

# Marketing plan for nintendo wii

Business



Nintendohas the distinction of being the oldest intact company in the video game console market and of being the most dominant entity in the handheld console business. As of December 1, 2006, Nintendo has sold over 387 million hardware units and nearly 2. 2 billion software units worldwide. Currently, it is selling the Nintendo Wii, which is its seventh generation video game console. The major, distinguishing feature of the Wii is its wireless controller, the Wii remote, which can be used as a handheld pointing device and can detect motion and rotation in three dimensions. The Wii has sold over 3 million systems as of January 10th 2007 thus placing Nintendo among the market leader.

Despite its high volume sales to consumers of all demographics, Nintendo has recognized a steep increase in the number of women gamers and thus wants to gain a share in that market as well. Since the gaming industry as a whole is not catering to the needs of women or taking their preferences into account, it will be monetarily beneficial for Nintendo to attack the market with slightly modified products, accessories and extensive marketing techniques. Nintendo attempts to break free from the myth of video games as being “ boy’s toys” and is looking to place Wii and some of its software as having features that will appeal to the female audiences. Given the enormous buying power that women have, this is the perfect opportunity for Nintendo to make another mark in the field – provide “ female friendly”, gender neutral games, thus taking this segment of gamers by storm. While the following marketing plan aims at placing Wii in new markets that have not yet been “ exploited”, it also aims at solving what seems to be a matter of grave concern for existing Wii users – safety and usability of the console.

Nintendo has had to replace wrist straps of Wii controllers and about 200,000 AC adapters resulting from breakage during use.

Consumers are of the view that Wii can be / has been physically harmful to them and to children, and this perception needs to be changed. A positive psychology about the product needs to be induced in the minds of consumers and they need to be shown ways of using the console without having harmful results. In trying to achieve both of the above mentioned goals, the plan suggests marketing strategies that include extensive advertising, promotions, PR campaigns and press releases. It talks at length of how all the available media can be paralleled to communicate Wii as an innovative, gender neutral, harmless game console that needs to be experienced by all. Current Marketing Situation Gaming Industry Growth Trends The industry and its growth have, in the past, been primarily dependent on the introduction of increasingly spectacular graphics and the development of more complex game software.

In the recent years, however, the traditional success formula of developing splendid and complex games has become less productive. Video game is fast developing into an industry with the expected importance of first mover advantage, mass acceptance of the product and technical innovation. Recognizing this need for change in methods of product development, Nintendo's strategy over the past year has been to expand the gaming population by introducing new devices equipped with touch screens and microphone ports to enable intuitive game play along with wireless communication capability. These features have made it possible to introduce

software innovations that expand the definition of video games. New user demographics have been cultivated by introducing a software lineup.

After the huge success of Nintendo DS and its “easy, safe and charge free” WI-Fi Connection, Nintendo launched a new gaming console “Wii” (pronounced “We”), during the calendar year 2006. With its unprecedented controller, “Wii” has set a new standard as a video game interface.

Competitive structure of the console game market Console games, with their high profit margins, represent the main stream of the video game industry and are marked by an oligopolistic control at the hardware and software levels. Oligopoly is a market situation characterized by a few sellers where any action of one of them can have a measurable impact on the entire market. The three main manufacturers of video games, Nintendo, Microsoft and Sony currently control the industry, with Sega having recently withdrawn. There is tremendous competition with each of the players trying to gain a larger share of the market than the others. Nintendo’s biggest competitors so far have been Sony Computer Entertainment with its PlayStation and Microsoft corporations X Box. But with the creation of Wii, Nintendo has introduced a winner - a winner that will eat a huge chunk of the console game “market share pie”. The Wii does not only benefit from having a top of the line wireless movement-sensitive controller with a different variety of games, but also from having been placed as one of the most affordable of all the available console games. Distributors and retailers Distributors are responsible for the physical storage and delivery of the product, and retailers usually for the sales effort.

The distribution and retailing of the games is notable for its role in the maturation stage of the gaming industry. Nintendo works with a wide variety of intermediaries in North America and across the world, in order to insure that all its products, currently the Wii, is made available to customers on demand. Sales, Profits and Financial Position of Nintendo Company limited

With respect to the handheld game products of the electronic entertainment division, both “ Nintendo DS” hardware and software recorded very strong sales for the nine month period ended December 31, 2006. Nintendo DS” hardware has been the fastest rising game platform ever in the Japan market, and, in addition, has sold well in overseas markets. As a result, sales in the first three quarters have reached 18.

