, slogans and etc.” connected Brand Awareness. For example each of AGCO’s brands has its own logo, slogan, the design of brochures and advertisements is different. It creates Awareness of the each single brand existing inside the AGCO family.

The Brand Space explores special features, benefits and ideas which are associated with a brand and establishes the image of a brand. These benefits and differentiate a brand among competitors and create some set of brand values. It should lead to generating of the brand recognition and forming of the loyal brand customer society, which accepts and shares the brand values. The key words from the AGCO brands positioning present the Brand Space of the AGCO brands. In a form of brands' benefits, specific characteristics and features the Space of the brands is describe and differentiated.

According to a statement of Hoffmann & Forcher institute these benefits and values form impressions of the brand. This kind of impressions is deeply-seated usually. The Brand Core forms the brand expectations and promises. (Hoffmann & Forcher, 2008.) The Brand Core is the soul of the brand. In another words the Brand Core means the central, not changing frequently, more constant true benefits and values, which a particular brand brings to the customers. (Valtra Brand Development, presentation, 2008.) Figure 11 presents Brand Positioning of AGCO tractor brands inside the family by the main operations and sales areas.

	EAME	North America	South America
Challenger	High specification, high quality product featuring latest technology coupled with top quality dealer support, for professional farming operations	High specification, high quality product featuring latest technology coupled with top quality parts and service support from Caterpillar dealers, for professional farming operations	
Fendt	Industry leading technology, the finest German Engineering, premium priced brand, premium dealer support, for commercial farming operations		
Massey Ferguson	World's leading brand, complete line of basic to full-featured "Workhorse" machines at competitive prices, all types of farming operations	Complete line of basic to full-featured small and mid-sized "Workhorse" tractors at competitive prices, lifestyle and smaller traditional farming operations	Tradition of operational simplicity, low cost of ownership, quality construction, strong dealer support, most widely used brand, "Workhorse machines" for all types of farming operations
Valtra	Designed and manufactured for the harshest climates and toughest working conditions, Scandinavian heritage, all types of farming operations		Customized built-to-order process, well built containing reliable and proven technology supported by quality dealer network, all types of farming operations

FIGURE 11. Core Brand Positioning by Business Unit (AGCO). Presented in Valtra Brand values vs. model range, Product Management/HN presentation, 2007.

After analyzing the content of the each particular brand main, core benefits, we can observe that some benefits vary between sales markets. However, there are some benefits which are constant and do with the brand around the globe. For example, Massey Ferguson positioned as a “work horse” under reasonable price for all types of farming operations. Valtra positioned as a reliable tractor (for different climate conditions) for all types of farming operations.

Already by this position statement it is possible to detect, that Massey Ferguson and Valtra are the closets competitors inside the AGCO family in one or another way. In addition it is needed to mention that some of models of Massey Ferguson are assembled at Valtra factory in Suolahti, Finland. This fact makes the differentiation more unclear even and can be used as a competitive advantage for Massey Ferguson considering more full range of machine for “all types of farming operations” (figure 11).

TABLE 3. Latvia: Tractor Registration Statistics. Example used in the Distribution profile: Latvia, 2008.

	A07		E08	
	units	MS %	units	MS %
Valtra	156	13,6%	138	12,7%
MF	54	4,7%	88	8,1%
Fendt	15	1,3%	22	2,0%
Total AGCO	225	19,6%	248	22,9%
John Deere	183	16,0%	210	19,4%
Case	116	10,1%	95	8,8%
New Holland	81	7,1%	90	8,3%
Claas	69	6,0%	50	4,6%
Belarus	352	30,7%	250	23,1%
Others	120	10,5%	140	12,9%
Total Market	1146	100,0%	1083	100,0%

As it has been mentioned before, the industry experiences growth in 2008. However, in some countries the market experiences some slight slow down. According to the statistics for Latvia and Lithuania Valtra manages to keep approximately the same level of the mar-

ket share. In the case of the market growth Valtra doesn't take advantages of the industry market growth. (See Table 3 and Table 4.)

TABLE 4. Lithuania: Tractor Registration Statistics. Example used in the Distribution profile: Lithuania, 2008.

	A07		E08	
	units	MS %	units	MS %
Valtra	112	8,2%	167	9,9%
MF	38	2,8%	50	3,0%
Fendt	52	3,8%	70	4,2%
Total AGCO	202	14,8%	287	17,1%
John Deere	156	11,4%	230	13,7%
Case	80	5,9%	100	5,9%
New Holland	64	4,7%	80	4,8%
Claas	56	4,1%	75	4,5%
Same	7	0,5%	10	0,6%
Others	800	58,6%	900	53,5%
Total Market	1365	100,0%	1682	100,0%

