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## Nintendo is coming to China: The Struggles and Hopes of Chinese Popular Culture

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Nintendo is coming to China:  
The Struggles and Hopes of Chinese Popular Culture

Senior Project Submitted to the Division of Languages and Literatures  
of Bard College

By

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Annandale-on-Hudson, New York

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いつも弱い私をかまってくれて、ありがとうございます

Thank you for always taking care of me when I am down.

I would also like to thank my friends and teachers from high school. Big shout to Ba Zhu Jia and other friends who play Pokémon with me. Because of you all invited me to

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different events, I came up with the idea of making this project. Thank you all for giving me so many Piplups as my birthday presents. I want to thank my high school teammates for calling me at mid night when they saw me depressed online. Our love and connection may leave in my memory forever. When my high school invited me as an alumni representative to school, I felt proud seeing the younger kids believing their seniors are trustable. I would like to continue my journey and use me experience to help them. I recall my high school Coach Greg Basila's quote:

**“Sometimes you, sometimes me, but always us.”**

Cheetahs never die.

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This Senior Project is sponsored by Afu and Adai, my dear kitties.



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## PREFACE

Everything started in 2008, when my father bought me a Nintendo NDS Lite (known as iQue DS Lite in China) as my birthday present. As a grade three girl, I took my NDS to school and my friends introduced me Pokémon Diamond & Pearl. My grandparents also used this console to play Tetris. My father therefore bought some game cards including Zelda, Animal Crossing, and Super Mario. This birthday brought me into the world of video games. In my teenage life, I was allowed to play games using English by my father. He said it would a good way for me to study in an enjoyable way.

If there is no COVID-19 pandemic, I may never think about what's beside the joys. That year I was stuck at home for three months. My college life pressed pause because I could not go to school as planned. In my early college life, I had a goal that I wanted to learn to make the world less biased and people would all smile facing their "enemies." However, the everyday flaming wars online between countries and within China made me tired. I felt like scholars couldn't influence folks because nowadays no one would like to read a long research paper and do some investigations. When I was angry about this situation, I was enlightened by Mihoyo, the producer of Honkai Impact and Genshin. I found games with good stories and citations from the great philosophers could influence people in a more interesting way. Like what my father did for me when I was in high school, where I had to play Pokémon in English. I feel like games provided a way to let people immerse in difficult questions, and they would enjoy this journey. I

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set my goal to become a game designer, since I am also learning manga and character design. I spent the time I was absent from school to research different games and their producers. I also spent time with gamers and now have become a kind of well-known Pokémon player in China.



(Me with other Pokémon players at an event in Shanghai, 2021)

All of these made me interested in gaming society in China. Therefore, it is not hard for me to use senior project as the platform to research this area. Game society in China is a less researched area. In this whole year, I found it very hard to find academic papers on this content. It makes me feel that the younger generation is less recognized, but on the other hand, more online articles emerge telling people about it. This society needs more recognition, and if my research could collect these pieces and make it acceptable to researchers, it would be great for both the pioneers in this industry and people like me.



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## INTRODUCTION

Games are an important component in modern popular culture. Games are a form of entertainment that people all around the world enjoy. They allow people to overcome the limitations created by physical society. In the world that cyberspace has created, people can experience different identities, different lives, and accomplish goals that they may never achieve in real life. “It is your soul finding mental satisfaction in the world of infinity.” (Chan 6) On the other hand, this culture is often less recognized by mainstream society because it is unrealistic. Freud says “daydreaming is the continuation of childhood.” (Freud 49) He also says “games and real-life activities are both satisfying human wants and goals, but their methods are different.” (Freud 92) In present life, games somehow become the tools with which people could satisfy their wants in real life. Game engineers tell the stories and earn recognition. On the other hand, in the rapidly changing world, it is very hard for people to slow down and refresh their hearts, especially the younger generations facing pressures from the outside society. Games become a way for them to escape and reform their self-identities. We see people wearing costumes in Harajuku, Tokyo, and fans would line-up for hours go to Comic Market in Tokyo.

The old generation often criticizes teenagers for not obeying real-life rules. In the United States, there are generations like the Hippies and Millennials that would not obey social norms. In Japan, after the bubble economy burst, the new generation is less interested in becoming upper class. This global norm is also found in China in the

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present days. Before the Reform era in 1980s, China was a society that lived only under collective interests. The culture was highly centered under Mao's political claims and communist worldview. People were lacking both material life and mental life. When Deng Xiaoping ended the Cultural Revolution and brought China to the world, people were urged to earn money and fulfill their material wants. My father would tell me that his generation, who were born in the Cultural Revolution, was hungry in their childhood. What most people of his age wanted in the Reform Era was becoming rich. In this period, China saw the material life Western society had. On the other hand, Chinese culture favors "upper class" (人上人), which makes people feel better than the others and get public recognition. People all wishing to have flourished material life and be upper class. Thus, learning is the way to get power to earn money, because it gives young people chance to go to big cities to have better opportunities. On the other hand, the one child policy let the family set their future in one person. Families would give everything they have to their children. Entering the 90s and in the 21<sup>st</sup> century, younger people experienced a better life than their parents, and they, like the Millennials in United States, are less interested in becoming upper class. More young people find their place in the cyber world. They are interested in popular culture and would like to create their own society online. However, China continues to grow, and collective identity still has its power. The society urges young people to compete. In 2021, the most popular internet word in China is inner competition (内卷), which means Chinese people infinitely competing with their folks. Therefore, there is a tension between social interest and personal interest. Under this tension, companies that produce popular

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culture had a difficult time in China. This paper will examine the path Nintendo walked through in China from 1990s to present. This part of history would be split into two parts. First, Nintendo's first trial in China, which was a failure. Second, Nintendo's return to China in recent years, and why it would succeed that time. Thus, this paper would compare Nintendo's history in China with its history outside of Chinese market. The comparison would answer my first question of the differences between promoting popular culture in China and the other parts of the world. The economic difference between developed and developing regions makes Nintendo's products difficult to afford. Thus, the cultural differences are hard to break through by Nintendo alone. All these reasons caused Nintendo's failure in China. On the other hand, Nintendo's story would give a solution to what popular culture should do to survive in China. It would not conquer those difficulties alone, but collaboration between companies would give it advice from a local point of view. Thus, the younger generation is less controlled by collective minds. They start to ask for their wants and take actions. Therefore, their action might help us to predict China's future, which would be an answer on how open Chinese society will become in the next decade.

### **Resources used in the project**

This project consists of two approaches to Nintendo. The first part is an historical review of what Nintendo has done globally. In this part, traditional sources are frequently used to conduct the big picture. I have used David Sheff's book *Game Over*:

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*How Nintendo Conquered the World* as my main source. As a global giant which succeed and take over the market in less than 30 years, Nintendo's growth in this period has been researched by multiple researchers. David Sheff's book provides a deep, close story from Nintendo's establishment to the life stories of important characters in Nintendo's journey. On the other hand, I added Satoshi Tajiri's interview *A Man Who Created Pokémon* (田尻智 ポケモンを創った男 2004) as a Japanese language source to add some variety to the historical review. Both David Sheff and Satoshi Tajiri's books are relevant because they cover both third-hand and first-hand views on Nintendo's past. I added statistical information on Nintendo's sales and give a comparison of it with other game competitors. It would give readers both emotional and statistical shock for me to conduct my opinion on Nintendo; it is a company that has self-pride and would never give up easily. These sources would help the later chapters to investigate Nintendo in China.