88 million units on a worldwide basis. As for “ Nintendo DS” software, net sales have also accelerated, supported by a number of million-seller titles. Sales have been led by “ New Super Mario Bros. “, with 8. 64 million units sold on a worldwide basis and continuing strong sales of “ Touch! Generations” titles such as “ Brain Age: Train Your Brain in Minutes a Day! and “ Nintendogs”. In the console business, “ Wii” hardware (launched at the end of last year) got off to a favorable start and “ Wii” software titles such as “ The Legend of Zelda : Twilight Princess” enjoyed brisk sales as well.

As a result, net sales rose to 712. 5 billion yen (72. 8% up y/y), causing operating income to reach 167. 6 billion yen (102. 5% up y/y) despite a rise in selling, general, and administrative expenses, which was primarily driven by higher marketing expenses. Income before income taxes and extraordinary items was 220.

billion yen (50.5% up y/y) primarily due to 26.0 billion yen (45.2 billion yen last nine-month period) of foreign exchange gains. Net income reached 131.9 billion yen exceeding last year by 43.

1%. All in all, Nintendo's financial position continues to be very strong. At March 31, 2006 total liabilities were ¥ 186.4 billion (\$1,593 million), and the current ratio was 5.59 to 1. The balance of cash and cash equivalents was 3.

31 times total liabilities. Working capital was ¥ 836.5 billion (\$7,149 million). The receivable turnover period increased by 6 days compared with the previous fiscal year to 34 days. Inventories were ¥ 30.8 billion (\$264 Million).

The inventory turnover period was 29 days. The debt-to-equity ratio was 0.19 to 1 at March 31, 2006. Total assets as of December 31, 2006 increased by 326.1 billion yen compared to the previous fiscal year-end to 1,486.

8 billion yen, mainly due to the increase in notes and trade accounts receivable resulting from the recent boost in net sales. Net cash from investing activities increased by 54 billion yen primarily due to proceeds from time deposits exceeding the transfer payments for deposits. Net cash from financing activities decreased by 49.3 billion yen primarily due to the payment of cash dividends. As a result, net cash and cash equivalents during the nine month period ended December 31, 2006 increased by 146.

3 billion yen versus the beginning of the reporting period to 763.5 billion yen. Opportunity and Issue Analysis Like every other product in the market, Nintendo faces an array of opportunities and threats. While the threats could

significantly affect Nintendo's operating performance, share price and financial condition, the opportunities can be leveraged upon in order to ensure a secure future. However, one must remember that unpredictable risks and opportunities may exist other than the ones set forth herein.

Economic environment In recent years, the market for computer and video games has grown exponentially.

Sales of such game consoles were approximately \$29 billion dollars in 2005 and will have grown to \$44 billion dollar by 2011. According to "Data monitor", every American household has on average two video games and about 42% of the American population is expected to purchase video games in 2006. The number of women video game players is also on the rise and Nintendo Wii sees a great opportunity in serving this rising demand. Despite the increase in overall demand for games in the last few years, it has been seen that the video game industry is significantly impacted by consumer preferences. It is characterized by short product life cycles and a very high demand around the holiday season.

Although production is targeted at the equilibrium point of supply and demand in order to maximize profits resulting from seasonal demands, accurate projections are extremely difficult to obtain – this can lead to the risk of excessive inventory or inventory obsolescence, both of which could have an adverse effect on Nintendo's operations and financial position.

Nintendo distributes its products globally with overseas sales accounting for approximately 70% of total sales. While these global markets are extremely important to the business, the majority of monetary transactions are made in local currencies. In addition, the Company holds a substantial amount of

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assets including cash deposits denominated in foreign currencies without exchange contracts. Thus, fluctuation in foreign exchange rates would have a direct influence on earnings not only if foreign currencies were converted to Japanese yen but also if revaluated for financial reporting purposes.

