



Nintendo's Wii U Strategic Analysis

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Background

Industry : Home leisure equipment

Developer: Nintendo IRD, NTD

Manufacturer: Nintendo, Foxconn, Mitsum

Retail availability: 1996-2017

Introductory price: \$89.99 basic set in 1996, \$299.99 Nintendo Switch 2017

14.8 million Nintendo Switch units sold!

Mission Statement

- At Nintendo we are proud to be working for the leading company in our industry. We are strongly committed to producing and marketing the best products and support services available. We believe it is essential not only to provide products of the highest quality, but to treat every customer with attention, consideration and respect. By “listening” closely to our customers, we constantly improve our products and services.

Brands

Exclusive to **ONLY** Nintendo Based Consoles



Pokemon

Zelda

Mario



General and Industry Environment

General environment

- Advantage of technology
- Demographics: allow people of all ages to enjoy it
- Consumer demand for new and innovative game consoles
- Greater concern for healthy living

Industry environment

- Game marketing expanding
- Microsoft Xbox kinect and Sony PlayStation Move
- Console manufacturers rely heavily on unique, patented technological hardware product

Porter's Five Forces

High Sony Microsoft

Intensity of Rivalry

Low Gamestop,
Target, Amazon

High multiple
options

Bargaining Power
of Suppliers

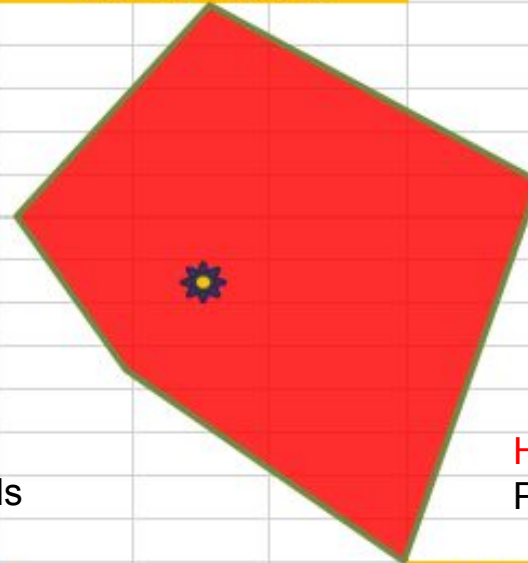
Bargaining Power
of Buyers

Low Strong Brands

High Arcade,
PC, Apps

Threat of New
Entrants

Threat of New
Substitutes



How Did Nintendo Compete?



SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">● Brand exclusive● Player friendly console● Fast mover● Established brand with strong portfolio● Nintendo 3DS's strong market position● Wide geographic presence	<ul style="list-style-type: none">● Lack of playable games on consoles● Lack of presence across multiple platforms● Strained sales of Wii U● Dependency on outside manufacturers
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">● Lifestyles● Fitness● Positive outlook for video games console market● Strong forecast for the global games software industry	<ul style="list-style-type: none">● Battle for market share with strong competitors● Short product life-cycles and changes in consumer preference● Risk from piracy and unauthorized copying

Internal Analysis

Stock Price

Date	Price
Nov. 8, 1996	\$9.06
Oct. 1, 2007	\$78.50
Today	~\$48

External Analysis

Scanning:

Monitoring:

Intelligence:

Firm Resources and Sustainable Competitive Advantages:

1. The Nintendo controllers and simplicity
 - Motion-sensing electronics
1. Popular selection of games for customers to choose from (total 680 games)
2. Human-interface system was ingenious in reshaping gaming (the Wii remote)
3. The

Nintendo's Wii U Strategies

1. Widen the presence across multiple platforms
 - Mobile gaming platform
 - Cloud based streaming service
2. Strengthen the position in game console market
3. Continue to separate themselves from the “hard core gamers”
4. Continue to be first movers with consoles and games
5. Better Quality Control

Nintendo's Wii U performances

Competitors: Apple, Sony, Microsoft

Nintendo's performance :

- In 2017 switch became the fastest selling game console in U.S history
- Dominates the ranking for the best selling video game
- Nintendo sales grow 52% year over year for the trailing 12 months period ending in september 2017.
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Thank you !

Question ?

References

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