

# **Nintendo Retention & Loyalty Program Project**

MARK 4027 Retention & Loyalty Marketing

Lisa Hynek

Hongya He (101290494)

Melissa Nsiah (101297046)

Khaing Zin Oo (101267767)

Ana Francesca Regatillo (101262623)

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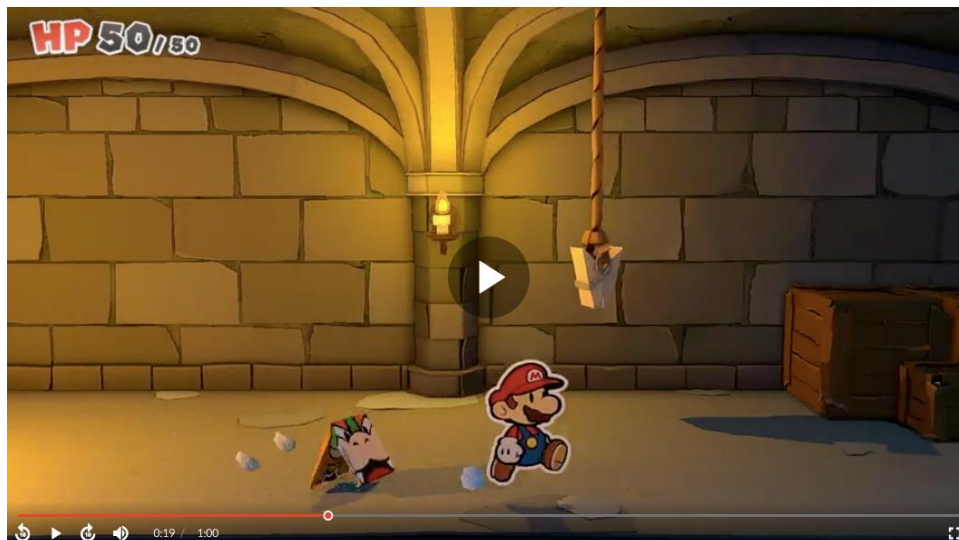
## PART I CURRENT RETENTION & LOYALTY PROGRAM ANALYSIS

### I. Onboarding

Nintendo has been existing in the market for many years and they taught people how to play games. Most of Nintendo's fans these days are those who have played when they were young.

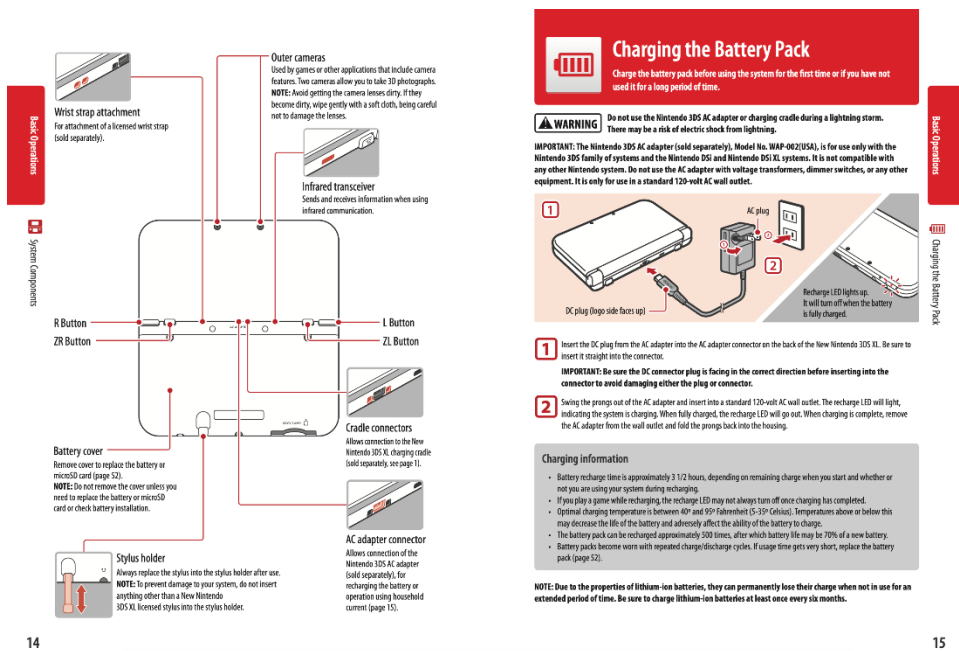
Today, most strategies of gaming are created based on user experience and help them achieve value from their apps – from mobile gaming to other products. Mainly gamification is very vital in this industry which is used to motivate users to complete tasks and boost engagement.

Nintendo shows users where they are in the process and how much they have left to go (they set expectations for customers – a part of onboarding process). They teach the game by playing the game (showing instructions in videos), explaining how to play the game through gameplay itself.

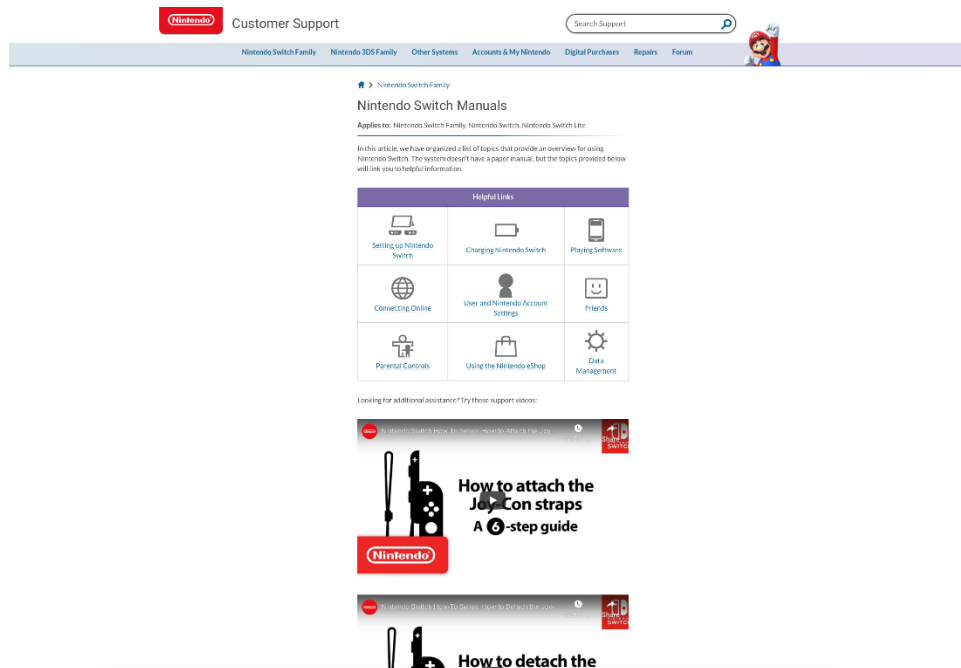


Secondly, the “need to complete” plays an important part in Nintendo’s strategy, which is one of the most powerful psychological drivers of video game engagement (it always leaves something to discover).

