



**AD**

**ONE**

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# EXECUTIVE SUMMARY

The original target audience in the Nissan Case study placed all MC Millennials, ages 18-29, into one group. In creating three key objectives to solve Nissan's marketing problems, our analysis has divided the target market into three specific demographics (Hispanic, African American and Chinese) in order to correctly pitch the product to each part. While each demographic could be defined as MC Millennials, their differences inhibit them from being put into one group.

In order to correct Nissan's current marketing problems, three possible objective solutions will be proposed:

1.) Maintain a defensive strategy. By doing this, Nissan increase market share and keep their steady position behind Toyota and Honda. Judging by past Nissan performance, they should continue to do well.

2.) Recognize that MC Millennials are intrinsical brand switchers. Therefore, a creative campaign should be created that can keep Nissan products fresh and interesting.

3.) Split the MC Millennial demographic into three distinct and specific parts. This way, the distinct nuances of each group will not be ignored in the production of new creative. In addition, the "Innovation for all" campaign will be terminated.

If the first option is used, Nissan will continue on its current path, using different in-language forms of the "Innovation for All" for each MC Millennial.

Option two will require either an increase in the advertising budget, or a reallocation of funds in order to allow for a constantly changing creative campaign that will hold the interest of Nissan consumers. If option three is chosen, Nissan will need to hire new creative capable of targeting each segment with creative that is made starting in the language of each segment.

Different aspects of the global economy, such as the rising value of Yen against the US dollar pose challenges to Nissan. Taking in all of these factors (all of which are outlined in the Critical Factors section) will help to decide whether or not an offensive strategy is necessary.

# TARGET AUDIENCE

Overall, the newcomers in America are expected to integrate less into society than ever before. This is most likely due to more readily available in-language media, and advanced modes of communication that can keep them in contact with home. The Nissan case study states that cultural media is trusted by MC Millennials more often than American media.

Although Nissan has identified that the three cultural components that make up MC Millennials are unique, they have drawn over arching conclusions that are too bland to be relevant to marketing strategy. According to Choices 3, Nissan customers skew male on average. In an attempt to lop these three groups together, the Nissan case study primarily uses information that pertains to all car buyers regardless of age, gender, or race. Such things as “Style, functionality, quality, and reliability,” are looked for in all car buying decisions. In addition, the overall summary assumes that digital is key, while the individual analysis shows that each ethnicity enjoys a different type of primary media.



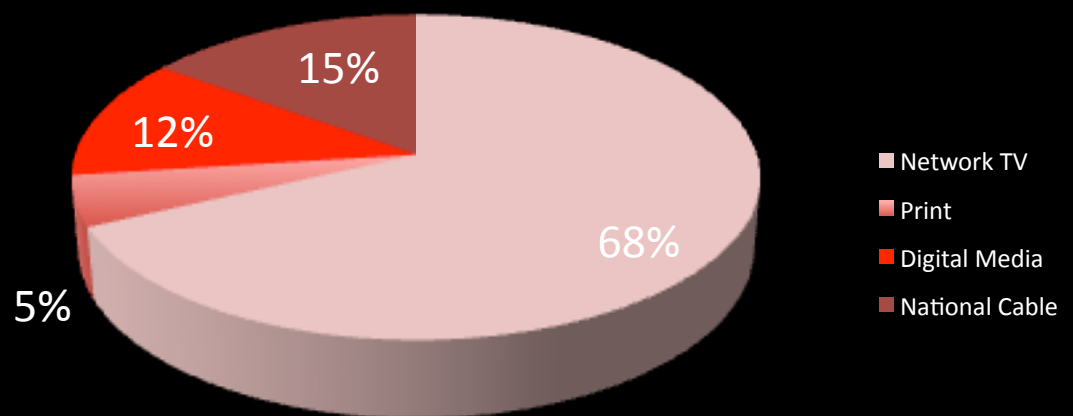
# HISPANICS

Hispanics value “positive and cooperative interpersonal relationships”. A strong “macho code” among Hispanic males hinders them from sharing their opinions freely, and can make their demographic elusive in definition. In turn, Hispanic females show similar qualities. They value individuality, but at the same time, they adhere to cultural norms and like to stay true to their cultural identity.

