

CoEFFICIENT® Drives \$1.72M in Projected Parts Sales for Nissan

CHALLENGE

Nissan wanted to increase parts sales by rolling out an incentive program to more than 1,000 dealerships. This became the Aftersales Growth Program, or AGP. This program rewarded dealers with cash rebates as they hit graduated tiers of parts purchased. The more parts purchased by the dealers, the higher the tier, and the more lucrative the rebate. It was designed to not only encourage dealers to purchase more parts from Nissan, but also help them increase their service department business. By having the right inventory for the service lane, the dealer could better serve customers who needed parts like wiper blades, fluids, and bulbs when they came into the dealership for other, scheduled repairs. A win-win-win for Nissan, the dealers, and customers.

Although Nissan had incentives in place, they needed a platform to track performance, highlight opportunities for business growth, and be accessible to approximately 10,000 dealership employees, field users, and corporate stakeholders.

SOLUTION

In the past, Nissan relied on spreadsheets to track performance and earnings for their incentive program. Although the spreadsheets displayed a massive amount of data, they provided little insight into opportunities to grow dealers' business. To take the program to the next level, Nissan partnered with Square Root to run the program through the CoEFFICIENT platform. With it, Nissan saw daily performance and earnings updates for all users, along with clear, actionable insights needed to increase sales.

In an effort to find ways to drive additional program growth, Square Root conducted an A/B test to see if automated

email notifications made an impact on the amount of parts purchased by dealers. Half of Nissan dealers received notifications about their status in the AGP program. The other half served as a control group and did not receive notifications. Nissan dealers that received notifications were alerted when they reached a new sales milestone, fell back to a lower tier, or approached hitting a new tier. Additionally, the notifications were informative and actionable—when clicked, the dealer was linked to a dashboard that displayed current performance, relative performance against similar dealers, historical purchases, potential earnings, and areas of opportunity to purchase additional parts.

RESULTS

Dealers who received automated notifications performed 3% higher than the control group. This translated into a projected \$1.72M worth of part sales for Nissan over the course of a year.

Benefits for Nissan Corporate Stakeholders:

- Deliver a consistent message to create alignment and focus on top goals
- Develop a set of best practices around notifications when rolling out incentive programs
- Show accurate and actionable information
- Provide one intuitive platform to understand performance and take action

Benefits for Dealers Stakeholders:

- Drive service lane business growth
- Improve customer satisfaction by stocking popular parts
- Motivate parts purchases by showing potential earnings
- Understand current and relative performance
- Identify opportunities for improvement

“The CoEFFICIENT platform helped our dealers and field focus on top goals, but unlike other platforms, showed our teams what actions to take to hit those metrics and grow their business.”

Nissan Motor Company