

Title:

Estimating The Market For Construction Equipment Sales

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534

Summary:

Heavy construction equipments are required in all parts of the world. Their demand has increased all the more after the growing economy in the Indian sub-continent, Middle East, Far East and Oriental nations as well.

Countries like China, Singapore, etc. are developing at an exponential rate in the area of infrastructure development. Chinese infrastructure has become so strong in the recent past that even the interior cities and remote areas are also well laid with clean b...

Keywords:

construction equipment,used construction equipment,heavy equipment,used heavy equipment

Article Body:

Heavy construction equipments are required in all parts of the world. Their demand has increased all the more after the growing economy in the Indian sub-continent, Middle East, Far East and Oriental nations as well.

Countries like China, Singapore, etc. are developing at an exponential rate in the area of infrastructure development. Chinese infrastructure has become so strong in the recent past that even the interior cities and remote areas are also well laid with clean broad roads, buildings, shopping malls, bridges, etc. All this growth has let to increase in the construction equipment sales.

Construction equipment sales had been most in the western regions in the decades of sixties to mid-eighties. But in past twenty years the economical growth in the eastern part of the globe had been exponential. The rise in the middle class and better earning resources has led to the growth of the economy. This growth has called for more development of residential and commercial outlets, etc. The increase in the development of such outlets has led to increase in the construction job works. These job works have adapted to the changing developmental pattern thus construction equipment sales have gathered pace equivocally.

More and more builders and architects have come together and large construction

companies have built boulders all along the economical growth. Huge towers, shopping malls, big broad roads, expressways, highways, bridges, flyovers, etc. have led to the increase in construction equipment sales. Since all this development work calls for larger companies to shoulder all kinds of job works, many companies have made strategic partnerships, joint ventures, governmental bodings and alliances with the domestic counterpart for better growth. All these large companies have built up their own construction fleet along with the construction specific manpower.

These construction equipment sales are usually related to the iron and steel prices. Since there have been more excavations for the iron ores and new outlets, iron and steel market has grown at a healthy pace in these developmental decades. The large projects require heavy capital investments. In developing countries the cyclic rotation of capital is more regulated and strategic. Thus the investors are able to opt for large borrowings and generate their own capital for purchase of heavy construction equipments. Thus the heavy equipment sales in these countries are more properly funded and less prone to financial risks.

In case of construction equipment sales pricing is also an important factor. It determines the extent of sales or whether the constructor would prefer to go in for rental equipment. Pricing also acts as a determinant of demand in the market. Demand is led as per the specific country, availability of these equipments in the region, prices of iron and steel, etc. moreover, for the construction equipment sales financing of the purchase of the construction equipment acts as an added advantage and gives a competitive edge in selling the equipments. Financing the purchase leads to increase in the construction equipment sales of the manufacturers.

Thus construction equipment sales are more or less directly dependent on the pricing structure and financing available, as it gets included in the project cost. These sales are more prevalent in the growing economies where more infrastructure developments regularly take place.