Japanese yen appreciation against the U. S. dollar or Euro would have a negative impact on Nintendo's profitability. Technological Environment Since the Wii is at its introduction stage, there is plenty room to develop accessories for this particular product. Examples of Wii accessories are Skin cases for the Wii Remote, Skin cases for the console, sports controllers (golf club, baseball bat, and tennis racket), dance pads, and guitar controllers. Furthermore, Nintendo may develop controllers for women games such as skillet and turner for cooking games or soccer cleats for soccer games.

In the recent past, Nintendo has also incorporated some advertisements and quick product messages within their games. Most noticeable have been the ad boards in the Nintendo Wii game " Madden 2007". This kind of In-game Product Placement (PPL) is a great way to generate extra revenue. Also, since Nintendo Wii games can be played online, Nintendo can apply dynamic PPL – therefore charging advertisers based on the number of viewers or IP address. While Nintendo continues to develop innovative and appealing products and accessories, the development process is complicated and includes many uncertainties.

Despite the substantial costs and time needed for software development, there is no guarantee that all new products will be accepted by consumers due to ever shifting consumer preferences. In order to leverage on some of



the products that have taken markets by storm, Nintendo has steadily increased the number of intellectual property licenses. Examples of Nintendo merchandise are its apparel, domestic goods (bedding and towels), food and beverages, gifts, publishing, and toys. This not only generates extra revenue and profits for Nintendo but also promote brand awareness and brand loyalty. Piracy and unauthorized copying are growing concerns in the entertainment industry, especially when dealing with software.

As the technology to hack and break security measures continues to mature, the technology preventing these violations is being developed at an extremely slow rate. This has resulted in a significant loss of sales revenue to the video game industry. As of 2005, the video game industry reported a lost of more than \$3 billion dollars to piracy. Nintendo commissions a number of outside manufacturers to produce key components or assemble finished products. In the event of their commercial failure, these manufacturers may not adequately provide significant components or products.

In addition, certain manufacturers may not have the capacity to provide the ordered amount of components. A shortage of key components could lead to issues such as margin decline due to higher pricing as well as insufficient product supply, and quality control. Competitive environment Nintendo is engaged in a business categorized under the massive entertainment industry. Therefore, the availability of other forms of entertainment affects Nintendo's business. If consumer preferences shift to other forms of entertainment, it is possible that the video game market may shrink.

In recent years, the online gaming market in the US has grown tremendously owing to the fact that broadband Internet access has become affordable. By October 2003, the Forrester Research group estimates 22.7 million American homes will have broadband access and it is projected to vastly increase to about 55 million homes by 2007. Due to the increase of more people being online, Nintendo Wii is forced to deal with more competition, especially with free online games and the increasingly popular massively multiplayer online games (MMOG). The emergence of new competitors resulting from technological innovation could also have a detrimental impact as well. In the video game industry, it may become even more difficult to generate profit as more research and development expenses and marketing expenses are required and as price competition intensifies with giant enterprises entering into the market.

As a result, Nintendo may find difficulty in maintaining or expanding its market share as well as sustaining profitability. Legal and political environment Nintendo engages in business in territories such as the Americas, Europe, Australia, and Asia in addition to Japan. Expansion of business to these overseas markets involves risks such as unpredicted enforcement or changes to laws or regulations, emergence of political or economic factors that prove to be a disadvantage, inconsistency of multilateral taxation systems and diversity of tax law interpretation leading to a disadvantaged position, difficulty of recruiting and securing human resources, social disruption resulting from terrorist attacks, war, and other events. Socio - Cultural environment Video games have evolved into one of the most pervasive, profitable and influential forms of entertainment in the

United States and across the world. They have become a cultural phenomena, especially so in America, where game creatures such as the Pokemon have evolved into giants in the youth culture.

Video games elicit powerful reactions in their players, such as fear, power, aggression, wonder, joy and even learning. Given this pervasive nature of video games, they are not only being used to serve the primary purpose of entertainment but are also being harnessed to facilitate learning. These new trends are very important growth avenues for Nintendo Wii. Target Market Having described the product that is being sold and in what quantities, here is a brief description of the target market or "who the product is sold to" - the markets that video game manufacturers have been targeting in the past and the new markets that need to be penetrated. From past studies it has been defined that video game players are 62% male and the rest 38% female. According to the "2006 Essential Fact about the computer and video game industry" by Entertainment Software Association, women 18 or older represent a significantly greater portion of the game-playing population (30%) than boys age 17 or younger (23%).

