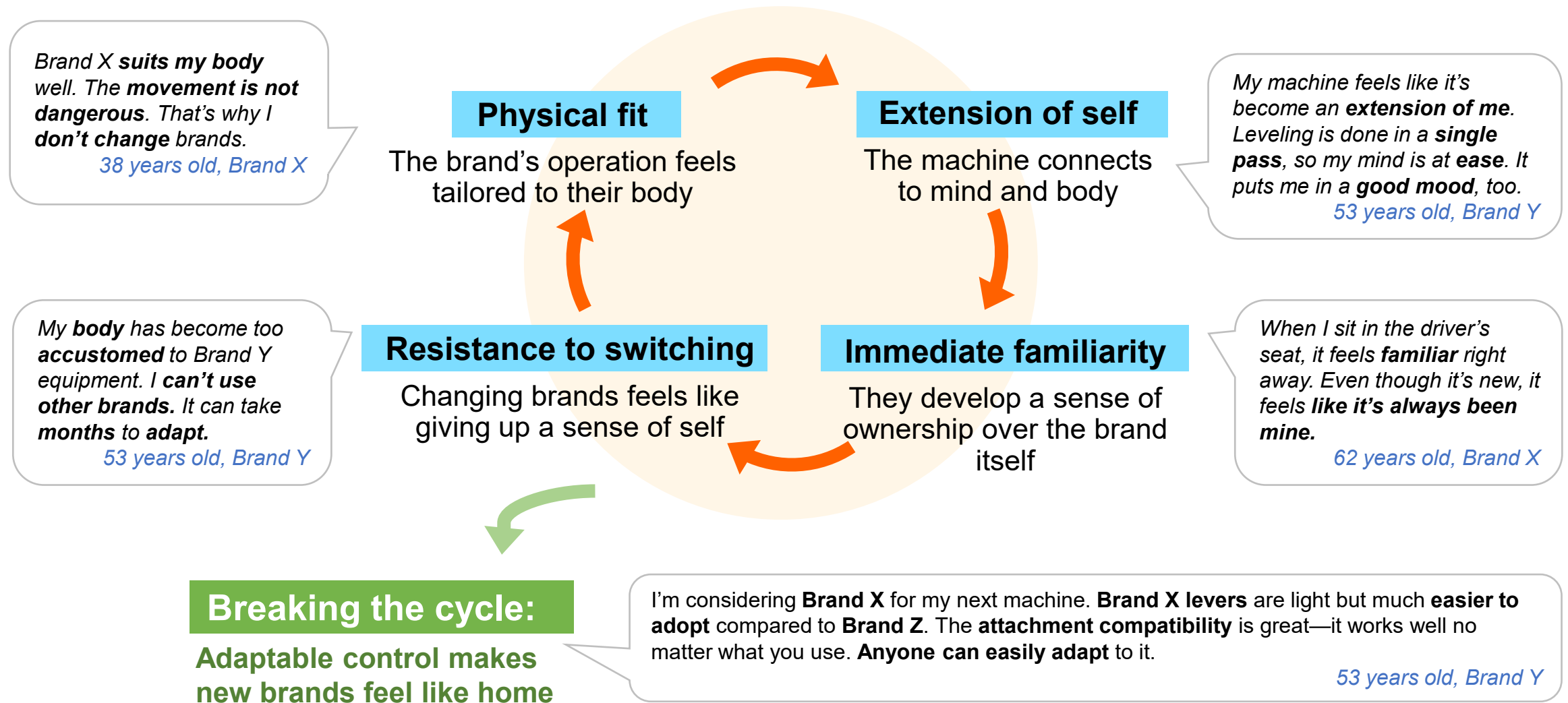


Adaptable control helps overcome emotional barriers to switching



Financial, social, and cultural barriers make owners under 35 very rare



Military service postpones career entry

Most men do not finish mandatory service until ages 24–26, delaying their start in the industry



Permits and training are very expensive

Operator permits must be obtained through licensed trainers, which is costly even before investing in a machine



