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Introduction

Every business's survival is directly pegged on the purchasing power of its customers. The customers drive revenues into the business via purchasing the business products; therefore, their satisfaction is key. The customers' satisfaction is realized by offering high-quality products that specifically address the customers' needs. Hence, the customers feel the experience of using personalized products done particularly for them. Additionally, businesses enhance customers satisfaction by offering convenient and flexible deals that suit customers' dynamic requirements like delivery services. In this regard, Nissan Motors Manufacturing UK Limited company prioritizes their customers' satisfaction by involving several value chain activities such as enhancing product development, supply chain and other activities relating to various operational and marketing theories.

Nissan Motor Manufacturing UK Limited is a leading car manufacturer in Europe and globally. It is a constituent office and branch of the mother plant headquartered in Japan. It got incorporated on April 6th, 1984, in Sunderland, United Kingdom. Since its incorporation, Nissan has been registering constant improvements in its performance in profits made and, subsequently, its net worth. As of 2021, its cash net worth has grown to 594 583 000 sterling pounds ("Nissan Motor Manufacturing (UK) Limited", n.d.). The company specializes in various cars, including sports cars, trucks, crossovers and compact cars. Specifically, Nissan produces and distributes car models such as the Bluebird, Primera, Note, Micra, Juke, Leaf and many more. Recently, Nissan Qashqai has been on the forward trajectory in dominating the global Nissan car brands market. Its increased demand pushed the Sunderland based plant to manufacture more of the model, thus adding to the overall cars produced in the UK (West Way Nissan, 2014).

Nissan Motors Manufacturing UK Limited has always focused on the satisfaction of their customers throughout the globe. Therefore, it has opted for a chain of activities to improve the value in their cars, sales and experience of the users of the car with the cars. Value addition refers to integrating economic characteristics to the company's product before offering the product to the customers. Value addition is crucial for the customers since it boosts their taste for acquiring the company products, thus boosting its purchases. Subsequently, the company's gets the advantage of increased sale of goods resulting in more revenue flow. Companies engage in various value chain activities to improve their service delivery. Nissan Motors Manufacturing UK Limited considers the value chain to add value to their manufactured cars.

Operational and Marketing Theories, Concepts and Strategies

The SWOT Analysis

The business strength refers to how it excels more than its competing companies. These internal factors are dependent on the internal interaction within the business itself, including its employees, and the revenue generated more (Official Great Britain Newsroom, 2021). Nissan Motors UK limited strengths include a larger pool of skilled labour, a big brand that already has the command of the market both in Europe and beyond. Other strengths include a large pool of loyal customers, unique and efficient technology in manufacturing, and stable financial immunity; despite having strengths in the brand, Nissan experienced some weaknesses in its operation that impede its growth and speed to conquer the market fully. Nissan faces a higher cost of logistics while distributing its products, which affects its sales, thus hindering the revenue flow rate in the company.

Opportunities are essential factors in the business ecosystem as it builds the business hope of regaining its lost or dwindling fortunes that get diminished due to internal weaknesses and other business risks. Nissan Motors have ventured into the manufacture of electric cars and is undoubtedly the leading modern car manufacturer. The Nissan models such as the Leaf and Ariya implements the technology. The models minimize energy wastes; they are powered by the electricity to move and are recharged at any charging station (“Electrical Cars, n.d.”). Another significant opportunity is the move by Nissan to enhance and mould the culture of better customer relationships. Finally, the threats are external factors that inhibit the seamless proceeding of a company. The major latest threat that almost crippled the company is the emergence of the global pandemic: COVID-19. It led to restrictions of movements that discouraged the distribution of Nissan products to the market and importation of materials to the company. Other threats are the increasing price of diesel and the reduced exports overseas due to dwindling economies overseas (Rojas, 2019).