Nintendo’s gaming consoles always come with a hard copy of an instruction manual that is also translated in different languages. They have also made these available online.

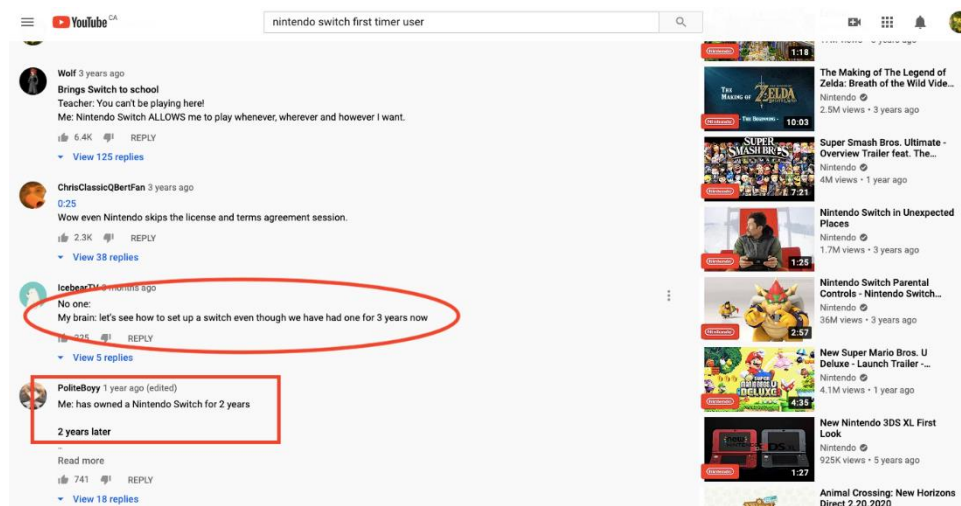


*A page from the Nintendo 3DS XL manual that come with illustrations.*



Support page for the Nintendo Switch, with instruction videos.

A few years after Nintendo Switch was launched, they uploaded onboarding videos on YouTube for first time users. However, their customers had pointed out how these came in too late for most of them.



When a user first creates their Nintendo Account, an account that is required for using Nintendo's services and the Switch, they receive a generated email from Nintendo with

details of their account. The email is plain, even devoid of Nintendo's usual design and logo. On the other hand, the welcome email the send for the Nintendo Switch Online membership is lively and gives the user a rundown of the perks they can get from it.

[Enjoy more games, more features, and more fun with your membership.](#)

Trouble viewing email? [Click here](#)



## You're in! Enjoy these great benefits:



Online play in games like Super Mario Maker™ 2, Splatoon™ 2 and more.



A selection of classic games, now including NES™ & Super NES™ titles.



Save Data Cloud for compatible games.

*To compare Nintendo's website with UX Honeycomb:*

1. *Useful:* There is a range of useful information for new and current users. However, it can get very confusing for first time users.
2. *Usable:* Aside from the price, specific content for their consoles are hidden in their own pages. An overview would be good for people who are unfamiliar with them.
3. *Desirable:* As this is a gaming website, Nintendo uses a lot of graphics and color against a plain white background without it being too overwhelming or heavy on the eyes. The homepage is also divided into neat sections by their game titles, a list of their available consoles (all leading to their own page with relevant information), along with the price, the latest news, and their popular characters.
4. *Findable:* The site can easily be found on multiple search engines. Nintendo has a strong grasp of search keywords, which allows a wide array of users to find it.

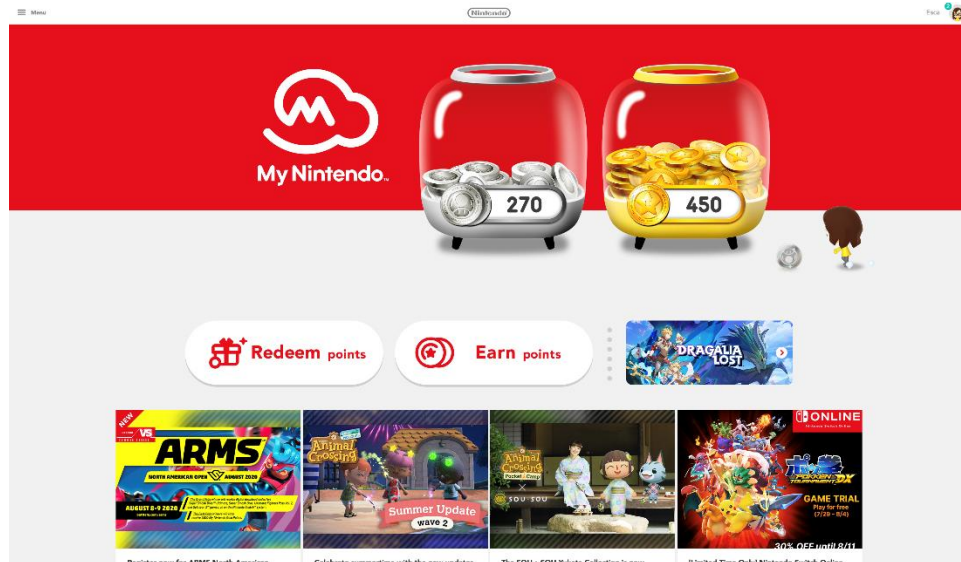
5. *Accessible*: For users that have visual impairments, Nintendo's website has weaknesses. The website does not have text-alternatives for non-text content, which could affect how some people view their site.
6. *Credible*: Information provided on the website is complete and users can directly buy consoles, games and accessories. It is a credible source from Nintendo for the sole purpose of keeping their customers updated.
7. *Valuable*: The site has valuable information for new and current users to learn more about the brand. It also allows users to buy and/or download games, however user experience for first time users can be confusing.