Traktorenzulassungen in Österreich Januar bis Juni 2008						
Fabrikat	Zulassungen 2008		Zulassungen 2007		Zulassungen 2006	
	Stück	%	Stück	%	Stück	%
Steyr	693	16,82	603	15,53	672	17,09
John Deere	657	15,95	502	12,93	522	13,28
New Holland	580	14,08	628	16,18	611	15,54
Lindner	505	12,26	522	13,45	535	13,61
Fendt	402	9,76	387	9,97	409	10,40
Massey Ferguson	331	8,04	313	8,06	263	6,69
Deutz-Fahr	296	7,19	287	7,39	259	6,59
Case IH	160	3,88	103	2,65	95	2,42
McCormick	129	3,13	129	3,32	82	2,09
Same	126	3,06	116	2,99	126	3,21
Valtra	102	2,48	122	3,14	111	2,82
Claas	60	1,46	88	2,27	120	3,05
Sonstige	78	1,89	82	2,12	126	3,21
Gesamt*)	4.119	100,00	3.882	100,00	3.931	100,00
Gesamt**)	4.436		4.247		4.279	

*) ohne Zweifachmäher, Obst- und Weinbauaktoren, Kommunaltraktoren und sonstige Zugmaschinen
 **) ohne Zweifachmäher, aber zuzüglich Obst-, Weinbau-, Kommunal- und sonstigen Zugmaschinen

FIGURE 12. Tractors registration in Austria January-June 2008. Eilbote, 2008, 28.

Approximately the same situation with Valtra market share is on the other European markets. For example Figure 12 shows that in Austria Valtra market share is declining even despite of the fact of the total industry growth.

It means that the brand position is not very strong. Competition is very high and quite aggressive from the side of John Deere, Case and New Holland as Western tractor producers. There is a big market share obtained by Belarus. However, it is needed to mention that customers of Belarus prefer this tractor because of the very low price range and extreme simplicity. The customer segment of Belarus is getting lower because customers getting to understanding that simplicity and low price are not only critical benefits of a new tractor. Productivity, versatility, functionality, technology, comfort, reliability and services are getting more and more important for the modern agricultural industry. Nevertheless, Belarus customers are potential future customers for the Western producer. This segment of the customers should be taken into consideration as a big strategic space for the market share growth.

Because of the external and the internal (inside the family) competition, it is getting more and more important to strength Valtra brand and its visibility against competitors. In order to provide a deep and detailed brand and brand visibility analysis the history of the forming and development of Valtra brand will be presented in the next chapter.

4 VALTRA BRAND

4.1 Valtra Brand history and roots

As it has been mentioned before all brands inside the AGCO Corporation have long brand history and roots before the companies' acquisition. Figure 13 presents the roots of Valtra with a time length. Valtra has very strong Scandinavian roots starting from of Bolinder and Munktell, who established in Sweden a company BM, continuing through Volvo and Valmet companies to Valtra. The best from the heritage of Volvo and Valmet had been taken to tractors of Valtra brand.

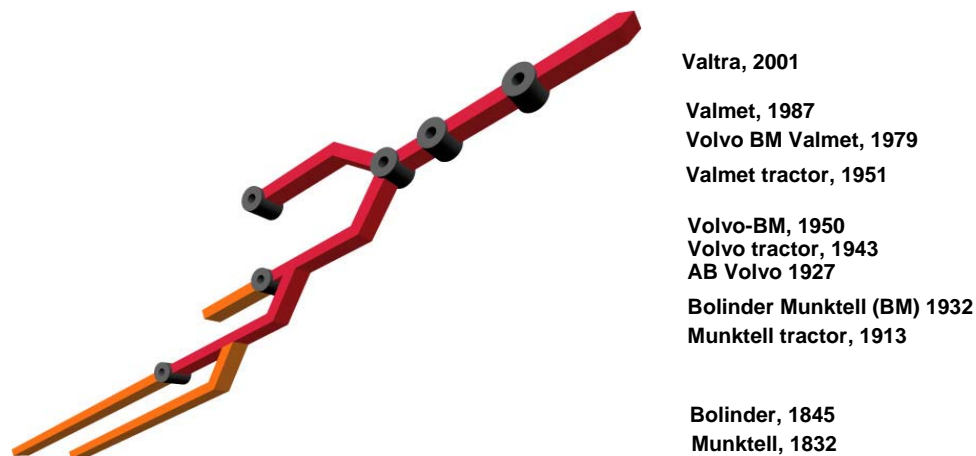


FIGURE 13. Valtra Roots. Respect for Tradition. Valtra Brand Presentation, 2008.

However Valtra company history was not an easy and straight forward one and forming of Valtra brand was influenced for sure by the series of acquisitions and mergers occurred. The influence by acquisitions could bring negative and positive effect to the brand forming. The fact that Valtra experienced changes of the ownership quite frequently at the some point and the agricultural business was not the main one for some owners brought quite negative effect for forming of Valtra brand. (See Figure 14 and Figure 15.) As a result of that effect some markets needed in a way to discover Valtra brand again.