PESTLE Analysis

PESTLE analysis evaluates the external issues that affect the operation of an organization (Momin, 2021). The exit of the United Kingdom from the European Union is a critical political factor that works against the operation of Nissan in the UK. The EU member states offered a more expansive market to the Nissan UK that ceased to exist upon Brexit. The expansion of the Iranian market is a plus to the company that sources more customers from the country. Political factors are essential for the prosperity of any business and are entirely determined by various governments. Economically, the company suffers from the hiked border tax imposed by the Trump's administration. The taxes increase the cost of the unit sale in the USA that offers an

extensive market, thus affecting the entire company's sales. Additionally, the strain due to COVID-19 significantly affected the company's sales and operations. Staff got laid off, and offices closed down, thus affecting the company economically.

The social factors include the consumer preferences for certain products. Consumers in the automobile industry have a great preference for environmentally friendly cars; this has shaped the manufacturing principles of Nissan to suit the social needs and preferences of their consumers. The technological factors assist in manufacturing technically current cars. It has enabled Nissan to venture into smart cars and actively get involved in the R & D to reinforce technology advancements. Legally, non-standard regulations restricting the production of autonomous vehicles hinder the company's advancements. And finally, the company is a contributor to the fight to reduce harmful gas emissions to the environment. The company manufactures cars that preserve the environment by producing the least emissions.

Five Forces Analysis

This is a framework that was developed by Michael E Porter in 1979. It is meant for assessing and evaluating the competitiveness and position of a business in a market. It mainly bases its focus on five forces that are deemed to determine the competitive intensity of the said market. This way, business power can be identified and exploited to understand how new or existing products will perform. The five forces include supplier power, buyer power, competitive rivalry, threat of substitution, and threat of new entry. Nissan UK can utilize this model to understand and analyze micro/macro-factors that affect the company's profitability and brand image.

Supplier Power

Nissan UK utilizes a lot components to manufacture their automobiles. In order to ensure high quality of their products, these components must be of high quality too. They therefore need trusted suppliers that can provide such components on a consistent basis. However, Bruijl (2018) views this as a probable detrimental relationship on the part of manufacturers like Nissan UK. He writes that suppliers can threaten companies with hiked prices of products, which may translate to higher prices for the manufacturer's products if they fail to recover. Among the factors that may hand suppliers this power is the domination of supply within an industry. Slater and Olson (2002) indicate that supplier power can be conjured by factors like the number of suppliers, the size of suppliers and the presence of substitute customers.

Taking this into regard, Nissan UK needs to carefully select its suppliers and maintain a positive relationship with them. This not only aids with trust but also prevents exploitation by said suppliers. According to Corporate Finance Institute (n.d), analyzing the power of suppliers and choosing the one with least power is more attractive for a business due to increased profit potential. As such, for Nissan UK to maximize their profit prospects, they should engage with suppliers who are not monopolies in their trade, and therefore cannot solely control the prices of automobile components.

Buyer Power

This involves assessing the power of buyers to affect prices downwards. This is, of course, an unattractive scenario for manufacturers as it would reduce their profit margins. It is therefore paramount that they are able to keep buyer power under control through other means like providing quality products and diversifying their markets. However, in the period between December 2016 and December 2020, the market share of Nissan in the UK was reported to have

dropped from 6% to 5.37% (Statista, 2021). Could this be a case of buyer power in motion? Pratap (2017), the buyer power is moderately strong in the automotive industry. This can be attributed to the fact that most customers are individual buyers who have a wide range of products to choose from. Therefore, the cost incurred on them for switching brands is not huge and they can easily do so. If Nissan UK did not provide vehicles that are up to par with their competitor's quality or price advantage, buyer power would definitely affect their market share as indicated above. Among the ways of improving their position against this buyer power is creating customer loyalty through unique, high quality, affordable vehicles that will keep consumers coming back for more.