## **II. Retention**

### *MyNintendo*

- This is Nintendo's loyalty program that lets gamers earn points by using Nintendo's mobile services and purchasing either physical or digital copies of games. Points come in Platinum and Gold versions.
- *Weakness*: As of this writing, the redeemable rewards are printable calendars and desktop wallpapers for Platinum Coins, and game discounts for Gold Coins. This makes the program not appealing enough for most consumers to take seriously. The expiration dates on claiming coins, which will be further discussed in the Development part, is also a pain point for most consumers who want to save up their coins for future purchases.

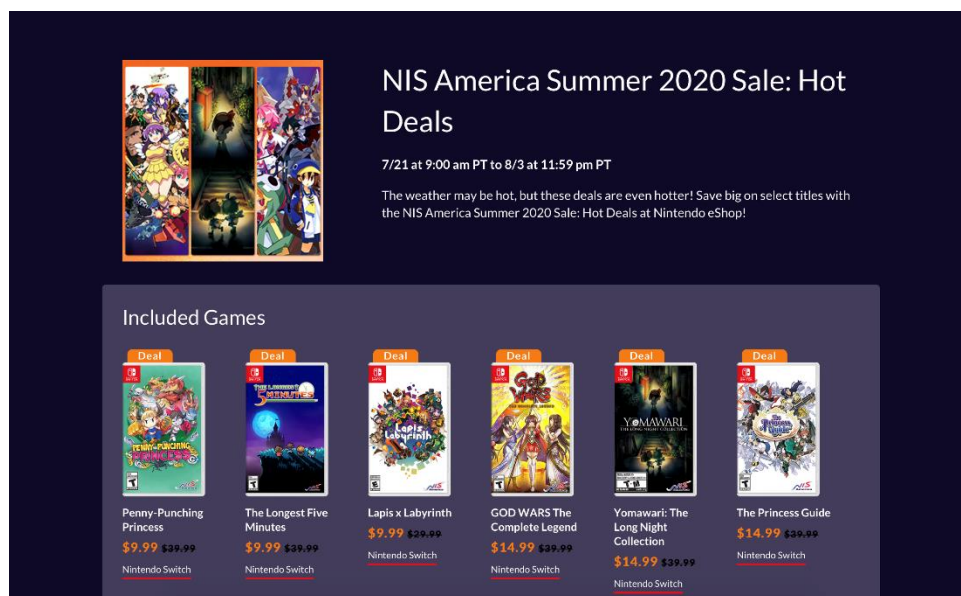




*MyNintendo page displaying a user's current Platinum and Gold Coins, along with the latest news*

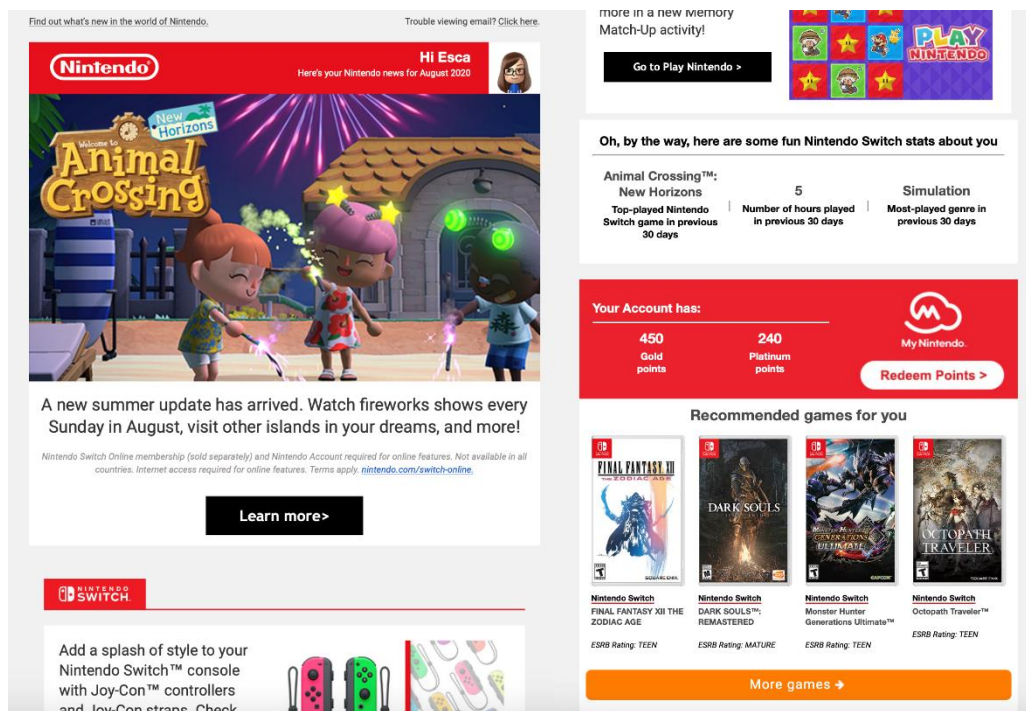
## Sales

- Regularly scheduled sales from third-party game companies and their development studios, as well as annual seasonal sales, encourage customers to try out games they would not normally purchase at its full price.