Building of a brand is a complicated process, which should continue steadily and progressively. Some interruptions, re-branding or changing the brand name could cause very hard

consequences and problems in building and developing a strong brand. As an example of the positive effect of acquisitions was Valtra acquisition by the AGCO Corporation. For the first time in Valtra history the parent company has producing of the agricultural machinery and equipment as a main business. From the parent company it brings to Valtra the industry expertise, technologies and knowledge, networks, the financial support and investments, and etc.

1926 State Rifle works, Tourula Jyvaskyla
 1951 State Metal Works registered as Valmet
 1951 First Valmet tractors from Tourula
 1960 Establishment of Valmet do Brasil
 1979 Acquisition of Volvo BM tractors
 1986 Cooperation with Steyr-Daimler-Puch AG, “common platform” and engines
 1994 Valmet Tractors sold to Sisu Corporation
 1997 Sisu Corporation sold to Partek Corporation
 2002 Partek bought by Kone Corporation
 2003/04 Valtra acquired by AGCO Corporation

FIGURE 14. History of Valtra Company. Valtra Brand Presentation, 2008.

To get the better understanding of Valtra brand, it is needed to investigate the way of Valtra brand and its elements creating and forming. By following Valtra company history (Figure 14) and Valtra brand history (Figure 16) we could observe that Valtra brand as a separate brand appeared in 2001. Valtra had to change a brand name because using of Valmet name was not allowed by Valmet, which missed the direct connection to the tractor producing business. To avoid of loosing recognition and other very difficult consequences of the name change, it had been decided to use a double name Valtra Valmet for the transitional period.

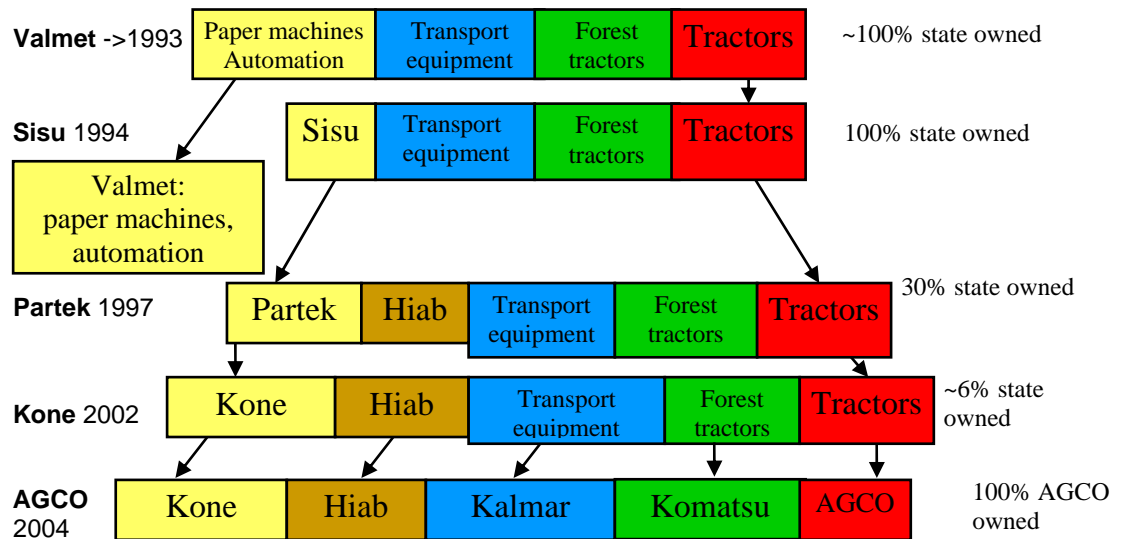


FIGURE 15. Ownership Changes of Valtra. Valtra Brand Presentation, 2008.

Here is needed to make some explanations about the meaning of Valmet and Valtra brand names. Both names were made from the parts of words. The name Valmet consists of parts out of two Finnish words – Valtion Metalliteollisuus (it could be translated as a State Owned Metal Industry) as following **Valtion Metalliteollisuus**. The brand name Valtra was born from two words Valmet and Tractors – **Valmet Tractors**. Valtra brand name consists of two very critical issues. From one side, Valtra brand name by itself shows a very strong connection to Valmet roots and the name. From the other side, the product of Valtra – tractors - is posted in the brand name already. This information is a bit hidden. However, after some short explanations, it is easy to remember and reproduce the name.

Valmet brand use to be stopped May 2001. In 1997 a double name Valtra Valmet launched
 Visual identity for Valtra Valmet, later Valtra planned
 In 1999 established Brand Committee to plan the change of the name
 New logotype tested in West Europe and Brazil
 Valtra visual identity instructions created, company values considered and communicated
 Valtra brand core and brand promise (slogan) created
 Advertising campaign planned, ready for use after launch
 Change of the name January 19th 2001 at 17.00 GMT.

FIGURE 16. Development Steps of Valtra Brand. Valtra Brand Presentation, 2008.