In the later chapters, news and blogs are what I used to provide general information. As mentioned, the game industry and the forms of popular culture related to it are less recognized to public researchers. When doing research on these topics, a lot of first-hand information has already disappeared due to lack of archiving. Luckily, there is still data on Nintendo's sales during this period. Data provides information on how Nintendo suffered in China. However, official data does not cover the consumer side. This project is not only a business overview, but also investigates the popular culture created by Nintendo's games. Blogs and first-hand interviews are frequently used in this process. Several gamers who experienced the process of Nintendo's rise and fall in

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China provide direct information on how gaming popular culture is formed.

## **Overview**

In order to explain how Nintendo's experience in China would help the future Chinese game industry, this project will be divided into three chapters. The first chapter is an overview of Nintendo's history becoming a globally well-known company. This will cover Nintendo's history from the late 19<sup>th</sup> century to the late 20<sup>th</sup> century, including Nintendo's beginning as a Japanese card game producer. It is important to know why and how Nintendo decided to enter electronic machine industry and produce video games. The first step would tell Nintendo's spirit of dedication. Then, the chapter will introduce Nintendo's first game console. We can see why Nintendo as a rising company could make its game consoles as competitive as the formers'. The last part of the chapter will introduce two famous Nintendo produced games that could represent two of Nintendo's iconic consoles, Super Mario Series and Pokémon Series. We could see the difficulties Nintendo's game engineers faced in two different eras. Super Mario began when Nintendo urged to open its business in North America. Pokémon, on the other hand, is a epoch-making game for the whole industry, but every epoch faces obstacles at its beginning. We will see why these two games are popular in both Japanese market and overseas. Then, in order to investigate what Nintendo did in China, its history would provide a comparison of the past challenges it faced and those challenges in China We can see how Nintendo tries to figure out its solutions in China,



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and how its corporate spirit would help it in this process.

The second chapter is an introduction and investigation of Nintendo's challenges in China during late 20<sup>th</sup> century to the first decade of 21<sup>st</sup> century. It will provide the information on what Nintendo did and why at sometimes it failed. Fake game consoles and game cards that Japanese market and North American market do not have become a big problem for Nintendo. Nintendo tried to use laws as its tools to protect its profits. However, legitimate power is not always on Nintendo's side. Chinese culture had bias on popular cultures. Not only folks have a word on children and young people playing games, the Chinese government has also placed laws that put intensive censorship on video games in order to only let "good games" enter the market. It could not actually affect pirate merchants, but Nintendo was damaged harshly by this censorship. This chapter will also put the sight on Nintendo's fan society in China. A business could not success and fail without its consumers. We will see what fans in China did beside Nintendo's own efforts. These fan's efforts may create some changes in the future. Although Nintendo suffered facing pirates and censorship, it has a considerable influence on the Chinese younger generation born after the Reform Era. The pirates damaged Nintendo's short-term profits, but also helped Nintendo's games to pass the censorship and influence its consumers. On the other hand, the introduction of the internet and personal computers in China helped fans to create their own fan society. They could share information by self-made magazines and online blogs. This 20-year history is important for Nintendo's future steps in China, and Nintendo's return to China would not be so soon without the efforts fans made.

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The last chapter will focus on Nintendo's return to the Chinese market after its failure in the beginning of 21<sup>st</sup> century. Nintendo itself would change its own strategy based on what it experienced in China. It learned from its failure and collaborate with a domestic giant to go through culture barrier. On the other hand, technology change on hardware of game consoles would help Nintendo limit pirate merchants and attract consumers. Then, this chapter would focus on fan's efforts. As introduced in chapter two, besides Nintendo's failure, it has a considerable number of fans in China. They would be an important power pushing Nintendo to revalue Chinese market. Lastly, new business models emerged in China. The blind box market and brand related goods are more favorable than game itself in China. Nintendo would use its influences to produce these products and claim its interests. Nintendo's successful return to Chinese market would be a good lesson to future businesses and to fans. For future businesses, it would provide a solution for them to enter Chinese market fluently. For fans, it tells them how they could persuade the company and change the social environment.

Although there are things that Nintendo could not overcome in China even at present, like the inner competition that forces people to have less time for entertainment, we can still see some hope. The outside forces forcing younger generation to compete is less powerful than before. The first-generation gamers enter the mainstream and have started to influence the society through their creativity and dedication. They show people games and other entertainments are not barriers for becoming "useful person" to the society. Thus, game producers are more aware of what games could do to improve real life experience. It is very exciting to see those changes through this research. It

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gives us a vision that game culture would have a bright future that makes real life as colorful as the cyber world.

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## Chapter One

### Nintendo's Global Development from 1970 to 2000

#### **Introduction**

When talking about the miracle Japanese games created globally, Nintendo is definitely the pioneer. “In 1991, the revenue per person reached 1.5 million USD, while having only 5000 workers.” (Sheff 5) If we look back at when Nintendo released its first game device (1977, TV-GAME 15, co-product of Nintendo and Mitsubishi), Nintendo achieved this in less than 15 years.

Currently, Nintendo's latest game console, Nintendo Switch, has reached a total of 89.04 million hardware sales, according to Nintendo's financial report released in August 2021. (Craddock) Although there is Microsoft's X-box and Sony's Play Station as competitors in the market, Nintendo still controls a large amount of shares. The present days are not the “golden age” of Japanese games, “by 2000, according to data analysis, Japanese companies shares 90% of the global game hardware market, and its software shares 50% of the market.” (Chawulong 26) When we talk about games, we could always think about Japanese games, such as the Super Mario Series, Pokémon Series. Nintendo's success is not occasional. It survived again and again in the fast-changing global game industry. A revolution in technology, or a change in consumer preferences, may shake the industry heavily. Why and how Nintendo has survived in this changing industry and how does it continue to be such a strong presence? How

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might Nintendo's past success help it in the future? This chapter will go through Nintendo's history to find the answers. In this chapter, I would like to provide a history of Nintendo from its foundation to the late 20<sup>th</sup> century to show what led Nintendo to become one of the biggest giants in the industry. The chapter starts from the late 19<sup>th</sup> century, when Nintendo first was established as a card game producer. I will focus on how Nintendo decided to enter the electronic machine industry and produce video games. Then, I will introduce how Nintendo started to create its own games. This part will show why Nintendo's game consoles are competitive. The last part of this chapter will focus on two famous Nintendo-produced games, the Super Mario Series and the Pokémon Series. We can see the difficulties Nintendo's game engineers faced when the two projects started. Not only did they face a common challenge of how to promote the game, but also faced cultural differences. Since this essay focuses on how Nintendo faced its challenges in China, we could see from Nintendo's history to know why those challenges in China are difficult to deal with for Nintendo, and how Nintendo tries to find solutions to those challenges.

### **How Did Nintendo Start to Produce Video Games?**

Before Nintendo entered the video game market, it was famous for producing *Hanafuda* (花札, a Japanese card game with 48 cards of different Japanese patterns). In 1889, Fusajiro Yamauchi founded Nintendo Karuta selling these card games. Nintendo's *hanafuda* sets vary in different regions. "In Kyoto, the *President Hanafuda*

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(大統領花札) was the most popular set. People living in Kyoto and Osaka could bought this set in Nintendo's shop. The *hanafuda* sold in other regions have different patterns such as swords in Eastern Japan." (Sheff 17) The idea of having "limited products" selling in different areas became a Nintendo's tradition. Future games such as Super Mario and Pokémon, and its game devices, all have some differences in products selling in different areas. For example, the Nintendo 3DS had two versions sold in Japan, Nintendo 3DS and 3DS LL, but in the U.S there were 3DS and 3DS XL, a version smaller than 3DS LL. Different regional limits attract customers. Usually global companies need to "localize" their products to fit domestic customer preference. This strategy makes Nintendo's products very popular. This early success foresees Nintendo's future success in the global market.