Competitive Rivalry

This force looks at the number and capability of competitors in the market. With the presence of other companies like Vauxhall Motors, Group Renault and Changan Automobile in the automotive industry in the UK, Nissan has quite an uphill task to ensure they keep their market share and attract even more consumers. However, Nissan is still one of the most profitable automobile companies in the world. This can be seen in their full year financial results where although a loss was registered, mainly due to the effects of COVID-19, a steady quarter-to-quarter progress was witnessed (Nissan Motor Corporation, 2021). Nissan UK has however been able to withstand competition in the market through measures like software upgrades and boosting their processes. Their Chief Operating Officer, Ashwani Gupta said that Nissan was an agile and adaptive organization hence their capability to deal with changes in the market and even with competition (Kelso, 2021). Nissan is also trying to diversify their product range by introducing car battery manufacturing in the UK which they say will be localized and hence very

good for the economy. By creating wide range of vehicles and car products, they are able to increase their market share and therefore better their competitors.

Threat of Substitution

Under this force, Nissan UK should endeavor to determine the likelihood of consumers switching to other alternative products like public transport. This can be as a response to the prices of their vehicles, whereby if the prices are higher than what consumers are willing to pay, then consumers simply do not purchase. However, this force is rather weak as other substitute products like buses and trains do not provide the convenience, comfort and accessibility that personal vehicles do. This is evidenced by the growth of the automotive industry from 1950 where there were only 20 vehicles per 1000 persons to 143 vehicles in 2015 (Mattioli et al., 2020). However, other competitors also provide a risk of substitute products. Nissan has to contend with this by providing new features in their vehicles that attract and maintain new and existing customers thus making it worth their money and while.

Threat of New Entry

The automotive industry is very profitable and thus attracts many investors who would like to set up shop. However, this is detrimental in that it leads to reduced profits for the already existing firms like Nissan (Porter, 2016). It greatly hinges on the presence of industrial and economic barriers that many new entrants fail to pass through. Nissan UK uses this strategy to guard itself from new competitors entering the market. It has set very high standards with regards to product portfolio and economies of scale that make it very difficult for new entrants to cope. Nissan has also amassed enough capital over the years and this gives them a competitive edge since entrants will have to create such capital first for start-up. New competitors may also find it

hard to obtain the services of trusted suppliers who will provide components at an affordable price. Saeed (2015) also writes that consumers might incur a lot of costs in switching to products from new entrants thus making it difficult for them to acquire a market base.

The Value Chain

This can be defined as the various business activities carried out by a company in the process of creating a product or giving a service. It might consist of a couple of stages which start at research, development, and ultimately sales. The framework was developed by Prof. Michael Porter. It helps businesses understand the details of its transactions by analyzing their process and maximizing value created at each stage of the value chain. The primary components of a value chain are inbound logistics, operations, outbound logistics, and marketing and sales. These are the activities that directly impact the creation and offering of products and services.

Inbound Logistics

This involves receiving, warehousing, and inventory control (Dubey et al., 2020). Jenkins (2020) writes that the process includes sourcing and procurement where Nissan UK identifies and evaluates potential suppliers, gets their quotations and negotiates with them. The following step is ordering where the manufacturer buys the components needed such that required amounts arrive at the right time. Under this stage, the manufacturer also decides on which mode of transportation to use to ensure safety and timeliness of the materials bought. The materials are then received, trucks unloaded and a checklist is done to ensure the products match the order. Finally, Nissan ensures that materials are stored and accounted for through inventory control.

Operations

This involves turning raw materials and components into finished products. According to McGee (2015), operations entail all activities required to transform inputs into outputs and the functions that add value to the products. According to Careers at Nissan (2018), the plant in Sunderland is one of the largest in the UK. It employs over 6000 people at the plant and supports another 27000 who work in the supply chain. Additionally, they have partnered with Infiniti design and technical centers in Paddington and London to employ a further 900 people. The plant in Sunderland made 442,308 cars in 2018 and 80% of these were exported to over 130 international markets. This shows just how much successful the operations of Nissan UK are coupled with their efficiency.