- Most Hispanics live in California and Texas
- Hispanics traditionally purchase the Altima Sedan but also Rogue, Sentra and Versa
- Hispanics consume TV, Radio and Magazine
- Purchases family oriented cars, 39, HHI \$68,000

**Figure 1**

## HISPANIC MEDIA MIX (FFY1) April 11 - March 12 Forecast



# CHINESE

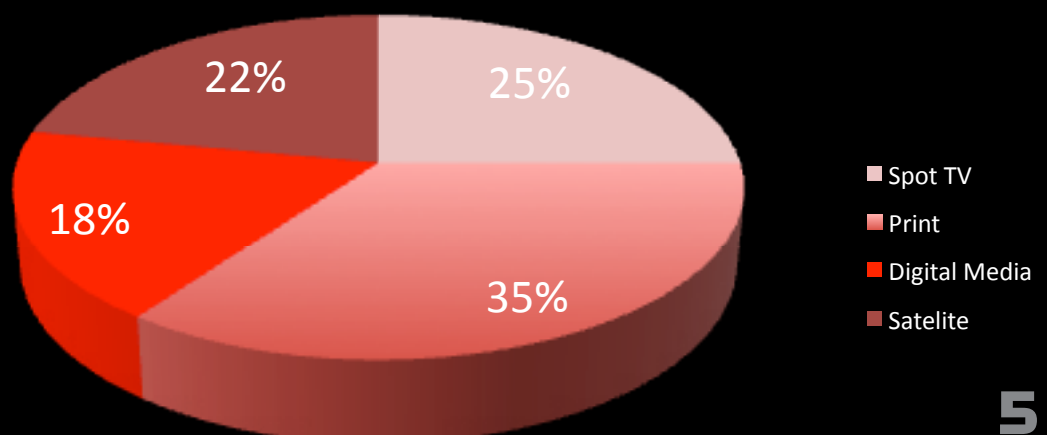
Chinese values are rooted in the teachings of Confucianism. Even though they have immigrated, the ideals have survived Chinese revolutions as well as over two thousand years with little distortion, so it is thought that immigration will not deteriorate these values.

An updated form of this is denoted as “Neo-Confucian theory.” Chinese Americans values maintaining “face” in social relations, meaning that they must interact with each other in a way that all can maintain a certain amount of decorum and respect. Family Hierarchy also plays a role. Therefore, all suggested attributes on Millennials must be altered when thinking of the Chinese in order to account for this ancient form of respect.

- Skews male, very college educated, fewer children in the home. 36, HHI \$78,000
- California (1.1) NY (.53) NJ (.12) TX (.14)
- 23% of the total Asian population

**Figure 2**

## ASIAN MEDIA MIX (FFY1) April 11 - March 12 Forecast

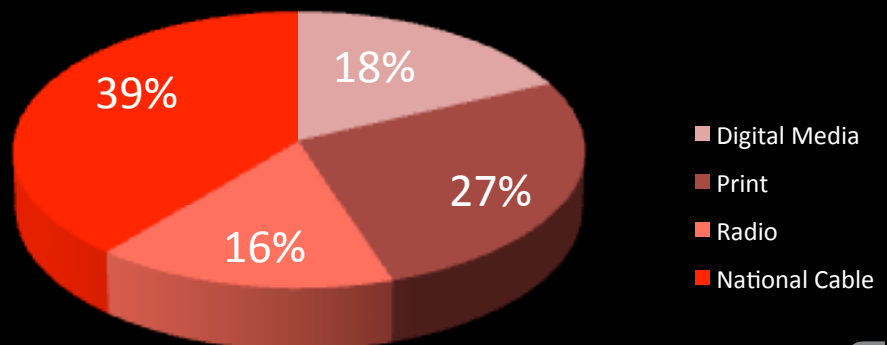


# AFRICAN AMERICAN

African Americans exhibit more individuality and strive for more uniqueness than European Americans, likely due to a higher amount of stereotyping and prejudice experienced in America. In looking for a car, they value personal expression that helps promote themselves as individuals.

- Mostly of single, college-educated mothers.
- The median age is 45, HHI approximately \$66,000.
- Decrease in population in the north, focus on southern states.
- More than twice as likely to trust Black media than mainstream media and react more positively to targeted TV messaging.

