

BEHIND THE DRIVING WHEEL AT NISSAN

IT must be something of a bonus for a customer to know that he can walk into any of the 400 Nissan dealerships in the UK and be able to purchase the particular car he wants, regardless of colour, model or special features that suit his personality and lifestyle.

Through the company's inter-dealer computer network confirmation of trading position is produced, enabling any dealer to obtain vehicles and close more deals more quickly, which is essential in today's highly competitive market.

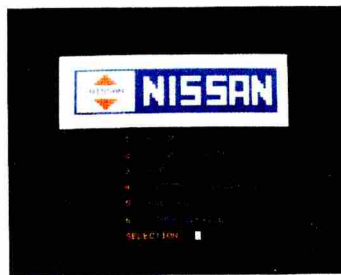
“Quality is the name of the game.”

Quality, teamwork and flexibility have been the key to Nissan's success ever since the company began trading here in 1968.

Maintaining that commitment has established Nissan UK as the country's leading importer of cars. 'Quality' is the name of the game.

This policy is reflected in

When a Nissan dealer switches on his terminal he is presented with a simple menu which allows him to select a variety of operations. For example if a dealer does not have a vehicle which meets the customer's requirements he can, by selecting the vehicle locator option, locate a vehicle anywhere in the network to match the customer's specification. If the customer then wishes Nissan to arrange hire purchase the dealer completes the proposal form using ROCC's Teleputer and transmits it to Nissan's head office in Worthing.



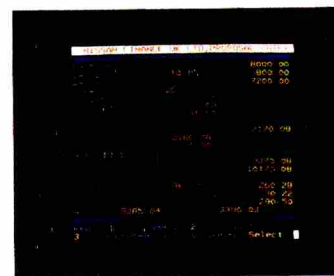
Nissan's UK commercial headquarters at Nissan House in Worthing, Sussex, where it employs some 300 people. Advanced computerised systems have been installed to concentrate on the business of providing a computer service to its dealers and controlling the £35 million worth of spare parts stock held in the warehouse behind the modern spacious office building.

Computerisation at Nissan UK started off in 1972 when an IBM System 3 was installed and their annual vehicle volume reached 30,000.

Invoicing vehicles and parts was too much for Nissan manually and, as volumes have increased and systems developed, more up-to-date equipment was installed.

In 1980 a voice response system was installed to link in the dealerships with Nissan UK. It consisted of a keypad with off-line memory attached to a standard telephone via a jack socket in each dealer location. The system provided for ordering and enquiring about parts, vehicle location enquiries and daily sales reporting.

Audio response was cheap and fast and generally liked, but more suitable for dealer to head office communication, as in parts ordering, than for head



office to dealer communication.

From 1984, Nissan introduced a policy for computerising the dealerships and implemented a nationwide communications network. That year saw the installation of ROCC's 2830 to collect a range of data from the dealerships linked with ROCC Teleputer microcomputers installed at each dealership providing the basis for a vehicle locator system.

With the ROCC 2830 minicomputer linked into the IBM mainframe computer and a network of dealers with Teleputers and printers in their showrooms, Nissan set up a concept of interactive terminal applications with word processing facilities to create a nationwide integrated information system.

Nissan's objective was to provide a common base so that it could process and communicate data through a user interface within its dealer network.

The company knew of ROCC's reputation for handling bulk data transmissions and that it understood the task of developing a network of Teleputers among end users.

The Teleputers are now very much an integral part of the dealers' daily sales and administrative activities.

Three years ago Nissan UK launched its own finance company, Nissan Finance UK Ltd. Dealers are now able to make finance and insurance arrangements on-line at point of sale. Customers no longer have the task of arranging these matters for themselves.

Using his videotex terminal and pre-defined 'menu' a screen format enables the dealer to key customer information directly into the company's computer systems. This replaces the previous method of cumbersome form filling that preceded authorisation from head office before a transaction could be completed.

The dealer simply keys in the customer's name and address together with some personal details such as date of birth, status, occupation and name and address of their insurance company or broker. Details of the car to be purchased are also keyed in along with financial details such as price, deposit allowance, amount of credit

and balance payable.

The computer automatically calculates the total monthly payments and prints out the details of the hire purchase agreement with the minimum of delay.

