

## **Industry Analysis**

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## **Video Game Industry**

The gaming industry uses technology to create hardware and software to develop video games software and consoles for marketing and part of the entertainment industry by allowing people worldwide to play videogames on their PC, consoles, and mobile devices. The top three major corporations within the gaming industry and their amount of gaming revenue are Sony \$25.0 billion, Tencent \$13.9 billion, and Nintendo \$12.1 billion (The 10 Biggest Video Games Companies in the World 2021).

Nintendo Co., Ltd. main corporate headquarters is located in 11-1 Hokotate-chō, Kamitoba, Minami-ku, Kyoto, Japan while there are other offices and facilities within Japan located in Kyoto, Chiyoda City and Uji. From the Annual Report it lists that Nintendo has a total of 27 subsidiaries with six consolidated subsidiaries that are not named by Nintendo plus 3 other associates companies. These 30 companies are working with Nintendo Co., Ltd. to help provide video game software and hardware to distribute marketing products worldwide for consumers to purchase and enjoy playing (Annual Report 2021, page 5-7). The other 10 offices overseas location are Nintendo of America Inc in United States, Nintendo of Europe GmbH in Germany, Nintendo of Canada Ltd. in Canada, Nintendo of France S.A.R.L. in France, Nintendo of Benelux B.V. in the Netherlands, Nintendo of Iberica, S.A. in Spain, Nintendo of RU LLC. in Russia, Nintendo of Australia Pty Limited, in Australia, Nintendo of Korea Co., Ltd. in Korea, and Nintendo (Hong Kong) Limited located in China (Principal Offices and Facilities). These 10 overseas offices and Nintendo Sales Co., Ltd in Chiyoda-ku Tokyo “purchase products manufactured by the Company” Nintendo Co., Ltd. to be able to distribute products worldwide (Annual Report 2021, 5). From Nintendo’s Annual Report 2021 as of March 31, 2021 the current number of employees employed by Nintendo is 6,574 (Annual Report 2021, 7). Based

on the information on Nintendo's Corporate Social Responsibility Report, the number of employees and the ratio of men and women working at each various locations for Nintendo in Nintendo Co., Ltd. has 2,498 employees with 2,011 (80.5%) men and 487 (19.5%) women, in Nintendo of America Inc. has 1,256 employees with 798 (63.5%) men and 458 (36.5%) women, Nintendo of Europe GmbH has 901 employees with 558 (61.9%) men and 343 (38.1%) women, and Nintendo Australia Pty Limited has 91 employees with 44 (48.4%) men and 47 (51.6%) women (Nintendo CSR 2021, 3-4). The employees working at Nintendo Co., Ltd. average age is 39.6, average length of service is 14.2 years, and the average annual salary is about 88,276 in US Dollars (Annual Report 2021, 7).

The products Nintendo provides are home consoles, (NES, Nintendo 64, Nintendo GameCube, Wii, Wii U, and Nintendo Switch) handheld consoles, (Game & Watch, Game Boy, DS, and 3DS, Switch Lite) video games software on cartridges, discs or digital, game controllers, amiibos, and merchandise. The Nintendo Switch Online service was released on September 18, 2018 and the price to use Nintendo Switch Online is divided for Individual Membership only allows one Nintendo Account ranging from \$3.99 for 1 month, \$7.99 for 3 months, \$19.99 for 12 months, and the Family Membership allowing eight Nintendo Accounts for 12 months for \$34.99. The Nintendo Switch Online features provide for members is Online play for games such as Splatoon 2 to compete with other players worldwide, playing classic NES, & Super NES from the library selection, Save Data Cloud allows game's data to be saved online from being deleted, Smartphone App to voice chat with other players, and exclusive offers such as Tetris 99, and other game bonuses. Plus recently announced during the Nintendo Direct on September 23, 2021 the Expansion Pack allows members to also play classic Nintendo 64 and SEGA Genesis games that will be launching later in late October of 2021 (Nintendo Switch Online). Revealed in

more details during the Animal Crossing Nintendo Direct on October 15, 2021 the Expansion Pack will be in service starting on October 25, 2021. Also revealed the price for the Nintendo Switch Online with the Expansion Pack included starting for Individual Membership \$49.99 for 12 months, and the Family Membership \$79.99 for 12 months. The Expansion Pack still includes the Nintendo 64 and SEGA Genesis but also includes Animal Crossing New Horizons Happy Home Paradise DLC that will be launching on November 05, 2021. Allowing consumers to choose between just paying for the regular Nintendo Switch Online or the bundle with the Expansion Pack included with its features. The Nintendo eShop is an online digital store on the Nintendo Switch, 3DS, and Wii U to purchase digital games on to your console by using prepaid Nintendo eShop Cards or PayPal using debit or credit card. The service provides occasional bargains on certain digital games, allows customers to pre-orders games, try out free demo games, check out recently released games, and be able to redownload game software previously purchased after being deleted.

Nintendo was established on September 23, 1889 and founded by Fusajiro Yamauchi which was known as Yamauchi Nintendo at the time. Nintendo started off by manufacturing “Hanafuda” Japanese playing cards that were hand painted and were popular in Japan and partnering with Disney to add Disney characters on to the Hanafuda cards selling well worldwide. Nintendo’s changes from its inception was when Hiroshi Yamauchi became the third president and saw that playing cards weren’t making much profit and decided to try to expand into other industries and started running a taxi company, hotel, and a ramen shop but none were successful to expand and develop Nintendo to what it is today as one of the major video game company. When Nintendo released the Ultra Hand which is an extending hand to grab far away objects in 1966 it sold 1.2 million units saving Nintendo financially. Also helped Nintendo focus

their target audiences to be kids which is why Nintendo continued to develop more toys before seeing that arcades were becoming popular which resulted in creating Donkey Kong becoming a hit.