However, teenagers are not the only ones that play games. Parents also play games. 9% of the parents say that they play games because they are asked to, 75% consider it is fun for the entire family, 71% think it's a good opportunity to socialize with the kid and 62% believe it's a good opportunity to monitor game content. The typical parent gamer is 37 years old and surprisingly 47% of them are women. Among gamer parents 80% report they play video games with their children and 66% feel that playing games has

brought their families closer together. Studies show that 69% of American heads of households play computer and video games.

This means that games are very popular among the Americans. If we look at the age, we become conscious that the average game player age is 33. In 2005, 31% of Americans under 18 played games, 44% of Americans between the ages of 18-49 and 25% over the age of 50. From the above results it can be concluded that people of all ages, both sexes and from all walks of life play video games for varied reasons. But what can also be recognized is the opportunity of new markets – potential sources of fairly large revenue.

These are markets of women gamers. Even though games are perceived as “boy’s toys” and most games are created to address men, the number of women playing games is constantly on the rise. No one so far has really created games to satisfy the gaming needs and wants of women. And this is what Nintendo is trying to do – gain more market share by focusing on female friendly games. Considering that women these days have an enormous buying power, Nintendo is aware that catering to their gaming needs is the best marketing strategy they can adopt. Marketing and Financial Goals The main goals of this marketing plan are as follows: 1.

Encouraging product trial – Playing is Believing 2. Creating product awareness 3. Bringing to light the factors of product differentiation 4. Targeting new markets (women) 5. Enhancing brand image 6.

Communicating product benefits to potential consumers Marketing Strategy

Overview: Simply put, customers are no longer a given – just because a product is being manufactured it does not mean that people will buy it.

Therefore, in order to survive, businesses need to keep their old customers while constantly trying to make new ones. In order to make and keep customers, companies need elaborate marketing strategies which provide a road map to delivering value to distinct customer groups. Like all successful strategies, ours too begins and ends with the customer and what Wii can do for them. Studies have shown that the Nintendo Wii is at a stage where it is selling in large numbers to customers from all demographics. Therefore our intent in designing this marketing plan lies not in trying to increase sales or to break even.

The main goal of this plan is to place Wii as a product that will appeal to the women gamers and to communicate it as one with no implications of physical harm. As a secondary result of these promotions, we will definitely achieve an increase in sales as compared to the previous financial year.

Nintendo's strategy for marketing the Wii has so far been to provide hands on experience of the console - playing is believing. In an attempt to penetrate a new market Nintendo is looking at delivering this same formula to women gamers. Every marketing technique used will be directed towards women - Wii for Women (read wiimen) - an endeavor that will provide women with opportunity and motive to experience the Wii, its accessories and software designed with their specific needs in view.

It has already been established that women's gaming needs are not being addressed successfully by any other video game manufacturer. In doing so, Nintendo will benefit from all factors associated with the being the first mover. Connecting with women on an emotional level and convincing them of the social benefits of gaming is important to creating potential buyers. All <https://assignbuster.com/marketing-plan-for-nintendo-wii/>

along the promotion we are going to deliver the safety and usability messages of the console. It is imperative to communicate that Nintendo is aware customer issues and that it is taking due measures to address those issues. The new markets as well as the existing ones will be informed of the appropriate methods of using the Wii successfully.

The next step to achieving our goal is to define the right tools for communicating the desired message. Nintendo's promotion strategy in this case comprises of the following tools: 1. Advertisements on billboards, magazines, newspapers, internet and television 2. Embedded advertising through television programs, internet webisodes and movies 3. Public Relations by way of press releases, special feature and exclusive stories, online forums and social responsibility activities 4. Special events for the target markets, sweepstakes, games, package offers, launch of new accessories and software.

**Advertisements** The advertising strategy will address not only the awareness-building requirements of our plan, but also the attitudes and actions that we want to provoke in our audience. The advertisements will be tested and refined until they convey exactly what the company needs to say – it will portray our product in the right light and bring to mind the right image. All the major newspapers in the region, tech and business magazines will carry advertisements pertaining to the Wii special events every quarter. These ads will convey the safety message of Wii and also help position it in new markets. Since not many women read tech magazines, ads will also appear in magazines like the Cosmopolitan, Seventeen, Cosmo Girl, Elle, and

Vogue. These will talk of Wii as being female friendly and will inform the readers of how it can be used as a social tool.