### Personalized emails

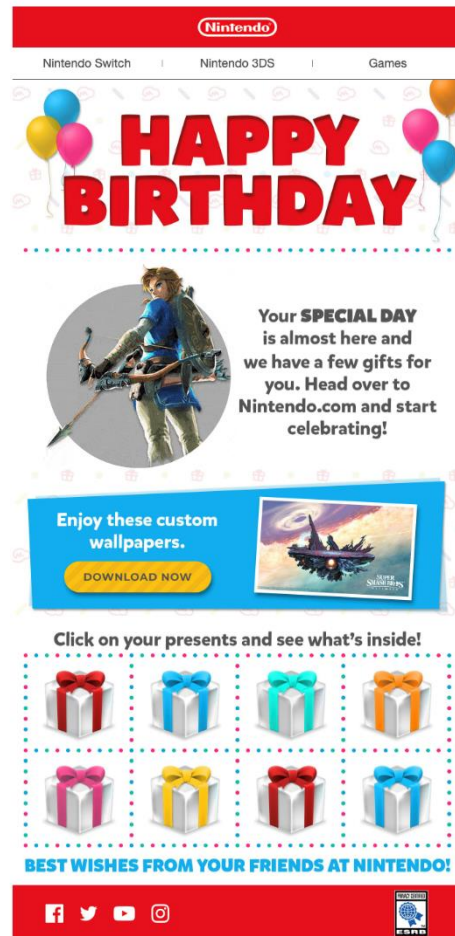
- Customers who subscribe to the monthly newsletter receive updates on news regarding upcoming title releases, as well as their gaming stats for the month and personalized recommendations based on previous purchases.
- *Weakness:* While Nintendo regularly sends emails monthly, they are too long and filled with information the customer may not be interested in, while pertinent information like play hours, rewards points updates, and personalized recommendations are usually at the bottom of the email.



### Parts of a Nintendo Monthly newsletter that shows the latest news, along with updated game stats and current available points

- Those who will be celebrating their birthdays for the month also receive an email from Nintendo that lets them download custom wallpapers, as well as printable decorations.

- *Weakness:* As mentioned above, these “presents” may not be appealing enough, and does not seem personalized, especially if the customer is older. There is no novelty behind these, as they can be easily downloaded from somewhere else.

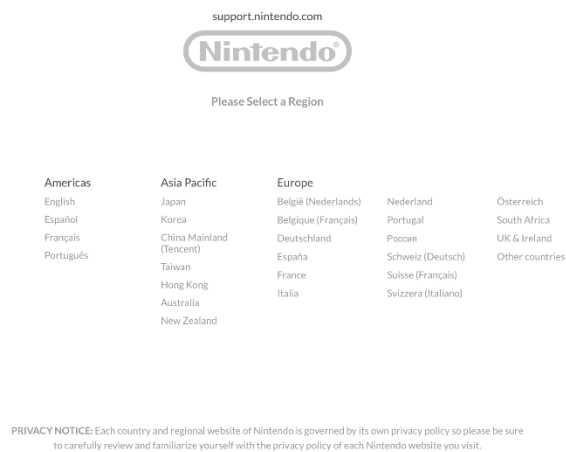


*Sample of personalized email sent to a birthday celebrant for the month*

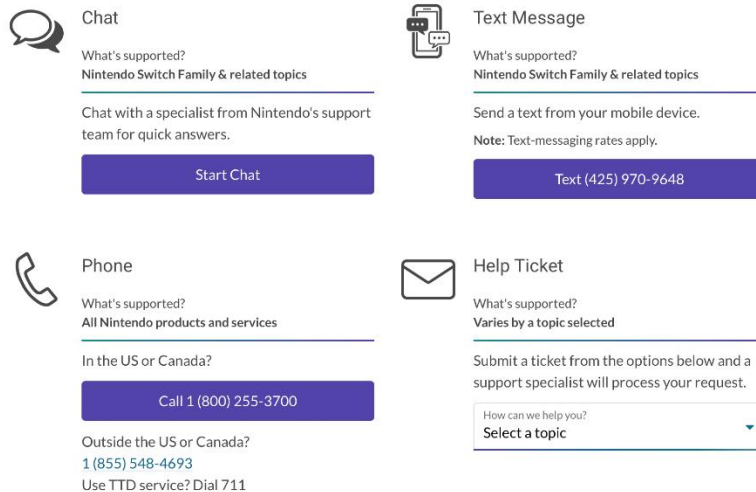
### *Customer Service*

- Nintendo offers customer support for different regions and through different platforms – text messaging, email, phone, e-chat, social media (Twitter), as well as in-store. They have also been constantly praised for easy it is to get in touch with a representative for any issues their customer might have. In one occasion,

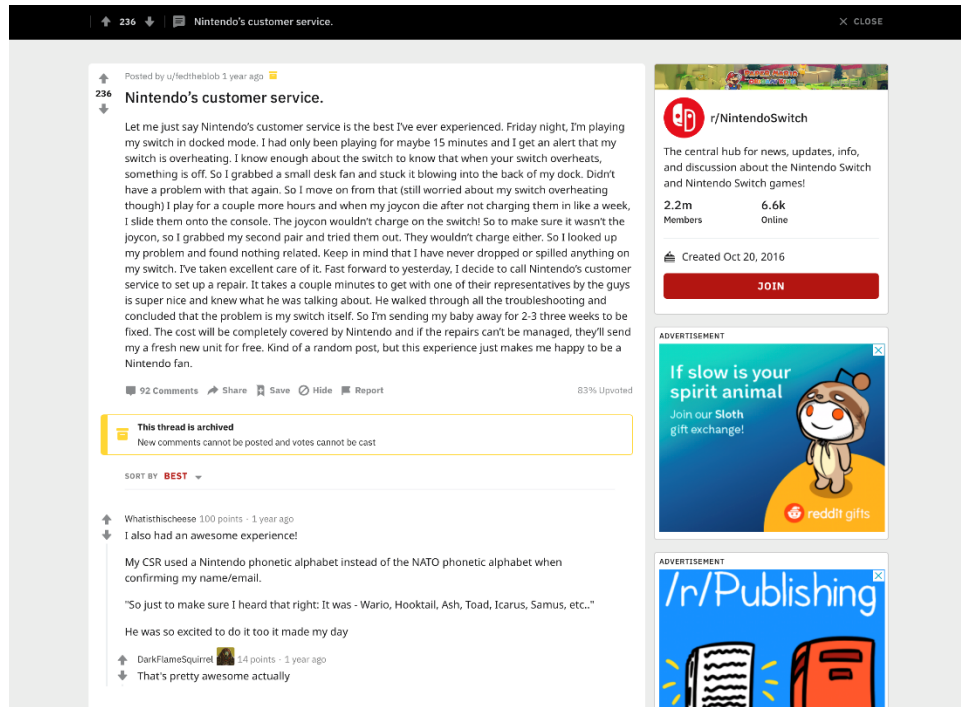
when the Nintendo Switch's joy-cons had the much-dreaded issue of drifting, it was circulated through social media channels that Nintendo had acknowledged the issue and was even willing to fix it for free.