In early 1970s, Nintendo became a very competitive company in the Japanese card game industry, but as Nintendo's third president Hiroshi Yamauchi, Fusajiro's grandson, started controlling the company in 1950s, Nintendo switched its focus to something new. Traditional industries could not satisfy Hiroshi. Hiroshi was never a man satisfied with the "old order." As a teenager, he dressed western style, even though his family was very traditional. He was not Hiroshi He dismissed all Yamauchi family members who used to work for Nintendo. It was a complete revolution to Nintendo, and even Japanese tradition. Nintendo by the 1950s was no longer a family property, but a company in modern style. Hiroshi liked to challenge new areas. Until 1970, Nintendo was no more a company just selling card games, it also opened many shooting ranges, as well as investing in things other than entertainment. In the early 1970s, Japan

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was affected by the first global oil crisis. Nintendo, the company which mostly profited from entertainment, was nearly bankrupted. The economy was bad, and consumers stopped purchasing its toys. When Nintendo fallen into crisis, one of Hiroshi's close friends, who served in Japan's biggest electronic cooperation at the time, gave him an idea using the new technology, semiconductor, a technology used in office products for many years in 1970s. Semiconductor were a new technology, but already tested by other companies. Some Western companies, such as Atari and Magnavox, were already using this technology in games. (Sheff 29) Those companies were just started creating early video games, and they did not enter Japanese market. Nintendo quickly made a deal with Magnavox. Nintendo became the only legal Japanese seller of *Pong*, which is known as the first video game in the world.

### **From an Agent to a Producer**

The release of TV-GAME 6 and its intensified version TV-GAME 15 both reached 1 million packs sale. (Sheff 30) However, being an agent for other companies was not Yamauchi's goal. While selling TV-GAME 6 & 15, Nintendo and its co-producer Mitsubishi also developed their own games. In the early 1980s, computer development reached a new era. The lower price and smaller size of computer gave Nintendo an idea. "Nintendo does not need leading technology, but mature technology that could be used with a lower price." (Sheff 30) The developer of Nintendo at the 80s, Yokoi once said. According to what he said, Nintendo wanted to create a product that everyone could

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obtain, like *hanafuda*, which was more attractive to Japanese than Western poker games. Nintendo's targets were the whole market. It definitely was an arrogant goal, which I think is in accord with Yamauchi Hiroshi's strategy and characteristics. In late April, 1980, the handheld electronic games, GAME & WATCH, was released. It was the first portable game device developed by Nintendo. It had the smallest size among all game devices at that time, but it still became popular globally, although some Asian companies produced fake GAME & WATCH. The GAME & WATCH branch was one of Nintendo's future strategies. If this branch tried to create "single smaller portable device," there was another line producing devices that have multiple games on it. Actually, Nintendo was not the first company doing this. Before 1983, Atari 2600 and Commodore Max Machine from the U.S, Epoch Cassette Vision (カセットビジョン) and Bandai Intellivision from Japan were some of the main products in the market. (31, game over) "In September 1983, Epoch Cassette Vision was nominated for the best sell game console in Japan." (Chawulong) However when people review the history, Cassette Vision was not a representative game console in the 1980s. Family Computer, usually known as Nintendo FC or FAMICOM in Asia or NES (Nintendo Entertainment System) in America, was the legend of video game history. Nintendo's goal was the whole market, Nintendo FC was the representative piece of Nintendo's strategy. This console, having an 8-digit CPU, only sold for 14,800 yen. (Chawulong) It was very popular when released. How did NES over pass other game consoles? In *The Japan That Can Say No* (断固 NO と言える日本) written by Shintaro Ishihara, Akio Morita, founder of SONY, criticized "the short vision" of American companies. "Japanese



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companies decide their strategies ten years before, but when I asked an American if they would plan a week before, he said ‘no.’” (Ishihara) The idea of a cheap game console having multiple games on it first appeared in Yamauchi’s mind in mid 1970s, the release and bloom of NES was already 10 years later, during late 1980s. In the late 1970s, Hiroshi realized “if we keep releasing new games, our console would never obsolete.”(Sheff 31) He ordered Masayuki Uemura, the designer of NES, “to let consumers choose our console without comparing with others.” (Sheff 32) It was an order because Uemura later said, “We must be perfect. It was president Yamauchi’s order.” (Sheff 33) Uemura knew that this console needs to be relatively cheap, they must not use high priced top technology. The 8-digit CPU, was the base to develop NES. He recruited engineers just to maximize the ability of 8-digit CPU, this console must be able to run “hottest and sexiest games” according to Uemura. Nintendo’s focus was not the console, but the game it could run. “A game attracts people by controlling people’s sense.” (Sheff 32) Uemura’s team worked 18 hours a day to find a suitable processor, and wishing to let the screen show more sprites, a graphic word having a meaning similar to pixel. Finally, Nintendo decided to find partners to produce the core chip for NES. It was not easy. Nintendo wanted the core chip to be cheap, but way too cheap. 2000 yen was a low price even today, but that was the highest price per piece Nintendo could afford. Nintendo did everything it could do to limit NES’s cost, including cutting off keyboards and memory disks, aiming to create the best game experience on a very basic console. However, as Morita said, Japanese companies plans for 10 years later, NES added circuits and interfaces that could connect to outer devices.

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It gave NES the ability to be more than a game console. Hiroshi's plan paid off on NES. After NES's release, millions of families were craving for new games, giving Nintendo the chance to switch its focus from game hardware to software. Later, a well-known game, *Super Mario*, opened Nintendo's software revolution. (Sheff 32-35)

### ***Super Mario: The Best Game on NES***

In 1989, Nintendo ranked top in Economic News Japan (日本経済新聞)'s Top Japanese Company Ranking, surpassing Toyota and Honda. It was not a mistake. Nintendo's domestic growth did not slow down during the 90s. However, it was not the end of Hiroshi Yamauchi's plan. Japan was just a start. (Sheff 85) Entering a brand-new culture is never easy. Nintendo did not succeed at the beginning. It nearly failed in North America, but there were two names that must be remembered. These names gave Nintendo North America hope to success. Minoru Arakawa, the CEO of NOA (Nintendo of America), and we cannot forget, Shigeru Miyamoto, the designer of *Donkey King* and *Super Mario*.

Minoru Arakawa was born in a famous family in Kyoto. The Arakawa family was very famous in the textile industry, producing luxury kimono and Western Suits. The family, having an origin in the Japanese Royal Family, saw tradition as an important factor. All three kids of old Arakawa were educated well. They had the resources and responsibility to become elegant upper class. Minoru was the smallest kid, so comparing to his brother and sister, he had some degree of freedom. However, as the

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son, he still needed to be successful. He got his undergraduate degree from Kyoto University, and in the future, when he became the CEO of NOA, he still had not played games in his life. Unlike his brother who needed to inherit the family, Minoru's father did not plan his life. "Be gentle, and do something for others," was what old Arakawa told him. (Sheff 90)

After being educated this way, Minoru decided to leave Japan, to do something without his family's influence. "If working is unnecessary, it is harder for one to make decision. You must think carefully. It sounds easy, but I am always thinking about why I am here, and how I should use my life." (Sheff 90) Minoru Arakawa saw overseas as the place for him to find an answer. Taking his graduate degree in MIT, he learned to understand himself, and to work serving for his identity. In this period, Minoru's life was still parallel to Nintendo, until he met Youko, his wife, and the daughter of Yamauchi. It does not matter how they met; one characteristic Minoru attracted Youko was "he had nothing like Youko's father." Growing up, Youko disliked her father Hiroshi Yamauchi. He put all of his energy in Nintendo, and he seldom talked with the family. Among all "good males", she liked Minoru the most. He had nothing connected to Nintendo, to game industry. As the result, after their marriage, they left Kyoto. Minoru worked for the MARUBENI corporation. Soon after their marriage, they moved to Vancouver, started their connection with North America market.