4.2 Valtra Visual Identity

To differentiate a new brand among competitors, to build the brand recognition, to symbolize and present Valtra brand way-of-doing business to customers, stakeholders and a public, to generate the interest to Valtra brand and to present the company even when employees are not present Valtra visual identity was carefully created, tested and launched. Visual identity is a basic tool to build the brand recognition and the brand awareness. Especially for an international company it is important to create the solid brand image that continuously taken care of and helps to the customers and stakeholders to differentiate the company and its products between competitors. Coordination, consistency and following the visual identity guides are very important for the building of the successful brand. According to John F. C. Hickinbottom (2008, 31) visual identity includes everything carrying the name of the organization such as: name and name style, emblem or symbol, house color or colors and typography, printed matter (stationery, advertising, promotional collateral, electronic media, e-mail, web site, PowerPoint etc.), displays, exhibition stands end etc. By Valtra the following understanding of the company visual identity was adapted:

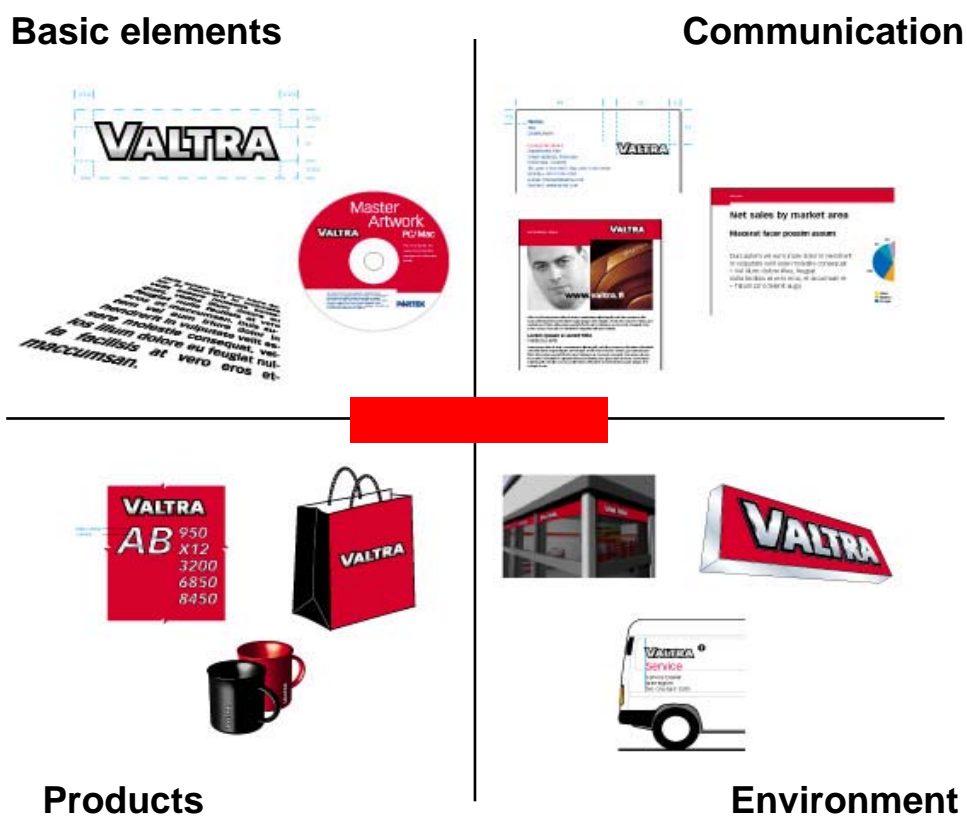


FIGURE 17. Valtra Visual Identity. Valtra Brand Development, presentation, 2008.

4.2.1 Basic elements

It was quite challenging to create a new logotype from the graphical point of view. The appearance of the logo should be consistent with the product, easy to remember, identify and reproduce from different type of materials, for example, possible to make from metal, clear to read, modern looking. In addition it was important to keep a very clear connection and possibly graphical consistency between very famous Valmet logo and Valtra name and a logo. For example changes of the sales Valtra Valmet outlets were done with the main idea to keep the same visual impression and recognizable design. (See Figure 18 and Figure 19.)



FIGURE 18. Valtra Valmet identity 28.8.1997 – 18.1.2001. Valtra Brand Development, presentation, 2008.



FIGURE 19. Valtra identity 19.1.2001. Op.sit.

Behind the graphical reasons there was a need to have logos of Valmet and Valtra aside during the transition period from Valmet to Valtra brand name. This way had been chosen to avoid very significant losses in sales, market share and in the customers' minds as consequences of the brand name changing.

