The Moscow Times
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Nissan Bringing New-Old Brand to Russia

By The Moscow Times

December 18, 2013

Japan's Nissan Motor Co is to unveil its resurrected Datsun brand in Russia in April, seeking to lure young first-time buyers away from the used car market to its sub-400,000 ruble ($12,100) model.

Nissan retired the Datsun brand in 1981 but announced last year that it would relaunch the small car in emerging markets, targeting Indonesia, India, Russia and South Africa.

"The main objective [in Russia] is to be a serious alternative to the used car market — this is where we want to compete," Jerome Saigot, director of Datsun in Russia, told a news briefing in Moscow late Tuesday.

Saigot said sales forecasts have not been disclosed but he estimates that about six million used cars will be sold in Russia this year.

Although analysts are predicting a slight shrinkage to the Russian car market in 2014, Saigot said he believed there was room for growth in lower-cost cars. The sub-400,000 ruble segment, currently accounting for about a quarter of the market for new vehicles at about 700,000 cars, is expected to grow to 900,000 cars with about the same market share by 2017.

"It is a big piece of the market where we do not have any offer in the Nissan line-up," Saigot said. "The risk here is to do nothing."

Datsun will compete against Russian partner AvtoVAZ's Lada, but Saigot said the two brands would sell to different customers, with Datsun targeting first-time buyers.

The Datsun will be produced at AvtoVAZ's Togliatti plant. Nissan and French partner Renault have struck a deal to take control of AvtoVAZ by mid-2014.

Saigot said the Datsun would be unveiled in April with the first deliveries planned between August and September.

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