Experience is needed before becoming a decision maker

New entrants typically spend years working for others before becoming an owner-operator



Connections are essential to find work

The industry is a “closed shop,” so newcomers need to build personal networks before landing jobs



Top-down, age-driven culture favors older operators

Seniority holds significant weight, limiting opportunities for younger professionals



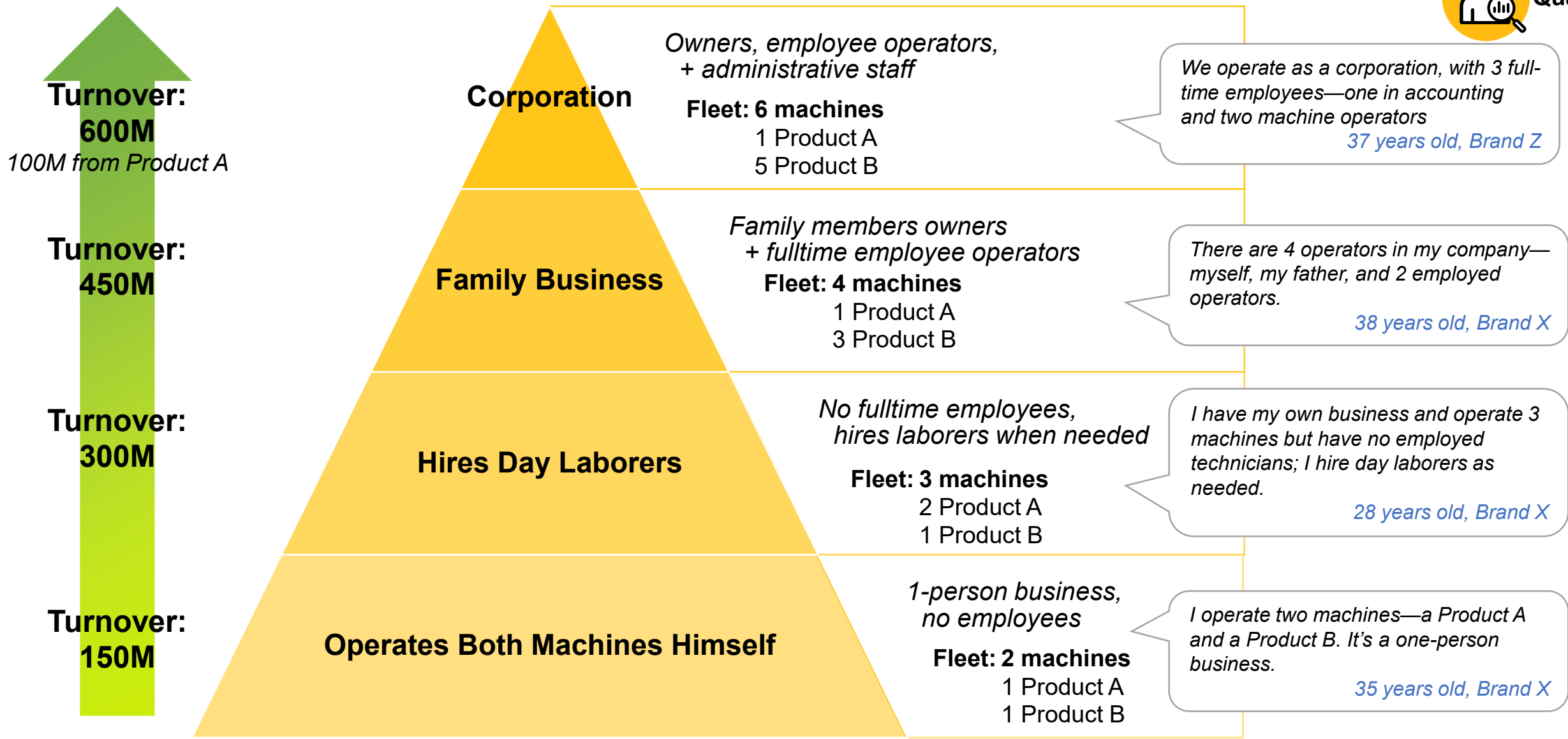
Privacy norms make age difficult to discuss

Directly asking about age can be intrusive, making younger recruits difficult to target

How new operators gain experience:

- 90% would have started as entry-level workers under the supervision of seniors, often family members, uncles, or older classmates. A few may have also received training in engineering battalions during their military service.
- Once enough experience, contacts of their own, and capital, they set-up independently.