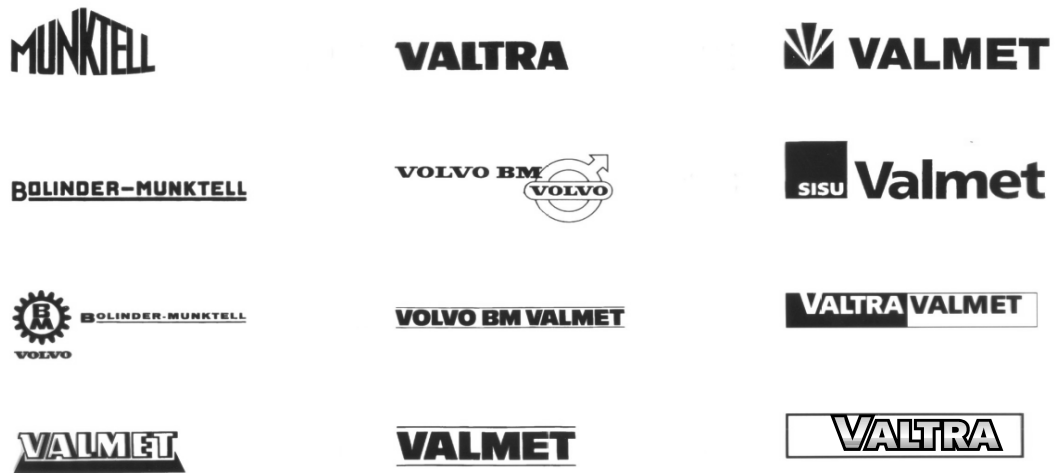


FIGURE 20. Valtra Logotypes 1913-2002. Valtra Brand Presentation, 2008.

A design of a new Valtra Valmet logotype was created by the professor Erkki Ruuhinen in 1997. He had designed Valtra logo on the basis of “vahva V” (“strong V”). After Ruuhinen left the studio, his follower Ilmo Valtonen continued the work on Valtra logo and its graphic instructions. In the process of the work on Valtra logotype five different variants of the logo were developed for the judging. After that the variants were sent to Finland, UK, France, Germany and Brazil. The target group consisted of farmers and tractor dealers. There were at least 50 % non-Valmet customers. The qualitative research was conducted in the form of an interview. On the basis of the result the logotype had been chosen. The respondents mentioned that the logotype made an impression about Valtra as a strong international company. The metallic logotype created the idea about the quality and durability of the product (See Figure 21). The result of the interview showed that new Valmet was “open, new and different”. (Valtra Brands Presentation, 2008.)



FIGURE 21. Valtra Logo on the Tractor Hood.

As for the main Valtra color the red color had been chosen. The reason was partly in using this color by Valmet Company. As Valtra brand supportive colors the black and silver me-

talic colors were selected. Valtra visual identity instructions were created and communicated. All Valtra brand guidelines and instructions could be found by Valtra sales network representatives at the web page www.marketing.valtra.com