**Figure 3**  
**AFRICAN AMERICAN MEDIA MIX**  
**(FFY1) April 11 - March 12 Forecast**

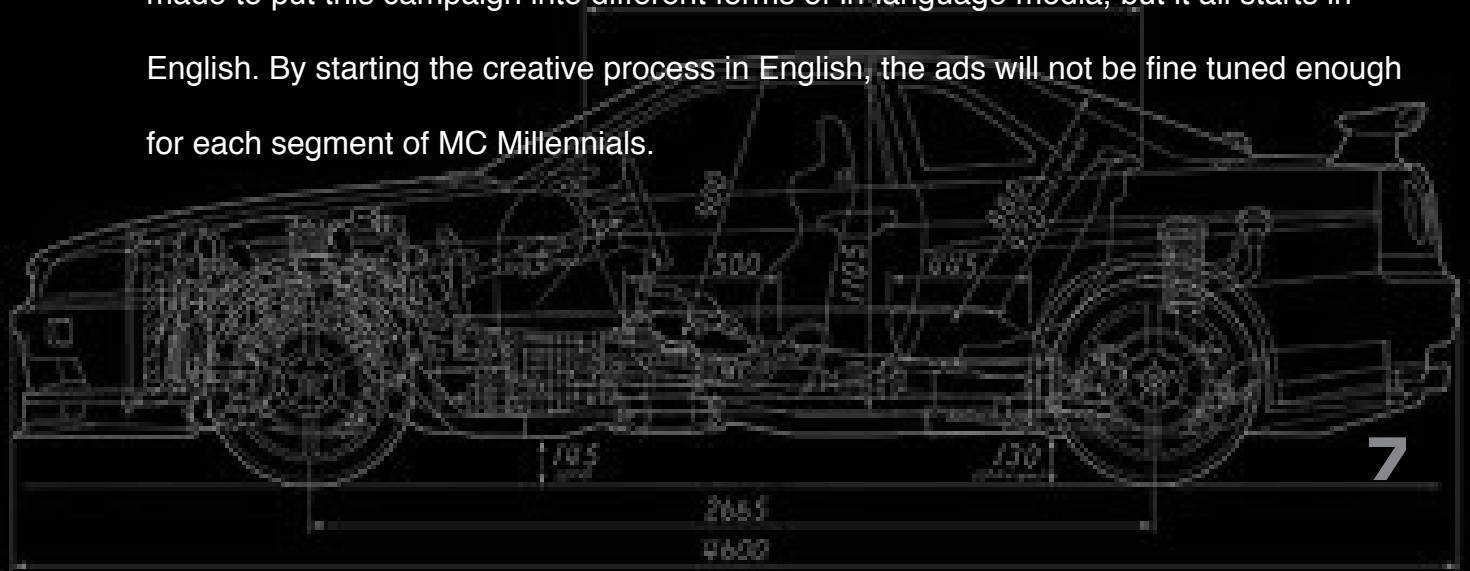


# POSSIBLE SOLUTIONS

Nissan ranks third behind Toyota and Honda in the Multicultural market. Due to heavy competition, they should continue with their current strategy in order to maintain this position. By doing this, Nissan's market share should continue to grow.

Multiculturals have been defined as individualists who seek ways to express themselves. As a result, they are not typically brand loyal. Nissan should look for ways to appear unique and different in order to continue pleasing the MC Millennial's appetite for individuality and new products. We must maintain a unique campaign to better serve this market now and consistently in the future.

Although members of MC Millennials have similar characteristics that bridge across the different ethnicities, MC Millennials are not one group of people. “Innovation for All” cannot be used to appeal to all of the members of this diverse group. Efforts have been made to put this campaign into different forms of in-language media, but it all starts in English. By starting the creative process in English, the ads will not be fine tuned enough for each segment of MC Millennials.



# MARKETING OBJECTIVES

1

Nissan is currently in a “healthy state” with Multicultural consumers. They trust the brand and according to Polk, “approximately 25% of all Toyota and Nissan sales are multicultural.” Since MC Millennials want to identify with their heritage and country of origin, it is important to tailor marketing objectives according to their race. This could serve as a problem since the three MC Millennial groups, African American, Asian and Hispanic, are all so unique and require such different means of communication.