The Wii experience will also be introduced as one that is a healthy and fun workout. Ads will appear on billboards. These ads will portray women enjoying themselves playing Wii. This would help insure brand awareness and draw attention of the target market. Billboards will cover freeways and hip places such as Santa Monica Beach, Los Angeles CA, Hollywood Sunset Strip Los Angeles CA, Gas Lamp District San Diego, CA, and Fisherman's Warf San Francisco etc. Other locations appropriate for banners would be college campuses and fitness centers.

Fitness and Reality shows Wii sport includes a collection of five sports simulators such as tennis, bowling, baseball, golf and boxing. It designed such that the players can use the Wii Remote to imitate real life sports in a comfortable home surrounding. This game includes a fitness mode that calculates the player's fitness depending on the balance, speed, and stamina performance. Based on these creative aspects of the game console, Nintendo will link the game with televised fitness shows. InternetYoutube.com is one of the most-clicked website these days. Nintendo has created a community on You Tube that shows TV ads and trailers about Wii. The company will create internet contests on You Tube where contestants upload their video clips about how they play Wii in a safe and funny way. The winners will be given different products and merchandise of the Wii.

This contest will be used as an answer to those websites created to showcase how playing the Wii intensively has caused physical harm to many

and has also damaged TV sets, remotes etc. Public Relation Strategies Many Wii gamers have created websites to report how the Wii has caused them harm, or how it has damaged their television sets, remotes etc (WiiDamage.com or WiiHaveAProblem.com). So while the PR actions of Nintendo will be directed towards ensuring that the positive image of the game is resurrected, they will also communicate the activities (such as advertisement and special events) that are being carried out in order to position Wii in new markets. Nintendo should be aware of other issues that affect the brand image directly.

For example, there is a story about a radio competition in Sacramento. In January 2007, a 28-year-old mother of three entered a local radio station's "Hold Your Wee for a Wii" competition and died because of water intoxication. Nintendo will use PR as a tool to tackle issues such as these and change it to an opportunity to communicate that Nintendo is a socially responsible, safe gaming company. Special events Special events will be carried out in various cities such as Los Angeles, San Diego etc. These will be of two types. The first set of events will be those held exclusively for women at night clubs, spas etc.

As part of the pre event promotion, women will be invited to be part of a special evening where new Wii for Women software is to be launched. The event will be a cocktail and dinner gathering at exclusive venues, accompanied by an entertainment program. The venues will be thematically decorated and branded to promote the spirit of Wii. There will be interactive games for women to participate in and they will have the opportunity to get a first hand experience of the Wii. Many prizes will be handed out - Wii

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consoles, accessories, merchandise etc. The next set of special events will be at malls like Ontario Mills (Ontario), Fashion Valley mall (San Diego) etc.

This event will also be duplicated at open parks, community centers and other such places accessible to families and children. The foyer area of the malls will be Wii branded and all banners will carry messages of how the Wii is good for fitness and physical health. Wii personnel will provide people with an opportunity to experience the Wii and will inform them of the right methods of doing so. Those customers interested in making purchases will be able to obtain special offers such as free software, accessories and special discounts. Our business partners for the above activities For the advertisements on TV, billboards, magazines and the internet, Nintendo will work with their Advertising agency.

The ad agency will be given a detailed brief of the requirements of the promotion and will also be informed of the corresponding budgets. They will be asked to work on creatives for the promo and their work will be critically assessed in order to ensure that it meets our requirements before it is put into action. For the PR activity and the special events, Nintendo will be using the in-house PR and event management team. They will be briefed in detail of the objectives that need to be satisfied through the PR and event strategies and will be given the exact budgets for the same. Consequently they will work on the necessary partnerships and ensure that all the activities are completed within the stipulated amount of time.

Action Programs Quarter 1 | April to May | Ads in the newspapers of 5 cities where Wii for women parties are to take place. Ads about the | | | product,

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parties and contests placed in the top 3 to 5 women specific magazines | | April to May | "Wii Have Fun" video contest on Youtube. com—an online contest to showcase the funniest ways of playing| | | the Wii. Winning prizes include Wii games, accessories, and tickets to Wii party. Simultaneously, | | | promote the Wii party. | | May | TV promotions on FOX reality show American Idols.