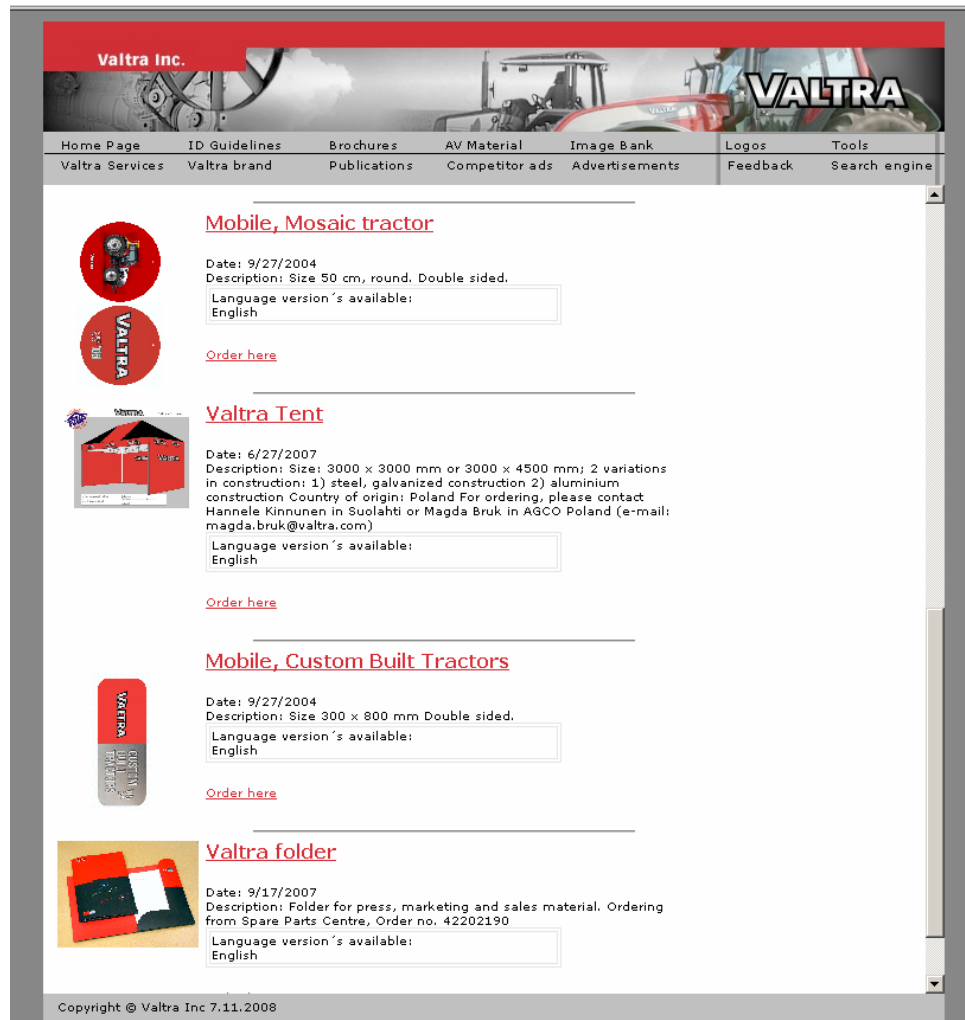


FIGURE 22. Valtra Marketing web page.

4.2.2 Communication

Besides of Valtra brand instructions www.marketing.valtra.com web page consists of brochures in pdf format, image bank with possibility to get photo materials with a high printing quality to be used for producing printing promotional materials and advertisements. The main Valtra web page is www.valtra.com This web page provides with information about sales network, Valtra ideology and values, company history and the present time information, product range, basic technical information end etc.

The company Valtra publishes a customer magazine called Valtra Team. It's an excellent communication tool to give to the customers the latest information about the company and the products, to share and exchange with experiences and knowledge. Another good communication and promotional tool is a producing of the regularly updated brochures and leaflets. Some of them are very detailed and cover the models of the present product power range such as A, N and T series tractors. Some of the brochures aimed for the first recognition of the brand and they cover Valtra brand philosophy and present images of the products.

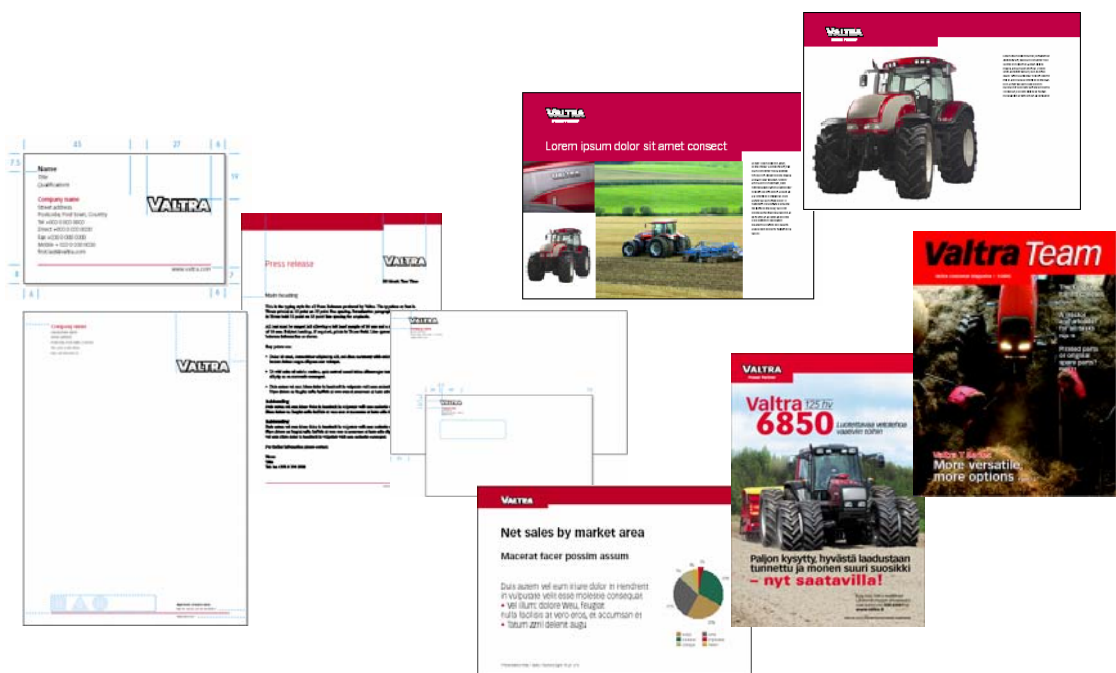


FIGURE 23. Valtra Communication Materials. Valtra Brand Development, presentation, 2008.

4.2.3 Products

The broad range of Valtra brand products has been produced and updated repeatedly. These products are known as Valtra Collection. Brand Valtra products have Valtra logo and designed with using Valtra brand colors. (See Figure 24.) The key features of all Valtra Collection products are comfort, high quality and professional outlook. The new Valtra Collection 2009 is planned to be for sale starting from November 2008.



FIGURE 24. Examples of Valtra Brand Collection.