2

Nissan’s plan is to create a fully integrated marketing campaign among MC Millennials. One of the marketing objectives is to create lasting favorability of the brand. This would make Nissan the preferred choice among competing brands. While creating an image of favorability is a good objective, Nissan is not doing all that they could do to make this objective a reality. Among MC Millennials Nissan ranks third behind Toyota and Honda, in terms of share. Nissan should focus more on creating a campaign that directly targets multicultural millennials. While the “Innovation for All” has shown some success, Nissan needs a more specifically targeted campaign. Nissan uses the innovation theme throughout to target all consumers. If Nissan wants to directly target a certain segment, they need a completely separate campaign that caters more toward the feelings of MC Millennials.

3

Nissan’s marketing objectives outline a system for participating in-language media without creating copy specific for each segment. They take the creative that was created in English, and then transfer it into in-language media. The problem is that the idea of innovation does not fit every part of Nissan’s target audience. It is too broad of an idea to be effective when applied to all three ethnic groups.

# ADVERTISING OBJECTIVES

1

MC Millennials are all about authenticity, passion and digital information. They love cars and style, but can't always afford luxury vehicles, so Nissan's "Innovation for All" campaign will help them feel more capable to achieve this goal. Through advertising, we must continue to persuade MC Millennials that Nissan is more high-end yet affordable than Toyota and Honda in order to attain the marketing objectives. Also, reminding MC Millennials about the functionality and style of Nissan vehicles in a way that is tailored to their country of origin will yield the same goal. They are already aware of the brand so it is not necessary to remain in the informing stage. According to the case study provided by Nissan, these advertising objectives work.



# ADVERTISING OBJECTIVES

2

In order to specifically reach MC Millennials, Nissan needs to form a persuasive campaign. Nissan is a well-established company, so they need to focus less on informing or reminding with their advertisements, and more on persuading MC Millennials that Nissan is the better than the competition.

Nissan needs to zone in on the attitudes of MC Millennials and what they want out of a car. As a whole, MC Millennials like to try things that no one else has. In a car, they look for something thrilling, environmentally friendly, tech savvy, customizable and affordable. Nissan should build a campaign around this information. While the “Innovation for All” campaign may be a successful overall campaign, a more specifically targeted campaign is necessary to compete with top competitors for the Multicultural market. Therefore, we will need to use an offensive strategy in order to reach the MC Millennials in a more effective way. The creative must be tailored to change over time in order to always make the product seem new and intriguing.



# ADVERTISING OBJECTIVES

3

In making ad messages to better fit each segment, the goal will be to persuade. Although each group values individuality, the overarching theme of innovation will fall short when applied to the different groups. As of now, the main creative that is being used is “Innovation for all.” Research shows that many members of the MC Millennials do not want to be part of “all” but would rather be one of a kind. Therefore, the new creative strategy should be specifically targeted to each segment. The campaign should not start in English, but should be developed in-language so that it will be more effective for each segment.

Nissan is third after Honda and Toyota. In order to convince the separate MC segments that Nissan is a car that matches their lifestyle, an offensive strategy will be used.

The new ad messages will have to take into account the nuances of each group so that the headlines will appeal more to each. For example, the ads directed at Chinese customers may have to combine ideas of innovation and long-standing tradition. Chinese American culture does not promote completely disregarding culture and innovating lifestyle.



# MEDIA OBJECTIVES

1

Multiculturals have grown up with the internet and use it several times a day. Social media is their main avenue for seeking out brands they like and most information is accessed through their smart phone. If Nissan continues with their current reach and frequency, we hope to see the same steady increase in market share among the target audience. MC Millennials will be targeted in the West Coast and Southern regions. While this strategy has worked for Nissan, a continuous strategy may have consequences in the long run. As individualists, MC Millennials may be turned off if Nissan seems too common.

2

Nissan needs to focus on creating a campaign that is unique but shown with less frequency or a pulsing strategy in the West Coast and Southern regions. Nissan has established themselves as a major company, so they can concentrate more on creating a unique image that will attract MC Millennials. A high frequency of advertisements may make Nissan seem too mainstream for this target audience. A high frequency will hinder the ability to create a unique image for themselves, and possibly decreasing sales among MC Millennials.