### *Support offered to different regions*



### *Different options to reach customer support*



*Reddit post about a customer's positive experience with Nintendo's customer service.*

*The rest of the comments are positive responses in agreement*

*Page specifically for requesting Joy-con repairs*

### *Nintendo Direct*

- More popularly known as *Direct*, these are videos primarily uploaded on YouTube that announce up-coming games or other releases. They include gameplay videos that show off content that would increase awareness and interest for future titles. One notable aspect is that Nintendo informs their audience in advance of what each *Direct* will contain and what they can expect from it.



*Screenshot of the Nintendo Direct for July*

### **III. Development**

#### *MyNintendo*

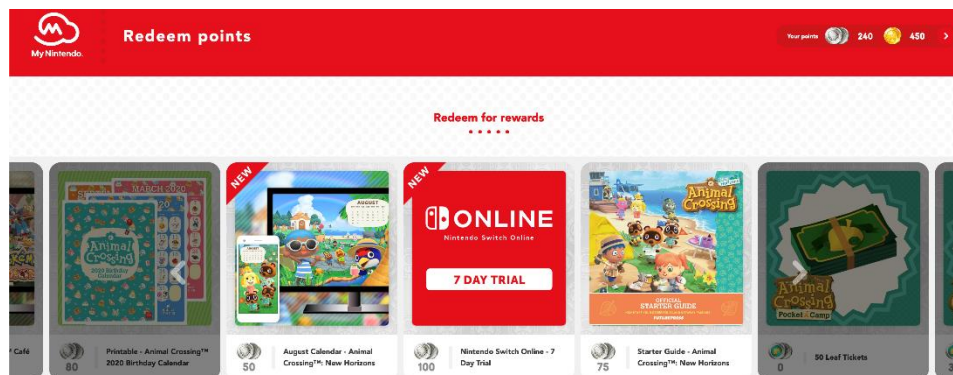
- This loyalty program has two levels: Gold Points and Platinum Points. Gold Points give players free games and discounts the more games they buy. 5% of the purchase price for eShop games will be converted into points, while 1% of the price of physical games will be converted into points. Meanwhile, Platinum Points encourages users to use Nintendo's other services, more specifically their smart-device apps, by rewarding users with points. Both Gold Points and Platinum Points can be used to redeem for different type of rewards, such as free games, printables, etc.



- However, there are some weaknesses to these points systems. Some users have complained that points are not useful, as points provided for each purchase are too low, and they expire within 12 months, making it hard for users to collect enough points for their preferred rewards.



Screen shot of Gold Points page

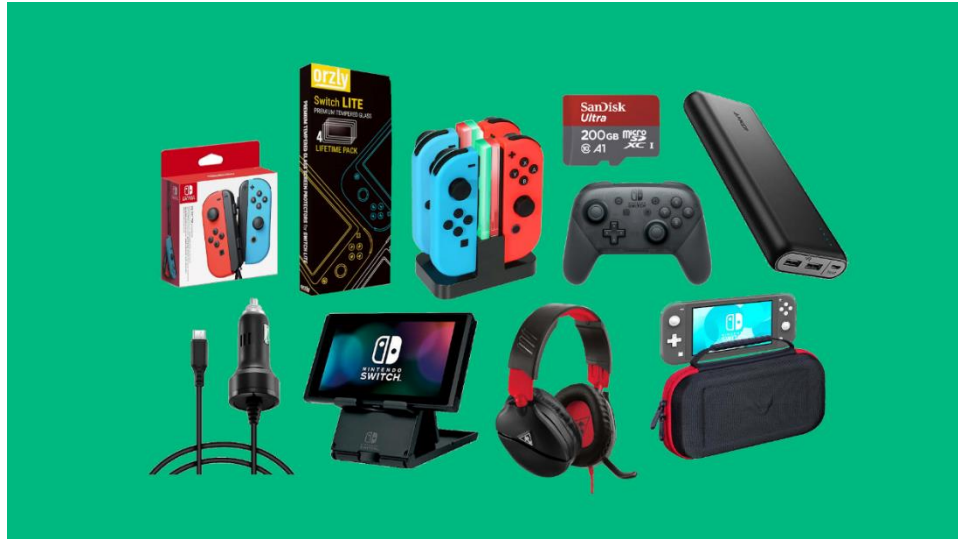


Sample of available rewards for point collectors

### Accessories

- The brand's cross selling strategy. Nintendo provides all kinds of accessories that go with their main product, such as console cases, headphones, charging docks, etc. See below for some of their accessories. Nintendo does not have too much

upselling strategy at this point. In 2012, Nintendo encouraged customers with 3DS to upgrade to 3DS XL for more improved features, such as bigger screen and improved 3D features.



Sample of accessories for Nintendo Switch

#### *Limited Edition*

- This builds customer excitement and encourage extra purchase by limiting the availability of some products, either by time or units.



Limited Edition Nintendo Pokemon Sword & Shield Switch Lite and Special Edition  
Animal Crossing Switch



#### **IV. Advocacy**

There are no set advocacy programs in place by Nintendo. In the past, they had the Nintendo Creators Program, which was a service that gave monetary incentives to Youtube creators that had registered channels and Nintendo-copyrighted content. The program was discontinued in 2018 (Nintendo, *Nintendo Creators Program – Overview*).

## Nintendo Creators Program



So far, Nintendo relies on word-of mouth and external communities (i.e. Facebook, Twitter, Reddit, etc.) for advocacy.