Minoru was not happy in Vancouver at the beginning, but when Hiroshi Yamauchi advised him to work for Nintendo in North America during their visit in 1980, both Minoru and Youko refused. They did not want to become like Hiroshi Yamauchi.

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Arakawa respected Nintendo's success in Japan, but he was not sure Nintendo could do the same thing in North America. Minoru and Youko had a bad time getting accustomed to the new society. On the other hand, he finally made some achievements in MARUBENI. Finally, Hiroshi persuaded Minoru by showing him the future of semiconductors and video games, and promised him to give him complete control of the new company. (Sheff 101)

Minoru accepted. His family moved from Vancouver to New York City, and set up NOA. The first thing he and Youko did after setting up NOA was to do some on-the-spot investigation. Minoru as mentioned raised in a traditional Japanese prominent family. He never put his interest in games, but he wanted his NOA to success. His father-in-law promised him if he succeeded, he would own a giant. At that time, Game & Watch and NES had not yet been released, and the market was still controlled by arcade games. NOA's first mission was to sell its arcade games to North America. He hired some young men who spent all their day in video game centers, and watched them play games. By spending his day with these young men, Minoru understood why people play games. "When they (kids) talked about successful games, they always use words expressing a close relation. They said they have very close relation with those games." (Sheff 105) Some other factors, which are more objective, could be seen when he analyzed the games. A good game attracts gamers immediately, using high quality music and visual performance. Thus, during the two minutes of one round, the good arcade games never let gamers' attentions to leave. If they did, the gamers would leave. However, if the gamer did not leave in one round, they usually play more rounds, and

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pay the cost that would feed a family of four. (Sheff 105) Minoru himself did not play games, but he treated game production seriously. After understanding games, he hired two people, Al Stone and Ron Judy.

Before Nintendo began to invest in North America directly, Al and Ron had a company, Far East Video, selling Nintendo's game consoles. NOA hired them, in order to cancel agents. The first order they received from Minoru was to sell *Amidar*, a video game similar to Pac-man, in North America. However, it was very unsuccessful. At the beginning, when NOA placed *Amidar* in Seattle experimentally, the result was not bad. Minoru, a rookie in games, thought *Amidar* could help NOA open North American market, so he placed an order of 3000 sets, wishing to succeed. However, *Amidar* could not compare with other games. *Amidar* was unsalable even lowering the price.

Finally, NOA could not continue in New York City. Minoru led his team to the West, to Seattle. However, moving to a new place could not solve the unsalable situation *Amidar* faced. Minoru asked his father-in-law for help. Though Minoru was unhappy, Hiroshi sent a young man to North America, Shigeru Miyamoto. Similar to Minoru, Shigeru was also a rookie in this industry. Minoru expected Nintendo would send a top-class game engineer to America, since Mr. Yamauchi promised him North American market was important. However, Shigeru Miyamoto was just an intern of Nintendo by that time, and had not make any achievement yet. He was not an engineer, but an artist. Getting a degree in Industrial Design, young Shigeru was disappointed by traditional Japanese industries. He loved popular culture, so he asked his father to find him a job in Nintendo. His father was a friend of Hiroshi Yamauchi, so even though

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Shigeru was not an engineer, Nintendo hired him. (Sheff 50)

Yamauchi did not expect anything from this young layman at the beginning, but when he saw Shigeru bringing some interesting self-designed toys, he let Shigeru become Nintendo's first full-time artist. He gave Shigeru the task of saving NOA, and Shigeru gave his advice bravely to the bossy elder. He said he loved playing games, but the games in the market right now were boring. There was no story in the games. There should be stories to attract people like movies and novels did. Mr. Yamauchi did not care about Shigeru's idea. He only cared about Nintendo's success. (Sheff 51)

Shigeru got his ideas from *Beauty and the Beast* and *Popeye the Sailor Man*. The villain, in the future named Donkey Kong, was designed as a chimpanzee who was suppressed by human beings. He caught the main character's girlfriend to warn humans. Who is the main character? Shigeru wanted this character to look silly. The character, having big round nose and cute big eyes, wearing a uniform and a big red hat, appeared on Shigeru's sketch book. He did not have a name immediately, but reading this description, an image appeared in my mind. Super Mario, the plumber who saves his girlfriend, who drives Mario Cart, and do many other things. (Sheff 52)

Hiroshi Yamauchi liked this game. Although NOA, including Minoru Arakawa, thought this game had no chance to success in America, *Donkey Kong* was still sent to NOA. Only one pro gamer said it was interesting. NOA did an experiment for *Donkey King*, like it did for *Amidar*. Hundreds of orders came to NOA, Donkey Kong and Mario finally saved NOA. *Donkey Kong* not only saved NOA, but also set up a standard of Nintendo's popular games. "Story". (Sheff 57) Nintendo in the future, may not have

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the top technology, but it always favors good stories. Nintendo's game engineers are good storytellers, and story is the thing that would last forever even after technological revolution. The first *Donkey Kong* and *Super Mario* are still popular among gamers.

### **“Gotta Catch’em All!”: How Pokémon Became a Best-selling Brand**

If the Mario Series represents Nintendo's legend from 1980s to mid-1990s, the famous dialogue “Gotta Catch’em All!” or in Japanese, “ポケモン！ゲットだぜ！” could represent its late-1990s till late-2000s. On February 27<sup>th</sup>, 2022, this well-known name, Pokémon (ポケットモンスター) celebrated its 26<sup>th</sup> birthday. Last year, celebrating its 25<sup>th</sup> anniversary, The Pokémon Company (TPC) held a series of collaborations, including fashion, game collaborations, music, and off-line events, to let fans enjoy its birthday. Last but not least, TPC also released the information of two new games, Pokémon Brilliant Diamond & Shining Pearl, a remake of Pokémon Diamond & Pearl (2006), and Pokémon Legend Arceus, an open-world game known as a new try-out for Pokémon. Both became the best-selling games of the week globally.

Pokémon is not an original Nintendo game, but designed by the company Game Freak. However, Nintendo recognized Pokémon's potential, and invested in this game. Around 1990, Satoshi Tajiri, leader of Game Freak, no longer satisfied being an outsource of Nintendo, decided to create his original game. (Chawulong 126) He already had a complete plan. Growing up as an “insect professor”, he always recalls his youth:

That's about insects, animals, and other people. Going back to our youth age, think and

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act as that way, is how I decided to make Pokémon. (それが昆虫だったり、動物だったり、他人だったりする。幼少期がら振り返って、もう一度そういうふうな認識を組み立て直してたことが、「ポケモン」の原点になるんだよね。)(Miya and Tajiri 117)

Unlike the other famous games Nintendo created in the 20<sup>th</sup> Century, the first Pokémon game looked very uncommon. It looked very “Modern Japan”. By the birth of Pokémon, the industry was composed by Western Fantasy, Japanese Samurai, and Cyber Fantasy. “(Games like) Dragon Quest and Mother, are just borrowing concepts (from the west). (「ドラクエ」にしろ「マザー」にしろ世界観は、借り物なわけですよね)” (Miya and Tajiri 118) Recognizing this reality, Satoshi wished to recall to Japanese gamers “what is their own reality? (自分自身のリアリティってなんだろう)” (Miya and Tajiri 116) Satoshi did not expect his game to be such popular globally, and Nintendo at the beginning even did not recognize its potential. Satoshi expected to finish Pokémon by 1991, but in the end Pokémon Red & Green came out in 1996. It was Shigeru Miyamoto, once again, who discovered Pokémon. After the great success of the Mario series, Shigeru became one of the core personnel of Nintendo. He persuaded Hiroshi Yamauchi to invest in Pokémon. However, Yamauchi did not completely trust Shigeru’s suggestion. Nintendo itself did not invest in Game Freak directly. Rather, he let Creatures, a close company of Nintendo, to invest Game Freak. (Chawulong 126) Therefore, we see “Game Freak & Creatures” on every Pokémon game’s starting movie.