Wii will be the exclusive game for contestants to | | | play to help them calm their on-stage jitters. Promoting the contest, "Wii Have Fun" and related | | | news of Wii on Pod cast. | May to June | Press release of "Wii for Women" to create an interest among target the market. Publishing the "Wii | | | advantages" and "Availability of Wii" in the newspapers. | | May 10th to 17th | Game conference, to gain product trial, enhance product image, and to deliver information on product | | | differentiation, safety, availability, and new technologies.

| | May to June | Advertising on Billboards with teasers of the "Wii for women" parties. Advertising on prime time | | | Radio spots about the contests. | | May | Radio Contests - Prime time local Radio stations will have contests for women in which passes to the | | | Wii parties will be handed out. | | May | Flyers will be distributed at shopping malls, salons, spas etc. Invites for the parties will be sent | | | out and as part of the guest list will be few popular female celebrities from each city. | June 1st | Before the party, having a press conference resulting in newspaper releases on a "party to be looked | | | forward to" | | June 10th | The venue of the party will have Wii thematic decor and branding.

There will be Wii branded | | | merchandise such as coasters, paper napkins, table centre pieces etc. The show stopper will be a | | | choreographed show where models will walk out with Wii gadgets/accessories and with different skins | | | that will appeal to the women audience. Women will be invited to experience the Wii and the new | | | software launched for women and games will be conducted. The winners will walk away with Wii | | | Merchandises such as a few consoles, skins, T shirts etc will be given away. | June 15th | Post event press release. After the party, having a press release to convey and evaluate the first | | | phase of promotion | Quarter 2 | July to September | Advertising in the local newspapers - special ads created to deliver the “ how to play safe” message.

| | | Advertisements of promotion and contests at malls and other outdoor locations to appear in the | | | newspapers. | July | Publishing and distributing flyers at shopping malls etc | | July 11th - 18th | A game conference to gain product trial, enhance product image and to convey information on product | | | differentiation, safety, availability, and new developments. | | August to September | Advertising on Billboards to emphasize the ongoing promotion. Advertising in tech magazines to | | | indicate product differentiation and safety. | August to September | Children and Outdoor promotions at shopping malls, public parks and public places to gain product | | | trial, create awareness and generate demand. Big screens and Wii branding will be put up at venues | | | across the city and children, moms or families as a whole will be the main target for the gaming | | | competitions and contests.

Winners will be given various prizes and merchandise. | August | Publishing “ Wii advantages” and “ Availability of Wii” in newspapers and magazines. | | <https://assignbuster.com/marketing-plan-for-nintendo-wii/>

August to September | Promotion on Nickelodeon (www. nick. com) about the special events to be done – inviting people to | | | submit feedbacks and video clips to show how children play Wii with their parents.

| | August | A feature schedule on The Oprah Show – the host, Oprah, herself having gone to the Wii party for | | | women. | September | Featuring Wii on NBC's reality show-The Biggest Loser. Showing contestants play with Wii during the | | | process of intensive weight loss. Publishing related news of Wii on Pod cast. | | September 17th – 19th | Press Release. Publishing and announcing the success of the company promotion, sales, and market | | | development.

| Quarter 3 | October to December | Advertising in the local newspapers of 5 cities where the Wii for women parties are to take | | | place. Ads about the product, parties and contests will be placed in the top 3 to 5 women | | | specific magazines | | October to December | Promotion on Youtube. com and MySpace. com – sharing all the previous TV promotion video clips (The | | | American Idol, The Oprah Show, The Biggest Loser and etc). | | October to November | Releasing “ Wii for Women” document to create product interest among target market. Publishing | | | “ Wii advantages” and “ Availability of Wii” on media.

| | November | Flyers will be distributed at shopping malls, salons, spas etc. Invites for the parties will be | | | sent out and as part of the guest list will be few popular female celebrities from each city. | | November to December | Advertisements on Billboards with teasers of the “ Wii for women” parties. | November | Radio Contest. Prime time Radio stations will have contests to

win passes to Wii party. | | December 10th | Pre event press release about the upcoming party | | December 15th | Wii party.