### **PART II RETENTION & LOYALTY PROGRAM IMPROVEMENT RECOMMENDATIONS**

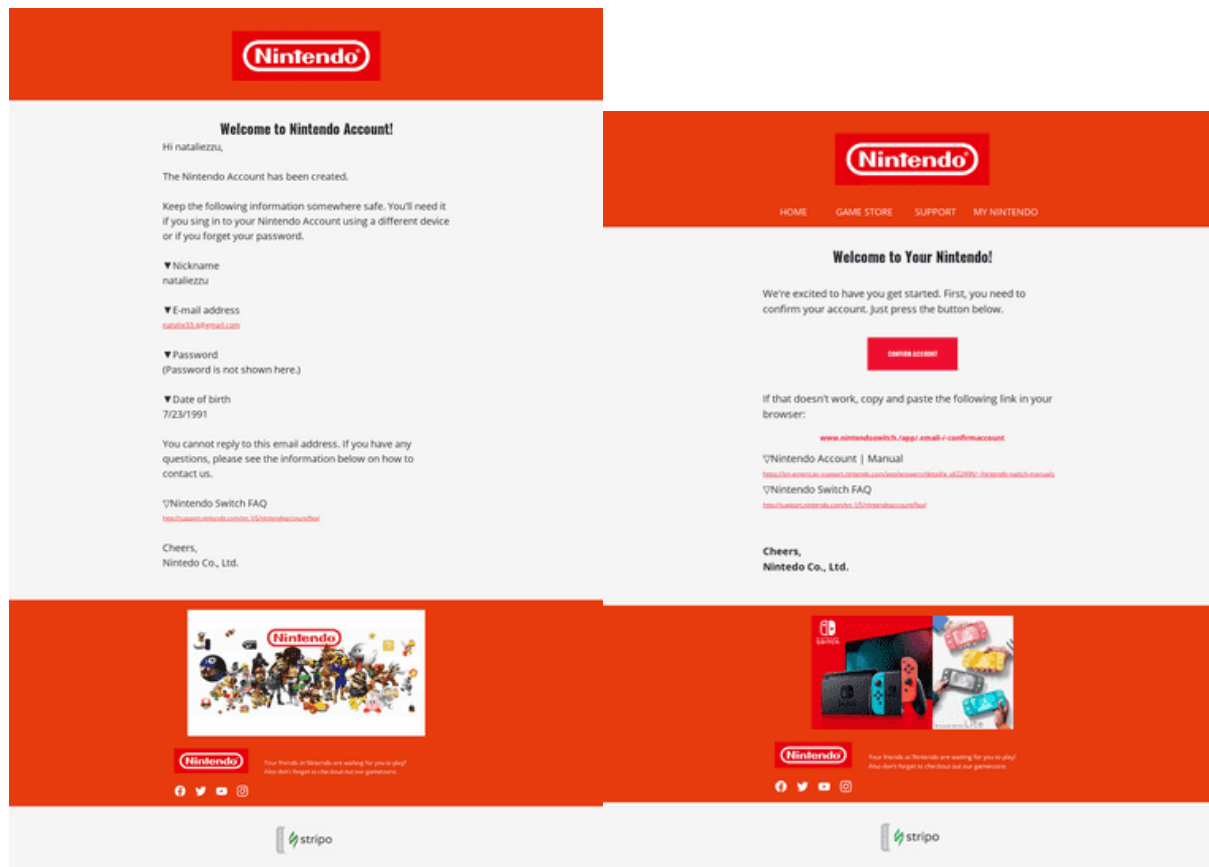
#### **I. Onboarding**

In general, Nintendo's website can be developed to become more user friendly for first timers and casual gamers and add more content about what kind of game it is and some tips.

Nintendo Account's sign up email is very simple without Nintendo's logo nor any game graphics included. It should at least follow Nintendo's branding, as it is one of the first services they can sign up for as a new user.

Users will also feel more connected if Nintendo sends a welcoming email for console users when they first connect their device with their Nintendo Account. Through this email, they can be introduced to other Nintendo products and console accessories.

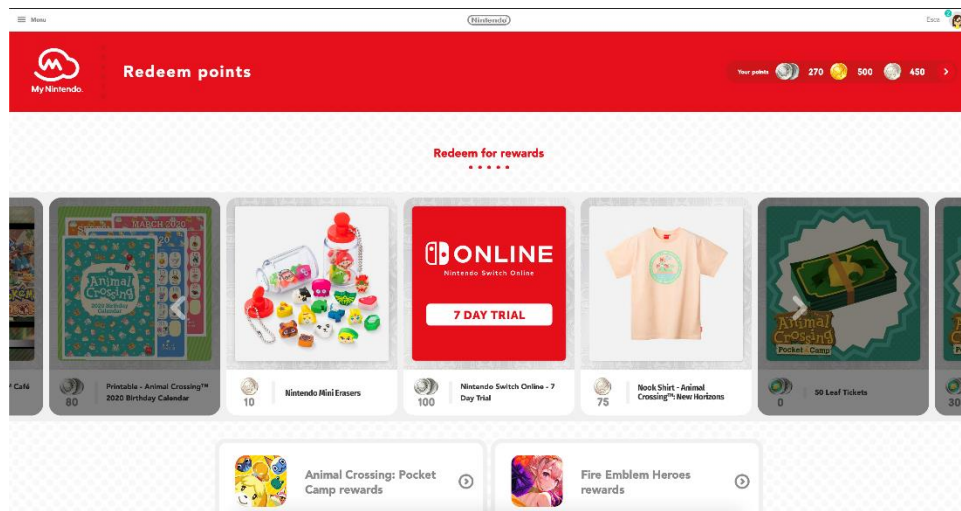
The email can be updated and personalized with more graphics and messages based on the users' ages as they have collected their information at a sign-up stage. Users' data should be more utilized to create a deeper connection between users and the games.



