

Infiniti

Going After Premium Status in Europe



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I lead Infiniti Europe—the sales company for the entire continent—and my task is to launch the brand here effectively across all facets of the business.

We chose to introduce Infiniti in the European market now for two reasons. First, we are hitting a sweet spot in the product cycle, including the refreshment of the G lineup, FX and the new EX, which is a smaller vehicle very suitable for Europe. The second and principal reason is the Alliance-produced V6 diesel engine that will debut in this diesel-centric market in March 2010.

We are investing a great deal to match our cars to European requirements and tastes. We have made around five hundred changes to the FX, for example, including interior touchpoints and the car's suspension and brakes, the latter primarily because Europeans drive at higher average speeds than U.S. drivers do.

We start selling in October 2008, in a market-by-market phased launch. We will offer four models at first: the G, G Coupe, EX and FX, all petrol only. In 2009, we bring out the G convertible, and in 2010 the diesel models will arrive. To enhance our brand recognition and differentiate ourselves, we will be focusing on our crossover models.

We will establish nine sites in France, Spain, Italy and other eastern European markets. By spring 2010 there will be approximately eighty sites across the network spanning 24 countries, including the two biggest markets, Germany and the UK. This strategy reflects the availability of two things: diesel models, which improve the business case for our dealers, and property, which takes longer to secure.

Our network strategy reflects our product lineup. We offer V6 models exclusively, so we occupy a

market segment concentrated in large metropolitan areas. Under our lean and centralized wholesale organization, those eighty sites will provide around 65 percent market coverage while offering our dealer-partners a stable business opportunity and a profitable return on their investment. Although the coverage is relatively low, from a dealer perspective it is more attractive. They have a larger potential market and thus more profit potential. We are, after all, asking them to invest heavily—as a new brand, we must tell customers who and what we are, and premium facilities in the right locations involve significant commitments. From our side, having dedicated sales networks and fewer entities to deal with will help us enormously from a logistical perspective and give us a lean, cost-effective structure.

Customer service is another decisive aspect. Our research indicates that many Tier 1 brand customers in Europe do not feel well served. They are buying luxury cars but receiving the same levels of service mass-market customers do. We want Infiniti customers to feel special, and our customer service approach will be something quite different from the industry norm.

We carried out benchmarking with assorted luxury premium brands, goods, and services to ensure this, and hired key team members from various premium brands outside the car industry. They possess the intellectual ability, insights and motivation to support Infiniti in a fresh and creative way. We are also hiring more experienced personnel to handle our customer contact center. By the end of the NISSAN GT 2012 midterm plan, I expect to see Infiniti recognized as a credible premium brand in Europe, with customer service to match.



An Infiniti dealer showroom in Russia