The venue of the party will have Wii thematic decor and branding. There will be wii | | | branded merchandise such as coasters, paper napkins, table centre pieces etc. The show stopper | | | will be a choreographed show where models will walk out with Wii gadgets/accessories and with | | | different skins that will appeal to the women audience. Women will be invited to experience the | | | Wii and the new software launched for women and games will be conducted. The winners will walk | | | away with Wii Merchandises such as a few consoles, skins, T shirts etc will be given away.

| December | NBC's morning show Today Show features Anchormen Matt Lauer and Al Roker playing Wii. Publishing | | | related news of Wii on Podcast | | December 12th - 19th: | Game conference to gain product trial, to enhance product image, and to generate sales. | | December 17th - 19th: | Press Release. Publishing and announcing the success of the company promotion, sales, and market | | | development. Marketing Plan Budget [pic] Implementation Controls I. Marketing Implementation A.

Marketing Organization Because Nintendo's Wii does not require extensive customization to match clients' needs, it is not necessary to organize the marketing function by customer groups. However, it would be to Nintendo's benefit if they would organize the marketing function in two groups. Thus, Nintendo will focus its marketing efforts exclusively on the needs and wants of each target consumers. Nintendo's marketing efforts will target these two targets: (1) women; (2) everybody else. Each group will be supervised by a

sales manager who will report to the marketing director (these positions already exist so they do not need to be created).

Each group is responsible for the marketing of Nintendo's products within that customer segment. Each group will have full decision-making authority. Salespeople from the stores will be allowed to become decision makers in regards to what better satisfies Nintendo's clients. These new approaches in the marketing organization will allow Nintendo to be more creative and flexible in meeting customers' needs. Similarly, these changes will determine a diversification of Nintendo's client base and will increase product awareness among all clients. As a final point, this new marketing tactic will give Nintendo the opportunity to better monitor the activities of its competitors.

#### B. Activities, Responsibility, and Timetables for Completion All

implementation activities are to begin at the start of the next fiscal year on April 1. All activities are the responsibility of Nintendo's marketing president.

- On April 1, evaluate the two sales manager existing positions and the position of marketing director and determine if the people occupying those positions are qualified to engage in the new strategy. The marketing director will be assigned as project leader of the new business analysis team, which will be composed of seven employees from a variety of positions within the company.
- By June 30, the two project groups will have to conduct analyses of how the marketing strategy is going so far. By the end of first quarter, they will report the results of their analysis. The full business analysis team will review

all their recommendations. • By July 31, develop an information system to monitor customer satisfaction. By July 31, make initial contact with new potential clients for the current product line.

Each sales manager is responsible for each market segment. • By August 31, finalize a customer satisfaction survey for current clients. The marketing director is responsible. • By January 2008, execute the customer satisfaction survey. The marketing director is responsible.

• By March 2008, analyze and report the results of all customer satisfaction surveys and evaluate the new product offering. The marketing director is responsible. • Reestablish the objectives of the business analysis team for the next fiscal year. The marketing director is responsible. II.

Evaluation and controls A. Performance Standards and Financial Controls The project reports need to present a comparison of the financial expenditures with the plan goals. The following performance standards and financial controls are suggested: • The total budget for advertising, promotion and the customer survey will be equal to 60 percent of the annual promotional budget for the coming year. • Each project team must report all its financial expenditures, including personnel salaries and direct expenses, for their segment of the project. A standardized reporting form will be developed and provided by the marketing director. • The marketing director is responsible with following the budget and needs to report overages to the company president on a weekly basis.

The marketing director also is responsible for any budget dollars that are redirected. • Any promotional campaign will be evaluated on a quarterly

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basis to determine its profitability. B. Monitoring Procedures To analyze the effectiveness of Nintendo's marketing plan, it is necessary to compare its actual performance with plan objectives. On a monthly basis, there will be comparisons conducted of actual and planned activities. The budget as well will be monitored.

The result of these comparisons will be reported directly to the company president. • Each project team is accountable for shaping what changes must be made in procedures, target market, or promotions as a result of the surveys conducted in that area. Bibliography Cole, D. (2006, September 26). DFC Intelligence Forecasts Video Game Market to Reach \$44 Billion by 2011.

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