3

In order to re-target the three groups and to start communicating with them on a more personal level, the frequency should be increased with a flighting strategy. Although the new campaigns will be similar to the ones that we have launched in the past, these new ones will have to be seen a few times in order to establish them in our existing customer's minds. Reach will stay the same. California will be targeted with local TV spots that will appeal to the large concentrations of Hispanics and Chinese in the area. We will target our African American audience by focusing on the South where they are most densely populated.

# CRITICAL FACTORS

The downturn in the economy could help Nissan's position when the target audience is considered. Nissan is usually a bit more expensive than our competitors, and so Honda and Toyota may seem like the more mainstream option when MC Millennials purchase cars. Since our prices are fairly similar to those of Honda and Toyota, the Millennials, who make decent livings (all average HHIs being over \$60,000), might see the small price increase as a sensible price to pay for originality.

Nissan is in good position for its objective. If Nissan wants more recognition from MC Millennials, it is most likely best that Honda and Toyota dominate the road. Being the underdog gives our brand more authenticity when we speak of 'innovation,' and owning a car that shows up less frequently will help our MC Millennial customers feel unique and original.

The following is based on a SWOT analysis completed by Nissan Motor Co. Ltd.:

In December of 2011, there was a recall of several vehicles. Near to that time, other vehicles were recalled, and so Nissan is experiencing a decline in brand image. In addition, the Japanese Yen is appreciating against the US dollar. This makes Japanese exports less price competitive in the US.

Clear Air Act Amendments in the US as well as new policies in Europe threaten the sale of Nissan vehicles because they are tightening emissions standards.

# RECOMMENDATIONS

1

For the first option, we recommend continuing with the current strategy, but keeping a close watch on the state of the company throughout. This plan is safe, and should result in steady growth, so we want to make sure that the growth remains consistent. Keeping track of any changes in sales will help Nissan to see what is working and where alterations need to be made.

2

In order for option two to be successful, will need a more uniquely persuasive campaign to keep the MC Millennials interested. Knowing their spontaneous nature, we need to keep up with their desire for new and exciting products. We are confident that Nissan is equipped with quality vehicles so our focus should turn to marketing them as one of a kind to avoid brand switching. Nissan should pay more attention to the feelings of the MC Millennials as a whole, and create a campaign that is targeted directly toward their continuously changing purchasing decisions. Through elusive creative, we hope to foster brand loyalty in a demographic known for brand switching.

3

Much like option two, we recognize the importance of paying attention to our demographics' specific interests. For option three, however, the key to success will come through the separation of the MC Millennials. We realize that while these three groups can be put into one category, they differ greatly in their interests from an advertising standpoint. Targeting African Americans, Hispanics and Asians as individual demographics is extremely important and will allow Nissan to more accurately portray the image desired by each group.

# CONCLUSIONS

After careful observation and evaluation of all the options, we believe that option three will result in the most success. Nissan currently groups MC Millennials into one category. For advertising purposes, grouping minorities into one group is detrimental to the success of the campaign. African Americans, Hispanics, and Chinese demographics differ vastly, so targeting them in three separate manners is the key to the overall success of the campaign.

While the first proposed option is the safest, there is a higher potential for growth in directly targeting each segment as opposed to glossing over them as one group. Option two, on the other hand, caters more toward the feelings of Multiculturals by keeping the creative fresh and interesting so that the MC Millennials do not switch brands. The problem remains that the three specific demographics are not adequately represented in the term “Multicultural Millennials.” While these two options could prove to be successful, we believe they would eventually plateau in the near future.

We plan to carry out this new campaign from April 2013 to March 2014. This new campaign will begin by no longer referring to the target audience as “Multicultural Millennials.” Original copy will be created for each segment. Simply altering Americanized ads is not enough. While splitting up this group may prove to be costly in terms of time and money, we believe that it will be more than worth it in the long run. We expect to see a significant growth in the market share of African Americans, Hispanics and Chinese. By handling each segment individually, we hope to establish better and longer lasting relationships with Nissan consumers.

# APPENDICES

Ay, caramba.



2012 Nissan Altima. Algo diferente.



If Nissan addresses the third recommended option, it would be beneficial to have an ad that is specifically created for each target audience. For example, we have designed a sample multicultural ad for the Hispanic demographic that was intentionally created for their culture. The Nissan Hispanic audience likes American media that is combined with their own. This ad incorporates the Spanish language in an American style while sticking with the Millennial vibe of uniqueness.

1



3



2



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