For sure the main product which builds Valtra brand recognition is Valtra tractor by itself. (See Figure 25.) According to Valtra brand development history there are some brand design principles, which continuously sustained in the products from generations to generations and consistent with Valtra core brand values and philosophy namely:

1. Valtra Heritage

- Basic principles e.g. safety, health, comfort
- Earlier Brazilian and Finnish products
- Preserve the design language of earlier generations e.g. black engine hood (top side) and grille, sloping bonnet for good visibility
- Valtra is “the Volvo” of AGCO group as Volvo cars in Ford.

2. Following trends selectively

- Character still individual, compare Volvo
- Scandinavian way of design: no gimmicks, restful trimming inside the cab (colors light grey and black)

3. Individuality emphasized by

- selection of colors
- customer name –
- an à la Carte in general as well as specific items.

4. Valtra design potential (not used by the others), for example:

- front mudguards, rims or wheel weights
- an integral front loader
- new Valtra Direct transmission and etc.

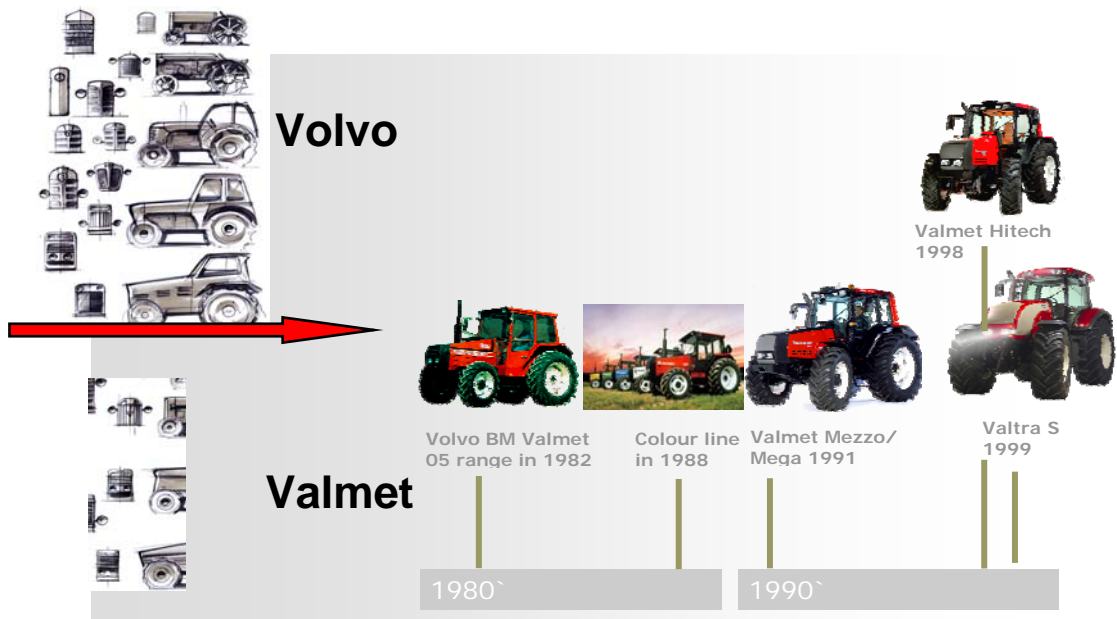


FIGURE 25. Valtra Brand History in the Product Design.

Despite of the fact that on the picture above Valtra tractors have been presented in the red color, Valtra was introduced first among competitors in the industry the customized ordering system including possibility to choose the color of the tractor. (See Figure 26.)



FIGURE 26. Valtra Tractors Color Range.

This idea was criticized much by competitors because it was a trend to use one main company color for the products to build the better brand recognition. However, the possibility to choose the color of the tractor was appreciated by the customers very much. In addition it became possible to serve the special customer niches, for example, airports. The machinery used in airports should have special colors to have better visibility and be consistent with

special industry regulations. The color range is updated from time to time in order to meet the customers' needs and wants. For instance, two new colors (black and white metallic) have been launched in 2008.

4.2.4 Environment

As it has been mentioned before, the similar visual impression is very important for the brand recognition. It is very critical to build the similar brand impression and sustain the brand recognition for an international company with sales, spares and service centers around the globe, in the different countries. It should be possible to differentiate and recognize Valtra sales outlets, service points, service cars and Valtra exhibition stands in the different countries. The clear guidelines were created in order to help to the distribution network with that task. Figures below present some examples.



FIGURE 27. Dealer outlets.



FIGURE 28. Valtra Sales Points.



FIGURE 29. Valtra Service Vehicles.