Like what happened to every original game at its start, Pokémon was not popular



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when it first entered the market in 1996. Having a sales volume of 120 thousand units at the beginning, Pokémon was just a normal game. “I recall that the initial number of units to be shipped was smaller than I’d expected. With that number of units, I imagined that they’d fly out of the shops and that stock would run dry very quickly. But sadly, that’s wasn’t to be.” (Cot) The CEO of TPC, who was the CEO of Creatures by 1996, Tsunekazu Ishihara revealed in 2009, that Yamauchi’s initial expectation of Pokémon was true. However, a small Pokémon turned everything in reverse. “There’s no denying that Mew’s existence played an extremely significant role.” (Cot) Initially, Pokémon Red & Green supposed to have 151 Pokémon, but due to the limit cartridge, the last Pokémon, was deleted from the game. Shigeki Morimoto, the program designer of Pokémon, did not give up until the end. He tried his best to debug the game, and finally he put Mew’s data in the program. Although the final version of the game had already sent for production, Mew entered the game as a bug in some units of Pokémon Red & Green. “This theoretically could have broken the game, but fortunately it didn’t. Following a special competition, 20 lucky Pokémon trainers were given the opportunity to send their GameBoy cartridges and have Mew uploaded onto them.” (Cot) Every Pokémon trainer would like to obtain a Mew, and this kind of competition ignited the fandom. Later, Pokémon was made into TV Anime and manga. Those further improved its influence. The American version of Pokémon Red & Green, Pokémon Red & Blue was on sale in 1997, and the TV Anime related version, Pokémon Yellow, revealed in 1998. The second generation, Pokémon Gold & Silver & Crystal came out in 1999 as the first generation became hot globally. Up until today, every generation of Pokémon

achieved great sales and good public recognition.

### Main series

Year	Platform	Titles	Sales (millions)	Ref	Gross (million US\$) (no inflation)	Ref	Gross (million US\$) (with inflation)
		<b><i>Pokémon Red/Green/Blue/Yellow</i></b>	<b>73.52</b>		<b>2384</b>		<b>3513</b>
1996	<a href="#">GB</a>	<i>Pokémon Red/Green/Blue</i>	31.05	<a href="#">[4]</a>	1271	<a href="#">[n 1]</a>	1983
1998	GB	<i>Pokémon Yellow</i>	14.64	<a href="#">[4]</a>	454	<a href="#">[n 2]</a>	682
2004	<a href="#">GBA</a>	<i>Pokémon FireRed &amp; LeafGreen</i>	12.00	<a href="#">[4]</a>	640	<a href="#">[n 3]</a>	829
2016	<a href="#">3DS (VC)</a>	<i>Pokémon Red/Green/Blue/Yellow</i>	1.50	<a href="#">[5]</a>	19	<a href="#">[n 4]</a>	19
2018	<a href="#">Switch</a>	<i>Pokémon: Let's Go Pikachu &amp; Eevee</i>	14.33	<a href="#">[6]</a>			
		<b><i>Pokémon Gold/Silver/Crystal</i></b>	<b>42.84</b>		<b>1990</b>		<b>2663</b>
1999	<a href="#">GBC</a>	<i>Pokémon Gold &amp; Silver</i>	23.73	<a href="#">[4]</a>	1016	<a href="#">[n 5]</a>	1493
2000	GBC	<i>Pokémon Crystal</i>	6.39	<a href="#">[4]</a>	211	<a href="#">[n 6]</a>	300
2009	<a href="#">DS</a>	<i>Pokémon HeartGold &amp; SoulSilver</i>	12.72	<a href="#">[7]</a>	763	<a href="#">[n 7]</a>	870
		<b><i>Pokémon Ruby/Sapphire/Emerald</i></b>	<b>37.74</b>		<b>1648</b>		<b>1996</b>
2002	GBA	<i>Pokémon Ruby &amp; Sapphire</i>	16.22	<a href="#">[4]</a>	689	<a href="#">[n 8]</a>	937
2004	GBA	<i>Pokémon Emerald</i>	7.06	<a href="#">[4]</a>	256	<a href="#">[n 9]</a>	332
2014	3DS	<i>Pokémon Omega Ruby &amp; Alpha Sapphire</i>	14.46	<a href="#">[8]</a>	703	<a href="#">[n 10]</a>	727
		<b><i>Pokémon Diamond/Pearl/Platinum</i></b>	<b>39.24</b>		<b>1150</b>		<b>1368</b>
2006	DS	<i>Pokémon Diamond &amp; Pearl</i>	17.67	<a href="#">[7]</a>	778	<a href="#">[n 11]</a>	945

2008	DS	<i>Pokémon Platinum</i>	7.60	[4]	372	[n 12]	423
2021	Switch	<i>Pokémon Brilliant Diamond &amp; Shining Pearl</i>	13.97	[6]			
		<b><i>Pokémon Black/White</i></b>	<b>24.16</b>		<b>1194</b>		<b>1316</b>
2010	DS	<i>Pokémon Black &amp; White</i>	15.64	[7]	759	[n 13]	852
2012	DS	<i>Pokémon Black 2 &amp; White 2</i>	8.52	[4]	435	[n 14]	464
		<b><i>Pokémon X/Y</i></b>	<b>16.58</b>		<b>953</b>		<b>1001</b>
2013	3DS	<i>Pokémon X &amp; Y</i>	16.58	[8]	953	[n 15]	1001
		<b><i>Pokémon Sun/Moon</i></b>	<b>25.31</b>		<b>1247.4</b>		<b>1265</b>
2016	3DS	<i>Pokémon Sun &amp; Moon</i>	16.27	[8]	879.4	[n 16]	897
2017	3DS	<i>Pokémon Ultra Sun &amp; Ultra Moon</i>	9.04	[8]	368	[n 17]	368
		<b><i>Pokémon Sword/Shield</i></b>	<b>23.90</b>				
2019	Switch	<i>Pokémon Sword &amp; Shield</i>	23.90	[6]	13.11		14.28
		<b><i>Pokémon Legends Arceus</i></b>	<b>6.50</b>				
2022	Switch	<i>Pokémon Legends Arceus</i>	6.50	[21]			
<b>Total sales</b>			<b>289.79</b>		<b>11,166</b>		<b>13,722</b>

(Diagram 1. Sales of Main Series (“Pokémon.”))

The graph above shows the sales of all main Pokémon series, but the success of Pokémon does not end at games. All Nippon Airways even painted two of its aircrafts with Pokémon. “It is a fall day in 1999, and a crowd of children gathers excited by a window at LAX airport. Gazing at the runway in front of them, they are captivated by a 747 just landing from Japan that has been magically transformed into a huge flying monster toy.” (Allison 2)



(Figure 1. Pokémon Jets All Nippon Airways (Rusi))

Sources tell that Pokémon Generation 9 will come out in 2022. “In Pokémon’s 26 years history, fans continue to think carefully which Pokémon they would choose from Pokémon Professor. The story of dream, friendship and love will continue in fans’ hearts.” (Chawulong 127) However, why are fans globally so fascinated with Japanese games? “As one twenty-something young man told me recently, J-pop is far more ubiquitous today. According to him, properties like manga, and anime are ‘kicking our ass’ because they are better, more imaginative, and way beyond what Hollywood can muster.” (Allison 1) Gamers from all over the world recognized the passion game designers want to share in the stories. The “manufacturer’s heart” revealed from games like Super Mario and Pokémon is the core reason why Nintendo’s games win fans recognition for nearly half a century.