Hirshi Yamauchi went to study at Waseda University located in Kyoto to study law in 1945. In 1949 when Hirshi Yamauchi's father Sekiryo Yamauchi, the second president of Nintendo, died from a stroke Hirshi Yamauchi decided to abandon his education and to become the next president of Nintendo. Hirshi Yamauchi was inexperienced but was the main reason to push Nintendo into a new industry to develop the Nintendo today being a family friendly video game company. Gunpei Yokoi went to study at Doshisha University and purposed a degree in electronics. He worked for Nintendo Playing Cards Company to maintain machines used to create hanafuda cards. Until Yokoi created the Ultra Hand, selling well to promote him to work in Nintendo Research and Development to create more inventions to make Nintendo stand out. Through his years working for Nintendo Yokoi developed the Beam Gun, , R.O.B., developing popular franchises, Game Boy, creating the D-pad featured on Nintendo controllers.

The three most top selling consoles units sold worldwide are the Nintendo DS 154.02 million units, Game Boy 118 million units, and the Wii 101.63 million units (Dedicated Video Game Sales Units 2021). Also the three top selling games on the Nintendo DS are New Super Mario Bros. 30.80 million units, Nintendogs 23.96 million units, and Mario Kart DS 23.60 million units (Dedicated Video Game Sales Units 2021). On the Game Boy are Tetris 35 million units, Pokemon Red, Blue & Green 31.38 million units, and Pokemon Gold & Silver 23.10 million units. On the Wii are Wii Sports 82.90 million units, Mario Kart Wii 37.38 million units, and Wii Sports Resort 33.14 million units (Dedicated Video Game Sales Units 2021).

## Part 2

Interesting jobs that are fascinating are 3D modeling to create realistic models of environments, objects, characters, and designing levels to work in the gaming industry as a 3D modeler. While currently starting to take the Game Design concentration classes CST 322 Environment Modeling, and CST 323 Character Design this Fall semester of 2021 these courses will help be prepared to enter the gaming industry and the other courses that still need to take in the future are CST 321 Game Design and Interactive Media 1, CST 422 Level Design, CST 423 Character Animation, and CST 421 Game Design and Interactive Media 2. While taking the CST 322 Environment Modeling course will help to understand the skills for development to apply in video games by starting to develop basic 3D modeling skills using Autodesk Maya to model objects, apply texture, lighting objects to create mockup scenes to further develop. CST 323 Character Design applies knowledge in how to create characters well designed by choosing their color palette, body shape, and posing them to be readable even in silhouettes to create a recognizable character and be a part of the video game world. Applying drawing skills to create many different versions of the same character, environment ideas, supporting characters, and other concepts to create a final version of the character and getting some useful feedback. To continue developing the character's design and thinking on how to turn a flat 2D character into a fully 3D model character prototype that can be viewed in every angle. Taking these courses together in a semester helps in combining research to design an environment scene with the character to look like an actual video game to add into my portfolio for 3D modeling.

Looking at some ways to help prepare for a career in 3D modeling is browsing internship opportunities in LinkedIn and checking the requirements and qualification of each to get a general idea of what skills to improve in. Also see if there are any internships to apply mainly

during summer of 2022 when I'm not too busy with college courses to focus on gaining some experience in the real workplace. One internship for Playstation mainly focuses on the environmental 3D modeling listing a few responsibilities of assisting modeling and texturing environment props also for game level and larger scale environments. Participating in meetings with the environment team and providing updates on tasks, being a part of the environment art pipeline training meeting, and collaborating with the environment lead or assigned mentor for assigned tasks. The qualification for this internship is being experienced in creating 3D environments using Autodesk Maya, ZBrush, Substance Painter and Designers, not required but knowing how to draw traditional art, creating realistic props and environments in correct scale, detailed texture, organization, verbal, and written communication.

Also in the job entries for 3D modeling requirements some of the preferred skills to know is understanding industry standard game engines, 3D modeling programs and tools, being able to work individually and present results, Character models, Level Design, Rigging, photo real texturing, knowing Game Unity and Unreal engine, animation, rendering, image editing, mapping and texturing. The job requires for 3D Artist for Diamond states that working with director and creator team to help design and create 3D models high and low poly, creating virtual worlds and characters from the concept artist's sketches, modeling and texturing environments, props, objects and Maya mental ray and photorealistic rendering knowledge and having some experience in 3D modeling.

While currently not being very experienced in creating 3D modeling on Maya it helps to focus on a general specific area of 3D modeling like environment modeling to at least have experience to start creating models and apply for internships to create environmental models but still learn how to model 2D characters into 3D. My main focus is to improve my 3D modeling



skills, mainly finding resources online for specific objects to model like a building or grabbing small objects to visually see each side and feel surface texture to correctly apply texture.

Creating small projects such as modeling a small town for the main character to walk around by developing a 3D prototype mockup, sketching ideas, creating a top view map with the object's general location for the layout, researching related buildings and colors to apply the mood of the scene, and finding textures to apply.

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