## II. Retention

### *MyNintendo*

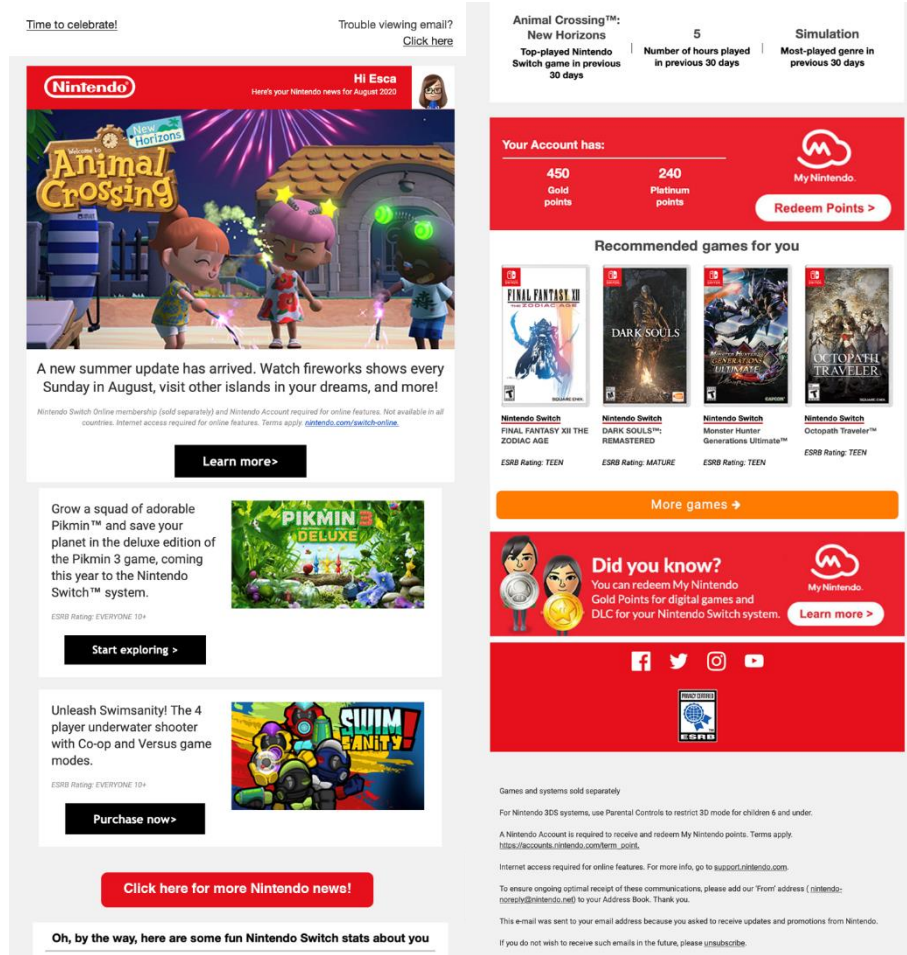
- Nintendo can completely revamp their rewards program by adding another tier and changing the names in order to be less confusing. They can assign simpler rewards like their printable calendars and desktop wallpapers under *Silver Coins*, while *Gold Coins* can have more appealing rewards like different versions of Nintendo console themes, merchandise, and collectibles. *Platinum Coins*, which is more familiar to gamers as the “best tier”, can be used to purchase games and limited-edition items.



*Mock-up of the redeemable rewards page for MyNintendo that includes all three rewards tiers (Silver, Gold, and Platinum), along with new rewards.*

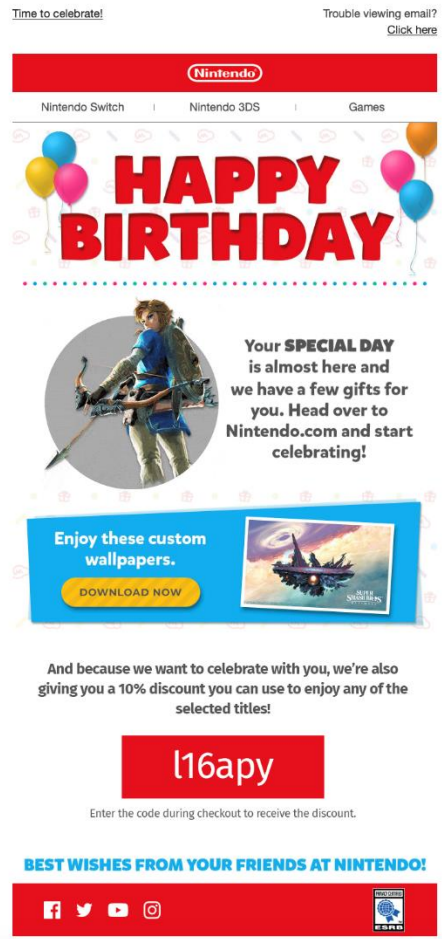
### *Personalized emails*

- Newsletters can be shorter and have information relevant to the reader easily accessible at first glance to lessen the need for scrolling all the way to the end. One suggested layout is to have the major news on top, along with 2-3 content, and a link to the rest. Same as with their current newsletter layout, it also contains the gamer’s stats and recommended games.



*Sample mock email.*

- Birthday emails should have more incentives that they could use to encourage their customers to buy more. This could be through a discount code for an eShop purchase for selected titles.



*Mock-up of a personalized birthday email for celebrants, that comes with a 10% discount code they can use for selected titles.*

### III. Development

#### *MyNintendo*

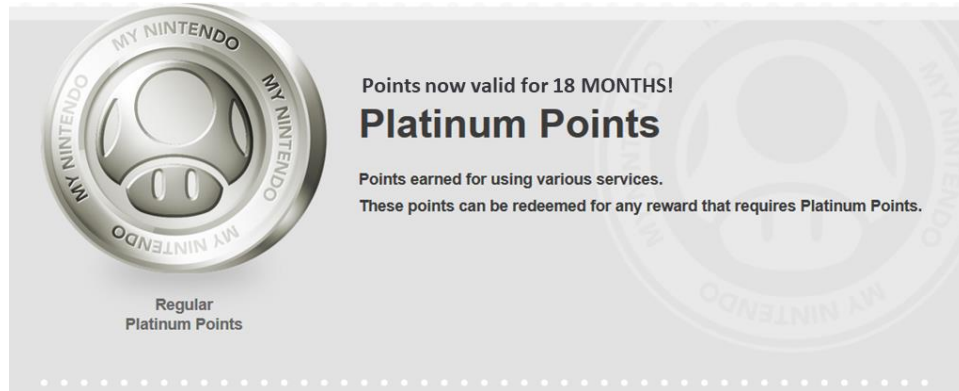
- **Gold Points:** With the current system, the points earned, either from physical products or digital services, expire after 12 months. This makes it hard, or even useless, for gamers, especially those who wait longer to buy the game or buy the console late, to gather enough points for a free game in limited time frame. To improve this program, Nintendo can extend the expiry date for the points collected, for example extend it to 3 years.



Mockup Gold Points page with extended point expiration

Besides, the rewards provided from points collectors are not the most satisfactory. Currently there are very limited kinds of rewards, such as printable birthday themes, which are not as useful or fun for collectors to redeem. Instead, Nintendo could revamp their rewards available, that are more personalized and attractive. For example, free games are always welcome for gamers. In addition, they could provide more relevant aesthetic themes for their OS, and downloadable content, as demonstrated in the mockup page in above section.