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## **Conclusion**

In general, Nintendo's global success was not an easy thing. It faced a series of cultural conflicts between Japanese thinking and Western thinking. Nintendo conquered those problems by trusting local agents and finding creative game engineers. Although Minoru Yamaguchi was not an easygoing boss, all those trustable characters in the journey had firm minds to persuade him, which is why they finally succeeded. On the other hand, Nintendo are already successful in fan recognitions and revenues, but it has not influenced the whole world even today. The later parts of this paper will focus on the Chinese market, which is still an under-discovered land for Nintendo. We will see how Nintendo's strategy faced a totally different barrier, and how Nintendo's spirit from its old success helped it conquering the new land.

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## Chapter Two

### Nintendo's struggle in China from 1980 to 2010

#### Introduction

Timo (Weibo: @宸轩 Timo), a famous gamer in China who runs Nintendo Switch super topics on Sina Weibo, when being asked by *Chinichi* magazine (知日) about Nintendo's impact on his life, said "when I studied abroad, I didn't know what could I talk with my classmates. I decided to talk about Nintendo, especially Pokémon. I once had a professor who loves Nintendo's games. He always gave me high score." (Chawulong 2) Timo sees Nintendo as his connection with other people. Main editor, and one of the founders of GCORES.com, Xizongbu, tells *Chinichi* that Nintendo's games influenced his life. Nintendo Wii let his friends who never play games spent hours with him playing together. Video games now become part of his job. (Chawulong 22) People can hear Super Mario's classic opening song in a popular variety show. Teenagers wear Pikachu and Super Mario costumes during Halloween in China. (Figure 2)



(Figure 2. Luigi costume in Halloween)

There is no doubt that Nintendo's magic is a global phenomenon, and its influence in China also could not be ignored. However, Nintendo's success in China stopped at the point cultural influence. Its global business and economic success never happened in China. When Chinese kids got to know Zelda, Mario and Pikachu, Nintendo struggled with anti-piracy, and was greatly influenced by China's restrictions on video games.

This chapter is divided into two parts. The first half will look at Nintendo's commercial failure during late 20<sup>th</sup> century and the first decade of the 21<sup>st</sup> century. Fake game consoles and game cards damaged Nintendo's commercial outcomes. Nintendo would use laws as its tools to fight against those producers. On the other hand, entering the 21<sup>st</sup> century, Chinese government has placed laws that put intensive censorship on video games. Nintendo faced a hard time trying to find games that would go through the censorship. The second half of the chapter will focus on aspects other than Nintendo's business failures, namely the influence of Nintendo on Chinese teenagers born after the Opening Up and Reform Era. Teenagers got to know Nintendo's games

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by those cheap fake consoles. Their interests on games led them to produce fan-made magazines and learn information by using internet. This 20-year history is important for Nintendo's future steps in China. Like what happened when Nintendo firstly entered North America introduced in chapter one, the failure and chance are both existing, and these will make Nintendo become a better commercial giant.

### **Suber vs NES: Why Nintendo's Business Empire Failed in China**

When China entered the Reform Era in the 80s, people were attracted by the variable entertainments from outside. Like every global business did, Nintendo tried to enter the Chinese market with its new console, FAMICOM (NES). However, FAMICOM sold at 14,800 Yen in Japan, which means a gamer in China need to spend over a thousand RMB to buy the console itself, without any games on it. Nintendo FAMICOM when entering China did no localization, but set the price similar to the world. (Shen) Even today, spending 1,000 RMB for one game console alone in China is a big deal. In the 90s, the monthly salary for a college professor is about 200 RMB/month, which means even highly educated people needed to spend nearly all of their annual salary to purchase a FAMICOM. Owning a real Nintendo FAMICOM was an unreachable dream for most of Chinese.

At the same time, if you ask a teenager from the 80s what game he played, his answer must be FAMICOM (more accurately, 红白机, "Red-White Console", the Chinese name of FAMICOM due to FAMICOM's color). Although nearly nobody was



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able to own a real Nintendo FAMILCOM, everyone had a chance to own a “Red-White Console”. Suber, a company born in Zhongshan, Guangdong, in 1987, wrote on its official page that it is known for being an educational console producer in China. Its most famous product is the Suber console, which is actually a copy of FAMILCOM. Suber Console could be seen as a computer for educational use, because it did add this function to the original FAMILCOM, but that was a mere marketing method. Comparing with the real FAMILCOM, in 1990 Suber Console was one third of its price. (Ji BB)

What’s more, a real game card for FAMILCOM only contained one game, but a game card for Suber Console could have a maximum of 64. More games did not mean higher price. Besides, a game card for Suber Console only cost 5 to 10 RMB in 1990. (TV)

Producing the Suber Console created huge revenue for Suber. It made over 100 million RMB in three years only selling Suber Console. On Suber’s official site, we can see that in 1991, Suber Console is the best-selling game console in China. (Company)

Assuming one Suber Console is 300 RMB, Suber sold more than 30 thousand consoles in three years. This is to say, Nintendo lost 300 million RMB because of the “fake FAMILCOM”. Suber and FAMILCOM was just a start of Nintendo’s struggle in China. Fake game consoles and fake cards never disappeared. Nintendo is not a company which could ignore this problem. It has a long history using anti-piracy law to protect its products and benefits. In 2003, Nintendo prosecuted Lik Sang International in Hong Kong for copying Nintendo’s games illegally. Under Hong Kong’s copyright law, Nintendo won the prosecution without doubt. This prosecution is just one of the few cases Nintendo actually hit pirate merchants. Jodi Daugherty, Nintendo North

America's Legal Counsel for Copyright Law, told media that a real game card sold for 45 dollars, but a fake one usually cost 5 to 15 dollars. (King)

An economic theory says a good way to control black market is to legalize the product. Chinese gamers had a will to play, and Nintendo acknowledged their will. It prosecuted those copycats not for a moral concern, but for an economic interest concern. One year before Nintendo prosecuted Lik Sang International, Nintendo set up a subsidiary corporation in mainland China. iQue China, is the only corporation owned by Nintendo in China.



(Figure 3. All iQue Consoles from iQue's website)

Take iQue GBA as an example, on iQue's website, it says in June 2006, iQue GBA entered Chinese market with a price of about 600 RMB. Sina News introduced iQue GBA that, "iQue GBA's performance would be the same comparing with Japanese version. However, it would remove Nintendo's logo and replace it with iQue." (Sina) Comparing with FAMICOM's price, 600 RMB in 2006 is a fairly acceptable price for consumers living in coastal cities like Guangzhou, Shenzhen and Shanghai. On software side, iQue decided to produce complete domestic software, including Super Mario series, Pokémon and some Nintendo's famous games. (Sina)



(Figure 4. iQue software from iQue’s website)

iQue’s decided to localized software because of its strategy and China’s government law. Before 3DS appears, Nintendo’s consoles and software had different price in different countries. Usually, a Japanese version’s GBA could only run Japanese version’s software. Thus, in 200, Chinese government published a law called *About Controlling Video Game Industry*.

“Third, ... (8) Video game consoles should not include anything that is against Chinese law, or against “One China” and harming nation’s safety, interest or social stability. Software should not advertise sex, superstition, or violence; disrespecting ethical groups is prohibited, etc.” (Lin)

All games need to be examined by the Chinese Industrial and Commercial Bureau. Under this law, producing games is actually quite difficult. For example, iQue tried to sell Pokémon in China, but a Chinese version Pokémon software still does not exist until today. Therefore, although Nintendo did enter China with its localized consoles and software, it did not win like it did in any other places on the Earth.