The system is very easy to use and dealers do not have to be computer experts to operate the Teleputers. In fact, it would be fair to say, that even a dealer who had never come across a computer terminal in his life before would find using it simple.

NISSAN'S FINANCE HOUSE

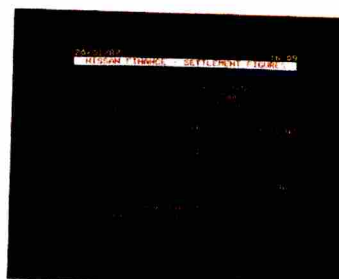
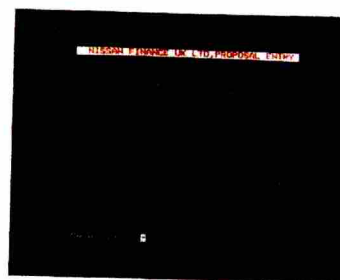
In the competitive world of motor car sales anything that introduces a delay into the sales process can end up with the potential customer walking out of the showroom. Anything that speeds up the process and, in particular, that cuts down the paperwork of order placing improves the salesman's chances of concluding a deal on the spot.

Even the Japanese, despite the huge demand for their vehicles and sometimes self-imposed constraints on their markets to meet political cries of foul, come face to face with competition. Nissan is as interested as Ford to smooth the way to the point where a 'sold' sticker can be slapped onto a customer's windscreen.

One aspect of any sale that can be a stopper is the financing of the deal. Until August 1 1983, Nissan adapted the conventional approach of going through a finance house set up as Datsun Finance, but jointly owned by Nissan UK and Lloyds-Bowmaker.

After that date, however, it set up a new wholly-owned finance subsidiary, Nissan Finance UK Ltd, and started out on the road to do things differently. In the process it has caused eyebrows to be raised and some feathers to be ruffled in the established and grown-comfortable world of the finance houses.

The motivation that Nissan had in making this move was to give greater flexibility and to assist in the financing and sale of cars in the showrooms of its 400 dealers. It had to compete with the existing finance houses with their 150 branch offices and a 600-strong



combined salesforce. A 'me too' approach would have been prohibitive in cost and would have given no better service than existing finance houses, so Nissan had to look for a better way.

The better way came in the shape of videotex. The solution was to install dealer-based ROCC microcomputers communicating via dial-up telephone lines with a central ROCC 2830 minicomputer based at the Nissan head office, Worthing.

The principal application was the transmission of finance proposals from the dealer to head office.

Based on ROCC's Teleputer 3 intelligent videotex terminal, the system enables the dealer to fill in a hire purchase proposal from the terminal's keyboard while the prospective customer is sitting alongside. This is done while the terminal is 'off-line', so no phone charges are incurred while all this takes place. The software on the Teleputer 3 is designed as a selling tool, so that the interest rate, deposit or other parameters can be changed to suit individual customer requirements. The Teleputer 3 then prints out the final proposal form which is also the finance document and a direct debit mandate for the bank.

The process up to this stage should take no more than ten minutes.

The proposal details are then transmitted on-line to the supplier's central location where the underwriters are based. They check it out on the spot, taking in a credit check through to the UAPT

service. Within a matter of minutes, the underwriter can approve the transaction – often before the customer leaves the showroom and a dramatic contrast with the turnaround that traditional finance houses can offer at the present time.

Other applications include:

- vehicle locator which enables the dealer to locate a vehicle anywhere in the network to match the customer's specification.
- daily returns, or statistical information on sales, orders and so on, which is gathered via the terminals daily.
- hire purchase settlement figures for any existing customer of Nissan Finance together with self-acceptance details enabling the dealer to accept the business outside of normal office hours – evenings, weekends, and bank holidays – when the finance house is closed.
- allocation statements, or reports transmitted to dealers on demand which detail all vehicles allocated to that dealer with corresponding delivery dates.
- a new car buyer's survey providing marketing information from Nissan questionnaires completed by the public.

What all this has given Nissan is increased turnover within Nissan Finance resulting from increased sales, as well as up-to-date and accurate sales order information. What it has given dealers is up-to-the-minute and accurate allocation and delivery information. And, of course, again more sales.

In most cases, the dealer can advise that the transaction has been approved before the customer leaves the showroom.

A dramatic contrast with the turnaround that traditional finance houses can offer at the present time.