- **Platinum Points:** Similar problem to Gold Points, the Platinum Points are only valid for 6 months after collection, which limits the benefit and usability for gamers. To improve this program, the points collected by service users can be extended, for example to 18 months.



Mockup Platinum Points page with extended point expiration

Moreover, for both Gold Points and Platinum Points, along with the new suggested Silver Points program, Nintendo could make the user experience more easy and friendly. Currently some users find it hard to find the page to redeem their points or relevant information. Some other users find it very counter intuitive that they could only see the points information after paying for the product, not before. Nintendo could improve their user experience and make it findable and usable.

- Digital Deluxe Promotion: Those that purchased a deluxe version of the Switch also receive a special promotion where they received 10% back on all games purchased digitally.

#### **IV. Advocacy**

Nintendo could create a referral points program that gives incentives to members who advocate for the company. 50 Platinum points can be earned by referrals to non-Nintendo members. 100 Platinum points will be given, once the referral recipients have purchased a product from Nintendo, with the use of a referral code.



[Have fun with friends in online games](#) [Trouble viewing email? Click here](#)

Nintendo Switch | Games | My Nintendo



**Here's your referral code!**  
When your friends use your referral code to purchase consoles and games you have, you can gain points.  
1 referral a month = 50 Platinum points!

**f56hew**

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Nintendo Switch | Games | My Nintendo



**Nintendo Switch Online features and benefits include:**

- Online Play
- NES™ and Super NES™ - Nintendo Switch Online
- Save Data Cloud
- Nintendo Switch Online smartphone app
- Special Offers

Nintendo Switch Online membership (sold separately) and Nintendo Account required. Persistent Internet, compatible smartphone and Nintendo Account are required to use app. Data charges may apply. Online features, Save Data Cloud and Nintendo Switch Online smartphone app features available to compatible games. Not available in all countries. See Nintendo Account User Agreement, including the Purchase and Subscription terms, apply. [nintendo.com/switch-online](https://nintendo.com/switch-online)

## Here are your referral points for the month!

Referral Points		Referral Recipient Purchased Points
+50		+100

**Did you know?**  
You can redeem My Nintendo Gold Points for digital games and DLC for your Nintendo Switch system. [Learn more >](#)

**Recommended games for you**



ESRB Rating: E10/10+12



ESRB Rating: E10/10+12

[More games](#)

**Nintendo Switch Online features and benefits include:**

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Nintendo Switch Online membership (sold separately) and Nintendo Account required. Persistent Internet, compatible smartphone and Nintendo Account are required to use app. Data charges may apply. Online features, Save Data Cloud and Nintendo Switch Online smartphone app features available to compatible games. Not available in all countries. See Nintendo Account User Agreement, including the Purchase and Subscription terms, apply. [nintendo.com/switch-online](https://nintendo.com/switch-online)

Nintendo Switch Lite plays all games that support handheld mode.

Internet access required for online features. For more info, go to <https://support.nintendo.com>.

To ensure ongoing optimal receipt of these communications, please add our "From" address ([nintendo@nintendo.net](mailto:nintendo@nintendo.net)) to your Address Book. Thank you.

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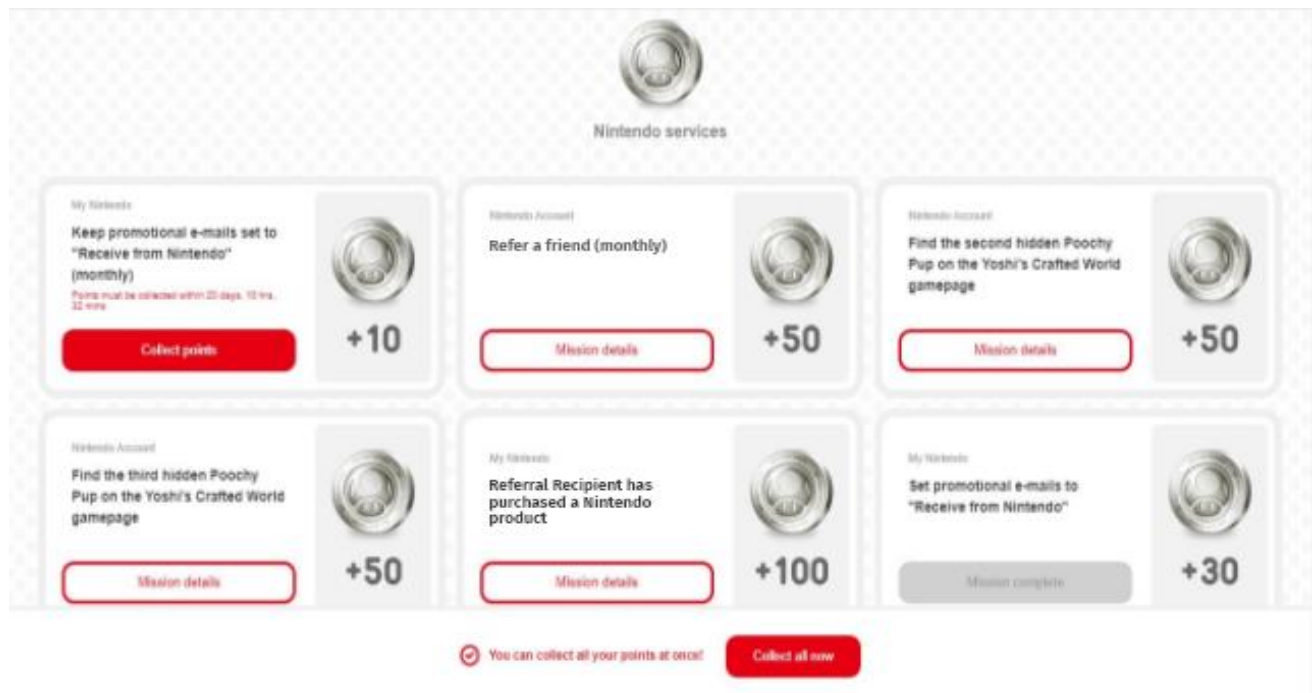
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