



Nissan turns to tablets to increase sales in competitive digital market



The retail service that carmakers and their dealers provide is becoming as important to the customer as the vehicle itself. Digital technology is transforming how vehicles and aftermarket parts are supplied and sold, as a new generation of buyers demands greater choice and convenience. Looking for a more sophisticated pull mechanism in the production and supply of vehicles, Nissan and other carmakers are now increasingly making use of digital tools to make the customer want their products. The buying experience matters almost as much as the product itself.

“We have to figure out better solutions to make customers want our products and, more importantly, want the experience that our dealer network provides,” said Rick Levitin, senior manager of



Nissan turns to tablets to increase sales in competitive digital market

customer experience and technology, Nissan North America. "There is a new competitive landscape and we have to get ready for that," he added. "We have to use technology and digitise the retail process as much as we can."

One of the ways Nissan is doing that in the US market is by promoting the use of tablet computers at the dealerships so customers can both choose the vehicle features they want and tailor what it is they would like to know about the vehicle. Using a tablet also helps keep the sales team informed.

"Every customer wants something different and we have to be armed to facilitate what that customer wants," Levitin told the Automotive Logistics and automotiveIT International Supply Chain Conference in Atlanta. He added that, while cars are getting more complex every year, sales consultants don't always know the answer to everything, but they should at least know where to find it with a tablet.

Satisfaction through tablets

According to JD Power's US sales satisfaction index (SSI) the national average of people using a tablet as part of the vehicle buying process in the US has climbed to 26%. JD Power told Nissan that using a tablet in the retail process would add 44 extra points for the company in the SSI score. Since it adopted its NCAR retail app four years ago Nissan now sells 64% of its vehicles that way, way above the national average and way ahead of its nearest rival (see table). So far the company has delivered 4 million cars through the system.

Overall, Nissan ranked just four points below the mass market brand average of 771 points in the SSI for last year. Mini was at the top (798), followed by GMC (797) and Buick (792). In the luxury segment Nissan's Infiniti brand came second (824) just behind Porsche (828) and ahead of Lexus (823).

Nissan North America

4m Nissan cars delivered using NCAR retail app



Nissan turns to tablets to increase sales in competitive digital market

87% of new Nissans delivered using NCAR

64% of Nissan vehicles sales supported by tablet computer

1st position in JD Power SSI for tablet use

Infiniti was actually the first to launch the use of tablets and retail apps to improve the sales process with its ICAR system. It made almost 80,000 deliveries supported by the technology in the last year. Victor Hess, senior manager, Global Client Experience Innovation at Infiniti Americas, explained how aftermarket services were being improved at its dealerships. That's important because most carmakers make more money from their aftersales business than they do selling the actual vehicles.

"Parts sales are huge but we need to start looking at ourselves as a data company, as well as a car manufacturer," said Hess. "With that data we can give our dealers better tools to make choices. Data is key to helping us figure out how to have the right product, at the right place, at the right time and that is everybody's concern."

Nagireddy Kudithini, senior manager for the digital delivery of marketing and sales at Nissan, said the lightbulb moment was seeing the value the company could get out of the data and what it could learn about the customer. "We can see whether a customer is skipping a service or delaying a part replacement," said Kudithini. "We can incentivize them to come in and fix the malfunction and contact them via text to remind them that they have a problem with the car."

JD Power's SSI report for 2018 also showed that satisfaction for buyers was higher when they used email or text with the dealer personnel, indicating that using additional communication channels helped to increase customer satisfaction and improve understanding and engagement. According to Hess 49% of Nissan's clients want service updates via text.



Nissan turns to tablets to increase sales in competitive digital market

Data and interaction

The richness of data Nissan is now exploiting in its customer service derives from a range of sources, including the Infiniti dealer management system (DMS), which covers everything from accounting, inventory and finance. Infiniti also has its master customer database providing service records and warranty information. There is also the data to be derived via the connectivity in the car and the customers' use of dealership sites and scheduling services.

All of this feeds into the ICAR-X Service, which is a tablet-based tool aimed at supporting interaction online with the dealer from the time the customer drops off the vehicle to the time he picks it up and pay for the service. Hess said the advantage of the service is that it involves everybody associated with the sales process from the part manager, technician, advisor and service manager, as well as the customer, who can select and approve repairs while seeing the charges.

Using the interactive tool, the sales person has all the information about the car's service history at his fingertips and the technician can use it to make multi-spot inspections (MPIs) digitally. Results immediately show up on the shop ledger and provide full workshop ledger visibility on the service in real time, with each participant able to instant message each other.

The adoption of tablet computing is not just about embracing new technology but applying it to every part of the business – part of a change in mindset and culture in the business that has made companies such as Dominos, Netflix and Apple become the fastest growing companies in the world, Kudithini said. That change in mindset is underway at Nissan as it seeks to hold onto fickle multi-channel customers who want everything at their fingertips and value choice and convenience above all else.

-By Marcus Williams