Even games like Pokémon which has a suggested age of 6 could not pass the sensor

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process in China, those games that attract older gamers like Zelda, Final Fantasy Advance or Fire Emblem faced a harder situation. Only a few games would be considered by iQue to produce in China, and only some lucky ones like Mario Kart or Nintendo Dogs would pass. In the end, not very many legal copies of Nintendo's games entered Chinese market. Thus, as mentioned, iQue GBA's price is just fairly acceptable for coastal cities' consumers, but for many gamers there, iQue is not the first consideration. Lik Sang International, the company which produce fake GBA software and being prosecuted by Nintendo, is a Hong Kong company. After Hongkong returned to China, it became easy and popular for mainland buyers to travel to Hong Kong. For people living in Shenzhen, the closest mainland city to Hong Kong, they could get a pass that allow them to travel to Hong Kong for a maximum of every day. There is no such "government censor" in Hong Kong. Plus, iQue's games were usually old games that were published at least a year. For those who have money, going to Hongkong to buy latest games was a better choice.

However, iQue was not a complete failure. Although some people could choose to buy software and console directly from Hongkong, people living in inner China or cities far from Hongkong still needed to choose iQue. Both iQue GBA and iQue DS did not sell poorly, otherwise iQue would not keep producing new Nintendo consoles until 3DS. People found other ways to get latest games. In the era of NDS, a game card called flashcard emerged. A flashcard allows gamers to copy other version's games in one card. iQue DS could run these flashcards, so flashcards allow gamers to play downloaded games.

Those flashcards at some level saved the sales of iQue DS, but it caused two problems. First, it intensified the copycat problem for software. People did not need to pay for copied software, but a cheaper new flashcard. They could download games from those gamer websites directly. All they need are just a computer, a flashcard and a USB card. The flashcard in the 21<sup>st</sup> Century is better than the copies in the 90s, copying hundreds of games in one card was very easy. More information of gamers exchanging game software will be introduced in the next part of this chapter. On the other hand, the existence of GBA and NDS simulators created a shock to game consoles. With a simulator, gamers could run games that are designed for consoles on their computers.



(Figure 5. An online fandom for simulator)

An iQue console cost 600 RMB for GBA and about 1000 RMB in 2010. Chinese people were richer than the 90s, but that does not mean that 1000 RMB was a small amount. However, simulators were free for download online. Why not choose simulators to play those games? In the end, because of the reality of price and copycats,

Nintendo only got a few revenues in China, way lower than its expectation. iQue finally stopped its service in 2016. It says on its website, “dear consumers, we would stop providing any service for iQue consoles starting Dec. 31<sup>st</sup>, 2016.”



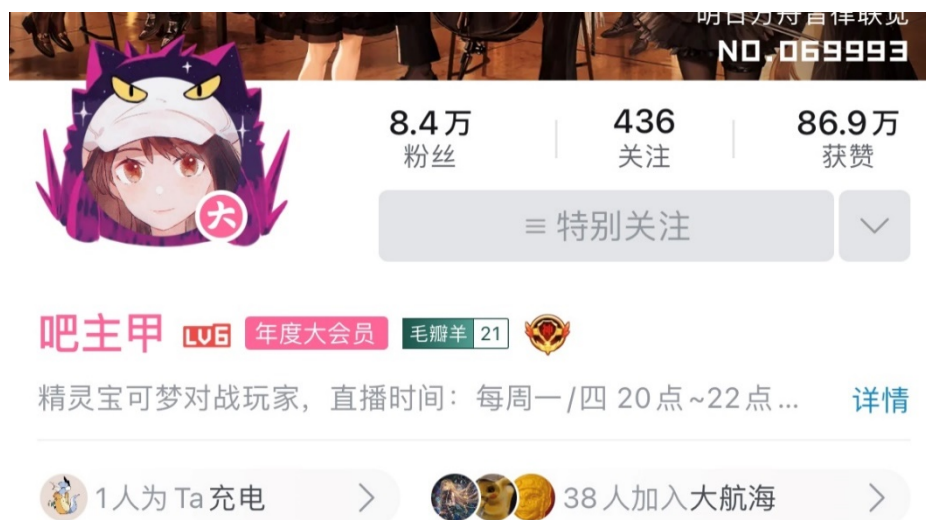
(Figure 6. Notification of ending service for iQue consoles on iQue’s website)

However, things were not all bad. Under this chaotic era in which both legal Nintendo games and copycats existed in the market, Nintendo gained a loyal fan society in China. The next part of this paper will switch its sight to the consumer side. Although Nintendo had few official strategies to promote its brand in China, the “black market” created by fans would lead to its future success in China.

## Memories of Fan-made Magazines and Chinese “Game Stop”

“I had a crazy day. In the first day of class, when facing my new students, I accidentally called myself ‘Ba Lao Shi (吧老师)’, because for the whole summer I was playing Pokémon with you all. Luckily, I stopped at ‘Ba’ and revised my speech.”

It was the beginning of the semester. Mr. Lu, who is the father of a four year old daughter, is a junior high school homeroom teacher. During the daytime, he is a young Physics teacher teaching two classes. However, he has another appearance at night. “If you play Pokémon battles, you must know this Chinese gamer.” Ba Zhu Jia (吧主甲), one of the most famous Pokémon Bilibili UP (Bilibili, a Chinese website similar to Youtube, and “UP” is how Bilibili call youtuber), his real name is Mr. Lu.



(Figure 7. Ba Zhu Jia’s homepage (Bilibili))

Ba Zhu Jia’s name became well-known since 2013 because he invented several strategies for Pokémon VGC, a battle forum for Pokémon. He has played Pokémon and Super Mario since 2000. Knowing him on Bilibili and having had the chance to meet him in person, I interviewed him about his connection with Nintendo’s games.

After the Reform Era, China's TV channels imported some Japanese anime to fill the infant entertainment channel. Pokémon was imported during the 90s. Like every primary school kid, Ba Zhu Jia told me he knew Pikachu from school. Watching the newest imported cartoons was a way to be popular at school. "I did not know Pokémon was a game in primary school, but when I attend junior high school, I bought a game magazine in a kiosk near my school. I don't have it now, but it had a Pikachu on its cover. It was my first-time knowing that Pokémon had a game."



(Figure 8. A Kiosk in Shanghai shot in 2010 (Minmin))

Kiosks disappeared after 2014 due to the boom of internet. Real books and magazines were damaged by blogging and video websites. Some big magazines turned into e-books, but more disappeared. However, for most gamers starting their career from the 90s to 2010, kiosks are their memory. "There were several game magazines. I bought *Pokémon Fan* (口袋迷), it included guides on every latest Pokémon game,



Pokémon anime and Pokémon manga. Each version gave you some presents. It could be a Monster Ball, or a small Pikachu.” Ba Zhu Jia memorized his experience with one of the game magazines. *Pokémon Fan*, ended up at vol.50 in 2014, was one of the best game magazines in China. It only focused on information about Pokémon.