Outbound Logistics

This entails activities related to the distribution, packaging, sorting and shipping of products. Miller and Liberatore (2015) define it as the process related to the movement and storage of products from the end of production line to the end user. Nissan UK supplies more than 400000 cars every year through partnerships with logistics companies and supply dealerships in the UK and all over the world.

Marketing and Sales

This stage involves activities related to making the buyers know about the products and selling to them. The activities may include promotion, advertising, and pricing strategy. According to Statista (2021), Nissan UK sold 7100 cars in December 2020 in the UK. This is however a lower than expected figure but can be largely attributed to the effects of COVID-19 which paralyzed the purchasing power of many buyers. A peak of around 20000 cars was

achieved in March 2019. This can be attributed to the issuance of new registration in the UK at a time when Nissan UK had positioned itself as the brand of choice for new drivers and car owners.

4P Analysis

This is a matrix that implies that marketing decisions of a company can be categorized into four controllable sections. These form the 4Ps namely: Product, Price, Promotion, and Place. Goi (2009) writes that it is a conceptual framework that identifies the principle decision making categories considered by managers in order to better suit their customers' needs. They also write that this matrix enables companies to simplify marketing, delegate duties to specialists and separate marketing from other activities of the firm.

Product

According to Thabit and Raewf (2018), product refers to the goods and services offered by an organization. It is the main element of any market mix. Nissan UK would benefit consumers by providing high quality vehicles, which are unique at an affordable price. This would in return see their sale volumes improve because customers are in the market looking for vehicles of their comfort at an affordable price. Nissan UK is already producing electric cars that are environmental friendly. Given the traction that environmental conservation has gathered in the recent past, the units produced in Sunderland would be sold in high volumes if backed up by affordable prices. Nissan UK can make use of their strength of domination and infiltrate the market even further. They can also conduct customer surveys that will aid them gather feedback on the features that should be optimized for maximum customer satisfaction.

Price

Competitors like Renault have crossover SUVs at prices of as low as \$12736. Nissan would therefore have to position itself as a market leader in terms of quality cars within the same price range. Nissan UK has done a great job at diversifying their portfolio of vehicles available to the customers. This way, it is simple for consumers to pick a vehicle that they feel comfortable with, and at a price they can afford. They are not forced to choose from a limited range of highly priced vehicles. Additionally, Nissan UK can run discounts on some of their products like car batteries for electric cars. This is a strategy that wins over new consumers and hence offsets the price cuts occasioned by the discounts. Gauri et al. (2017) write that discounts especially on branded items have a strong impact on sales and also improve consumer traffic on high frequency products.

Promotion

So as to reach immediate and desired product goals, Nissan UK have to heavily invest in advertising their new and existing vehicles and products. This can be done through the modern channels like social media platforms like Twitter, Instagram, and Youtube. This can be coupled up with more traditional channels like TV and print media to reach the older customers who have not been well acquainted with new technology. A lot of consumer traffic is online nowadays and companies that take advantage of those spaces by promoting their products and offers stand a greater chance of reaching more consumers and recording better sales. This definitely gives them an edge over their competitors. Štreimikienė et al. (2021) write that companies can reach strategic goals set for their products given the wide array of features that social media provides including direct customer communication and analytics. The goal would be to sensitize and inform customers of the new and existing Nissan products and offers.

Place

Online selling has in the recent past become a household component in almost all industries in the world. Manufacturers like Nissan UK can use their websites to engage with buyers and even carry out online transactions with them. This eliminates the need for a middle-man or dealerships that may eat up some of the profits Nissan would realize from their sales. Additionally, online selling would also ensure products reach customers quickly and safely through direct shipping all over the world. Customers would also find it easier to communicate with Nissan Experts and consult online before making purchases. By cutting distribution costs, Nissan UK can regain a larger chunk of the market share and give their competitors a gap to contend with.

