

Nissan motors and globalization research paper example

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In today's world, a company must often diversify on a global scale in order to survive in the marketplace. Nissan Motors is no exception to this rule.

Because the market for automobiles is changing, Nissan and other types of car manufacturers must make use of a number of different techniques to remain current and relevant in today's marketplace. In order to understand the role of globalization on Nissan Motors, it is important first to understand the structure of the business as it exists today. Nissan is currently split into two parts: the automotive business and the marine business. In the automotive business, Nissan Motors owns the Nissan-brand automobiles as well as Infiniti-brand automobiles. Infiniti is the higher-end, more advanced subsection of the automotive business. The marine business focuses on boat production and sales as well as outboard motor production. A relatively new subsection of the company, the marine business has been active only since 2000.

On a very basic level, Nissan has embraced globalization insofar as their production and headquarters are concerned. Headquartered in Japan, Nissan does much of its production elsewhere: according to the statistics provided by Nissan Motors, in 2012, Nissan factories in China outstripped Japan regarding the number of units produced significantly. However, China is not the only center for production for Nissan Motors: Nissan also uses factories in the Philippines, Mexico, Spain, the United States, Thailand, Taiwan, South Africa, Indonesia, and Brazil. This is a non-exhaustive list of the locations where Nissan Motors has factories; however, it is also quite an extensive list, including countries all over the world in a variety of different geographical and political locales.

On the other side of production, despite being a Japanese company, most of the retail sales that are done by Nissan Motors are in North America. The United States has a larger population with more of a need for cars, but the existence of such a large difference between domestic consumption and international consumption for Nissan Motors is indicative of the fact that Nissan Motors has truly embraced the need for globalization to survive in today's world. Outside of the United States and Canada, China seems to be the largest-growing market for Nissan cars in the world. This could be because of the growing Chinese middle class, which suddenly has much more disposable income than in the past.

Nissan Motors has also taken on another important task in terms of globalizing their brand. The Nissan Motors website claims, " Our mission is to provide unique and innovative automotive products and services that deliver superior values to all stakeholders in alliance with Renault As a leading global automaker, we also view it as our mission to contribute solutions to the issues facing humanity. We are committed to all of our stakeholders- including customers, shareholders, employees and the communities where we do business-to deliver engaging, valuable and sustainable mobility for all. Through our business activities, we aim to create economic value and to actively contribute toward the development of a sustainable society" In short, Nissan Motors has paired up with Renault-- a European car manufacturer-- to build more economically-viable environmentally-friendly cars. In a time before globalization, such a partnership would have been logistically impossible; in the globalized world, these types of partnerships are necessary to ensure the overall survival of a brand.

The Renault-Nissan partnership is, perhaps, one of the best examples that can be given for the idea of a “globalized” Nissan Motors brand. According to Nissan Motors, the partnership resulted in the sale of more than eight million cars in 2013, a figure that indicates more than a two percent growth in sales from the same time the year prior. This increase is not only statistically significant, it indicates the growth of the brand into new markets, according to the Nissan Motors website. Nissan Motors notes that with this new increase, Nissan-Renault vehicles represent approximately one in ten cars bought in the 2012-2013 year.

Nissan Motors also notes that the partnership with Renault is not without precedent: they have also been partnering with German automotive giant Daimler in an attempt to build more environmentally-friendly vehicles.

Nissan Motors suggests that these types of partnerships, along with their international presence in the automotive industry, are the ways forward for the brand. Without partnerships, the firm would likely not be able to make the technological advancements necessary quickly enough to be competitive in today’s market, especially if other firms continue to participate in similar partnerships.

Globalization is not limited to production and consumption, however. To mobilize production and consumption, Nissan has had to employ a massive number of individuals around the world in their factories, storefronts, and so on. Each country where Nissan employees work is different; each culture has different requirements, and Nissan Motors has had to adapt to those differences to succeed in the globalized world by creating and adopting a cohesive and coherent diversity strategy.