Middle East, Africa, Latin America and the Caribbean

Gaining Momentum in the New New World

GILLES NORMAND
Corporate Vice President

Sales in our region of GOM—what I call "the new new world"—remain very hot. We moved over 384,000 units in the Middle East, Africa, Latin America and the Caribbean in fiscal 2007, a rise of nearly 22 percent and a rate 4 percent higher than 2006. Our market share is growing everywhere. GOM's relative weight within Nissan has also nearly doubled since 2000, rising from 15 percent to 28 percent last year.

China, Japan and other economic powers are driving our sales up as they invest heavily in Latin American, African and Middle Eastern nations rich in energy and raw materials. In turn, those countries are using the revenues to build their infrastructure, which creates a powerful demand for workhorse vehicles such as 4X4s and pickups. The striking and sustainable growth has inspired us to invest more in these territories.

As the regional motoring market expands, it is exhibiting a dual personality. While some customers naturally desire the latest models and features, inflation worries steer many people to earlier models that still offer great value and quality. In effect, we are doubling our offering in certain lineups and simultaneously extending the lifespan of successful products. As an example, we launched the new Navara pickup truck across the whole region but retained the D22, a price-competitive pickup that appeals to fleet customers and working people. We also sell the new X-TRAIL alongside its predecessor, the X-TRAIL Classic, in several markets.

A notable characteristic of this region is that 60 percent of the people in many GOM countries are under thirty. That translates into big families, so in 2007 we launched two models of our new Livina family of global cars in multiple markets. They have proven tremendously popular—Livina won the best MPV station wagon award in South Africa, and even in that otherwise slow market we are unable to satisfy demand. In 2008, we will introduce the Livina family throughout the region, including a new Livina, the sporty new X-Gear hatchback.

We are also rolling out the new Murano and Teana in several markets, and introducing segment-busting cars like the Tiida, which offers a huge interior for a compact. Our latest compact crossover, the Qashqai, is massively successful wherever we bring it to market. In Saudi Arabia, the Altima was again named editor's choice for best Japanese sedan, and the GT-R won Car of the Year even before its Dubai Motor Show debut.

At the high end, Infiniti is the fastest-growing luxury brand in the Middle East, up 43 percent last year. We are opening standalone Infiniti outlets in 2008, especially in the Gulf—starting in Kuwait, Oman, Dubai, and likely doing the same in Jiddah—and launching the much-anticipated new Infiniti FX50.

We are nurturing this spectacular growth and basing our distribution strategy on "champions"—influential distributors with years of outstanding results. They are closely connected to the market and community and cognizant of buying trends. Instead of Nissan pushing them to sell, they are pulling us.

Although our brand has proven itself globally, we still often underestimate our potential. Mr. Ghosn challenges us constantly on this score, so we are becoming more aggressive in our planning. Case in point: we have set a minimum regional sales target of 400,000 units in the Middle East, from 198,000 in fiscal 2007, to meet one of NISSAN GT 2012's expansion breakthroughs.

Turning Tide: GT-R revealed in Dubai Motor Show was the first outside Japan.