Opportunities for Value Creation in Operational and Marketing Management of Nissan Motors Manufacturing UK limited

As seen in this paper, value addition is a good practice for companies since it ensures the enhancement of the quality of the product before it is finally presented to the customers. There are several avenues in which the companies can add value to the products before supplying them to the market (Nissan Trading CO., LTD, n. d.). Nissan, as a company, with its stable financial status and enjoyment of the economies of scale due to its size, has access to several opportunities to add value to the cars they produce before having them reach the customers. The first value-added opportunity for Nissan is the wider car market. Nissan UK enjoys the local market of the UK, the USA, and other major parts of the world, including China and entire Asia, and Africa. This broad market will not be profitable if the company does not create value. In this regard, Nissan can create value by availing their cars as nearer to the population; this is possible by

enhancing their supply chain link to improved efficiency to ensure faster delivery and quality. The advancement in their supply chain systems results in an improved delivery system that satisfies the place marketing mix of the 4Ps of the marketing mix.

Technology has been in constant development and crucial across all business walks. It has been greatly implemented in all greater sectors of the economies, such as agriculture and has even a greater impact on the manufacturing sector. Nissan has a chance to accommodate the new technologies in the car manufacturing industry and take the advantage to add value to their cars via technology. The cars manufactured can incorporate additional features that make the cars easier for customers through technology. Technology enables faster and reliable communication with the customers, thus building the customer relationship culture in the company, which is essential in maintaining the existing company customer base. Additionally, it ensures customer satisfaction with the services and products rendered. With technology, Nissan Motors UK can make necessary updates on the car manufacturing systems to the latest trends that address customers current needs and are diverse enough to address even more unfolding dynamics in the customer needs.

The variety of products that the company deals in also poses a lucrative opportunity for its value addition to the customers. Apart from complete car manufacture, Nissan also manufactures car spare parts and steel; therefore, their market base is constricted to the car business. This opportunity enables them to be in the position of addressing the diverse needs of customers who both need cars and spares. Therefore, Nissan can use the availability of the car spare parts and other products to conquer additional market share, thus adding value to their course. The act will improve their reputation before the clients and reliability in that various car

customers will be able to access a range of products from the same seller or under a common roof. Therefore, this will work for them in that it would save buyers' time getting quality products from one seller, thus making Nissan have a competitive advantage against competitors.

Another opportunity for Nissan is the availability of room for innovation in the business. Innovation refers to the variation in doing business to address the prevailing market needs. As stated above, Nissan has the financial muscle to pursue any business direction it wishes; therefore, it must take that advantage to advance its scale in the manufacturing space. Involving innovation in manufacturing introduces uniqueness in their quest, thus making them stand out, giving them a competitive advantage.

Recommendations to Nissan Motors Manufacturing UK Limited & Conclusion

The current global economic times have affected the Nissan UK plant and other companies either within the field or beyond. The situation occasioned by the COVID-19 pandemic significantly ravaged the economic stability of many companies. Nissan, for example, closed down some of its outlets to avoid extensive loss. Therefore, to regain momentum, the company must restructure on the new mechanisms of doing business and creating a new market while maintaining the existing one; this is possible by devising enhanced ways of creating value in their production. The following recommendations could enable the company to see the light of the day: rationalization and prioritization of markets (Official Global Newsroom, 2020).

The company must restructure and position itself to reduce the costs of its operation while improving the efficiency of production. The reduction of operation costs results in a corresponding reduction of the prices of various products, thereby achieving value addition by lowering car prices, hence boosting sales. Additionally, the company must prioritize the market's

needs while producing the products to ensure that the customers feel ownership of the products produced by the company. In this regard, Nissan would add the market value of their products.

Ideally, value addition is a key property for any organization in business. It aims at enhancing the quality of a product before reaching the consumer. Nissan Motors Manufacturing UK Limited has thrived on creating value in their products, thus translating their huge customer base globally. The company's success in creating value is attributed to its focus on the strengths and opportunities as ready avenues for advancements. Additionally, Nissan takes its weaknesses and threats as platforms to encourage growth by turning them into strengths and opportunities.