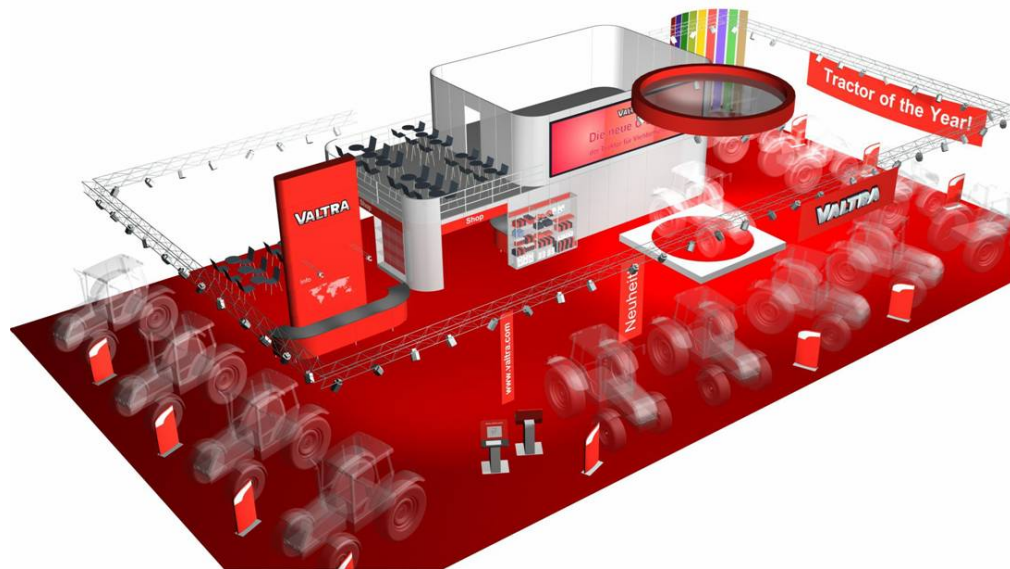


FIGURE 30. Valtra Exhibition Stand on Fairs. www.marketing.valtra.com

4.3 Core Message of Valtra Brand

In the chapter 3 we have discussed and investigated the core of tractors brands inside the AGCO family. Talking about Valtra brand it is needed to mention that after many studies the core message of Valtra has been extracted and crystallized. The main message is: a Reliable Partner, Individuality and Functionality (See Figure 31). What is behind of these words? A Reliable Partner means a reliable partner in doing business and a very good colleague for farmers. Individuality is provided by the philosophy of the customer build tractors accordingly to needs of the particular customer. Each and any single tractor is a unique one because it is built by the customized ordering system à la Carte. This system offers an enormous amount of possible options and modification, equipments and technical decisions, which are possible still to make on the serial production assembly line. Different modifica-

tions of the cab and hydraulics, gear boxes and transmissions, lights and towing devices, front loaders and buckets are possible to add to a customer “dream” tractor, which is not a toy but it is a good, productive and modern working tools. Valtra Functionality contains the Scandinavian values in ergonomics, safety, reliability and forceful structure.

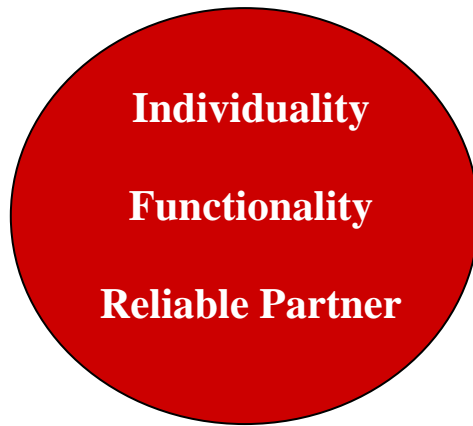


FIGURE 31. Valtra Brand Core Features. Valtra Brand Development, presentation, 2008.



FIGURE 32. Valtra Brand Space.

Around the core Valtra brand message the brand identity was built (see Figure 32). The brand identity or the brand space (Hoffmann & Forcher, 2008) of Valtra consists of many truly benefits and features valued by the customers.

According to the core message and the brand special benefits and features Valtra brand positioning statement for EAME zone (Europe, Asia and Middle East) has been created as following (The Official Valtra Company Presentation, 2007, 26.):

Renowned for their reliability, versatility, longevity and Scandinavian heritage, Valtra tractors are superior because they are specifically designed for each individual customer and manufactured to withstand the harshest climates and deliver the highest levels of performance in the toughest working conditions. Valtra specializes in being a reliable partner by providing high quality product, competitive technology along with unsurpassed service and support that will result in the highest levels of customer satisfaction.

We can observe here the core brand message along with some important features and benefits for the customers being a reliable partner by utilizing the high quality products along with services and support. It has been mentioned already that support, spares parts and services are very critical parts of all machinery businesses. Especially it is a vital part of the agricultural machinery business because the agricultural machinery is a working tool used for the season works under different conditions and for the diverse types of tasks.

In this chapter Valtra brand elements were presented and analyzed. The hard and continuously careful work was done for creating of Valtra brand. However, the brand maintenance, audit, evaluation and development have to be done on the regular basis. The economical and business environment is changing every time and the brand should follow the trends and changes.

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