Business models and revenue scale up with increasing fleet size



Owner-operator regional communities form relationships with dealers



Qual

Shared offices provide mutual support

*I'm **self-employed**. I'm a member of the **Owner-Operator Community** in the region. It's a community where **owner-operators** come together to **collaborate** and **support** each other in their work. There are **7–9 members**.*

52 years old, Brand Y

*I founded the local branch of the **National Construction Machinery Association**. We **support operators** through **advocacy, training, networking**, ensuring **safety** and **fair practices**.*

55 years old, Brand X

*When Brand Y comes to **repair other people's** equipment, we see **them**, so we have a **familiar relationship**.*

52 years old, Brand Y

Reps educate collectives on new products

*Whenever new products are released, reps **bring pamphlets** to our community office.*

52 years old, Brand Y

Service visits reinforce familiarity and trust

*Since we always make **group purchases**, we are **valued customers**. Even after the warranty, they give us **free repairs**.*

51 years old, Brand Y

Exclusive deals push members to switch.

*The salesperson brought us pamphlets on Brand Y and offered me **an exclusive deal**. I **switched brands** because of the offer.*

52 years old, Brand Y

Group purchasing offers better prices and perks

*The advantages of **group purchasing** include **extended warranty** and **maintenance** compared to others, better negotiation power on **pricing**, and more.*

51 years old, Brand Y

Economic and government factors are driving uncertainty



Qual

The country's construction sector shifts from development to maintenance



Government budget cuts and policy changes strain construction demand



Government and private work are indistinguishable to operators

Since the country has already **completed its development**, new **development projects** are rare, and only **maintenance work** is expected to emerge.

52 years old, Brand Z

Our country already has most of the basic infrastructure in place. Large-scale **development projects will decline**, shifting more toward **maintenance and upkeep**. As a result, our work will gradually diminish.

53, Brand Y

Demand will decrease, mainly due to our president and the federal **government's budget cuts**.

35 years old, Brand X

Our president had **initiated private infrastructure projects** as part of economic revitalization measures. However, these projects are **stalled due to lack of funding**. As a result, the **construction industry is in a slump**.

62 years old, Brand X

In **government** construction projects, large construction companies **subcontract to specialized firms**, which then **hire equipment like ours**. The work I take on from these firms **could be part of a government project or private development**.

53 years old, Brand Y

Specialized contractors win bids and **call us for work**, which could involve **city, county, or private development projects**. Since we don't know the details, we're often **unaware of who issued the project**.

35 years old, Brand Z

Falling demand and payment issues halt equipment purchases



Qual

Contractors are struggling to find work

*I haven't worked much this year—I've been almost **idle**. This year has been unusually difficult. **Next year is expected to be even worse.***

58 years old, Brand W

*This year was my worst year. Currently there's **hardly any construction going on**. The situation improving **depends on government policy.***

50 years old, Brand X

Payment uncertainty deters operators from accepting available work

*Work from private development sometimes **results in bankruptcy**, leading to **unpaid payments**.*

53 years old, Brand Y

*My wife keeps telling me, 'Think carefully before taking jobs. Don't end up working for a company that **won't even pay you.**'*

58 years old, Brand W

Financial uncertainties prevent equipment investments

*Although it's time for me to replace my equipment, **high interest rates** and **lack of work** are **discouraging** many like me from **renewing their machinery**. I usually replace my equipment every 7 years, **but this time I might keep it longer.***

35 years old, Brand X