Considering operational and marketing management theories, concepts and strategies in business give an amicable foundation for creating value in business.



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APPENDIX

I. SWOT ANALYSIS

This is a compilation of a company's strengths, weaknesses, opportunities, and threats. Its basic objective is to help business develop a full awareness of all factors involved in making business decisions. It helps a company to overcome challenges and determine new leads to pursue. The first two, strengths and weaknesses, affect the internal environment of a business while the latter two, opportunities and threats, analyze the external environment of the business. According to Sammut-Bonnici and Galea (2015), the analysis of internal strengths and weaknesses involves the functional categories of financial resources, managerial resources, infrastructural resources, suppliers, and manufacturing, distribution, marketing and innovation resources.

On the other hand, external analysis of threats and opportunities covers three categories:

Competitor Environment which focuses on organizational resources of competitive rivals,

Industry Environment which reviews factors that directly impact on the organizations income

streams, and the General Environment which adopts frameworks from political, economic,

social, and technological circles.

II. Porter Five Forces Analysis

According to Porter (2016), this is a framework used to analyze the level of competition within an industry and business strategy. It was developed by Michael Porter of Harvard University.

These forces affect businesses closely and their ability to serve customers and make profits. The five forces include:

i. Theory of new entrants

Markets that are heavily laden with profits attract many new firms. However, this might decrease the profitability of existing firms. Therefore, the entry of new firms is mostly barred by incumbents through measures like policies, supplier monopoly and economies of scale.

ii. Threat of substitute products

There exists products outside the extents of a common product which increases the probability of customers switching to alternatives. In this case, public transport like trains and buses provide an alternative to the vehicles manufactured by Nissan UK.

Allowing customers to have it easy switching to these alternatives is detrimental to the profits of Nissan UK.

iii. Bargaining Power of Buyers

This is also described as the market of outputs or the ability of customers to influence firms to drop their prices. Firms like Nissan UK can leverage and reduce on this power can by implementing customer loyalty programs and providing unique affordable products to their customers.

iv. Bargaining Power of Suppliers

This is also described as the market of inputs. The provision of raw materials, components, labor, and services to firms can be a source of power for the suppliers. This is mostly the case where the supplier is a monopoly, has a diversified clientele, and

supplier switching costs to different companies are not high. The supplier can then control the prices of inputs upwards thus reducing the profit margins of the client firm.

v. Intensity of Competitive Rivalry

An industry's competitiveness is mainly determined by the capability of rival firms within the industry and their intensity. This is also something to consider when it comes to this kind of analysis.

III. PESTLE ANALYSIS

According to Sheffield Hallam University (n.d), this is a framework used to analyze and monitor the external factors that affect a business. It provides a basis onto which SWOT analysis is done.

The letters form an acronym. They stand for: P- Political, E- Economic, S- Social, T- Technological, E-Environmental, and L- Legal.

Political Factors entail the extent to which the government intervenes in the economy. This might be in the form of government policy, political stability, foreign trade policy, tax policy and labor laws.

Economic Factors include those that affect how an organization engages in business and their profitability. This entails economic growth, interest rates, exchange rates, inflation and consumer disposable income.

Social Factors are those that involve shared beliefs and attitudes of people. They directly influence how customers embrace and view products. They are population growth, age distribution, and careers.

Technological Factors influence how a business engages in business as new technology demands that companies adopt it in order to stay relevant and up to par with their competitors.

Legal Factors involves the knowledge of a business with regards to the laws of their location. These laws may include those of health and safety, equal opportunities, consumer rights and product safety.

Environmental Factors have been significant in the recent past due to the scarcity of raw materials, environmental pollution, business ethics and carbon footprints of companies. They govern how companies interact with the environment.



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