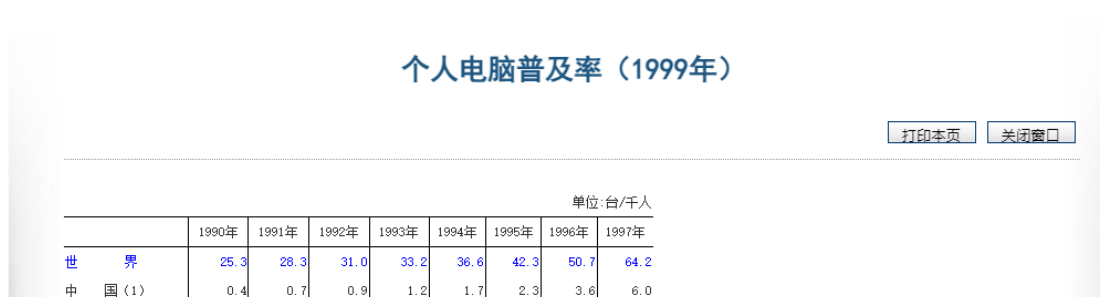


(Figure 9. Pokémon Fan vol.37 (BK))

Taking vol.37 as an example, the magazine introduced Bug type Pokémon, Pokémon Card Game, Pokémon’s naming strategies, BUGs in games, etc. *Pokémon Fan* is more of a magazine for Pokémon fans. Beside *Pokémon Fan*, the other game magazines covered a wide variety of games released by not only Nintendo, but also Sony, Capcom, SEGA and even games made by American companies. Emu-Zone was the biggest publisher. Emu-Zone was a personal blog page created by Lancezhu (龙二) in 1998, several years after Suber Console released. The whole 90s was very important

for China's modernization. Emu-Zone was an icon of the second wave of personal computer. (Zhu)

“In 1992, Microsoft released Chinese version for Windows 3.2. After the release of Windows 95 in 1995, the Chinese version released at the same time comparing with other language. Everything eased the difficulties for Chinese folks to learn computing. Computer finally become normal to Chinese in the 90s.” (Hangtongshe, 2017)



(Figure 10, National Bureau of Statistics, Personal Computer Penetration Rate (National Bureau))

According to the graph above, after Windows 95 was released in 1995, the personal computer penetration rate increased from 2.3 consoles per thousand Chinese citizens to 6.0 consoles per thousand Chinese citizens. Without the dissemination of personal computer, Emu-Zone could not be known and grown up. Born in the 70s, Lance Zhu got his higher education in the 90s. He learned how to use computer and had a chance to own a computer since then. Emu-Zone got more readers at the beginning of 21<sup>st</sup> Century, and Lance Zhu was able to know other bloggers. They then decided to publish seasonal blogs introducing latest games and collect game history. Finally, the first version of Pocket Zone (掌机地带) published in October 2003. (Zhu)



(Figure 11. Pocket Zone vol.1 (Jifeng))

It had a total of seven volumes, and many gamers said Pocket Zone was the best game magazine before *The King of Pocket Games*.



(Figure 12. The King of Pocket Games vol.232 Table of Contents)

*The King of Pocket Games* came out with a CD called Pocket Disc, which included game videos, and the book *The King of Pocket Games* introduce them in Chinese. The table of contents above is an example. Other magazines, including Pokémon Fan, usually had similar categories. Those magazines all provide presents for readers. Ba Zhu Jia remembered once a magazine provided GBA game card as a present. “Of course, it was a copy, which I know today making copies of games is wrong.” He said, “but those copies lead me to real world of gaming. They meant a lot to the first-generation gamers like me.”

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Looking carefully at the table of content of vol.232 of *The King of Pocket Games*, on the top of the right page, the editor included trended games on both 3DS and PSV. *The King of Pocket Games* provided articles introducing every game. Game magazines like *The King of Pocket Games* provided not only articles. For example, vol.232 of *The King of Pocket Games* provided both article and video on its CD for *Hatsune Miku: Miku Project Deluxe*. It gave readers a direct sense of what the game is. However, *The King of Pocket Games*, the magazine known as the best Chinese game magazine, stopped publishing in 2017. If those magazines could be saved, then it is not so bad. However, most fan published magazines had no e-copy. There are only few copies found on the internet. Most magazines “disappeared”. Lance Zhu said in an online Q&A on Zhihu that, “most fan-made magazines, including my brand Emu-Zone, are made for fun. I never thought about treating it as a business or my career. Many blogs like Emu-Zone were broken due to lack of upgrading, so most data were lost.” (Zhu) The era of paper magazines is ended. Ten years ago, internet was not as powerful as today, and many Chinese had few ways to get information for games. Nowadays, companies like Nintendo and Sony opened their official account on Weibo. Video websites like Bilibili repost their official videos. People get information easier than ever. *Pokémon Fan*, *Pocket Zone* and *The King of Pocket Games* may leave in the memories of China’s first-generation gamers forever.

Beside getting the latest games and information from magazines, Chinese teenagers could find games from a Chinese version of the store Game Stop. Actually, those video game stores were not owned by any particular brand. Ba Zhu Jia told me he could get

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some cards from a toy shop near the primary school he attended. He was not alone.

Most gamers explored games they want from toy shops.

谢柒子说不重要 2022-03-17 17:06:04

卡带我记得是40左右

lwaslike 2022-03-17 17:06:17

看容量 45-60都有

谢柒子说不重要 2022-03-17 17:06:18

基本就是木樨园批发市场和虹桥乐天批发市场

谢柒子说不重要 2022-03-17 17:06:25

然后可以拿卡带去换

谢柒子说不重要 2022-03-17 17:06:29

加个10块20的

谢柒子说不重要 2022-03-17 17:06:40

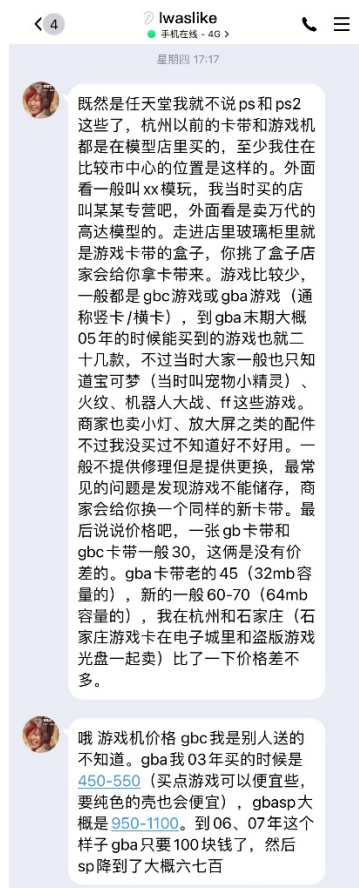
可以把用过的卡带换个新的

谢柒子说不重要 2022-03-17 17:06:57

也不是新的，就是另外的游戏

(Figure 13. Where Did Xie Qi Zi Buy Games in Beijing)

Xie Qi Zi, a gamer from a Nintendo fan chat group told me he could still remember Osmanthus Garden Wholesale Market (木樨园批发市场) and Red Bridge Le Tian Wholesale Market (红桥乐天批发市场) in Beijing (see figure 13). Depending on the size of games, cards cost him from 40 RMB to 60 RMB. Some stores, he said, allowed him to trade his old cards for new cards. “It’s not for free, and I shouldn’t say for new cards. It’s just another game.” He said, by adding no more than 20 RMB, he could get a game he never played.



(Figure 14. Finding Game Cards in Hangzhou)

Beijing and Shanghai are both metropolises. Getting latest game information is not a difficult thing. Traveling back to the early 21<sup>st</sup> Century, Hangzhou was just a beautiful city near Shanghai. Iwaslike, who lived in Hangzhou for most of his childhood, said at least in downtown Hangzhou, you usually could buy game cards at stores selling Gundam figures. “The shop I went called, I forget the name, but the last two character is ‘Figure (模玩)’. It sold Gundam and some other Bandai’s toys, but if you go deeper, you can see cases of games. If you didn’t ask, the owner would not show the cards to you.” (Figure 14) Under the strict game restriction law, sellers could not sell them on the table. However, empty game cases were described as “decorations of the shop”. In some places, if you were new to the owners, they would never show you they sold those

cards.

“Xie Qi Zi could trade his old cards for games he hadn’t play in Beijing. I couldn’t. There was not so much choice in Hangzhou. Asking about the price. Price was similar to Beijing.” Iwaslike added, “although the cards were fake, the consoles were real. A GBA SP at the beginning was about 1000 RMB. In 2006 it dropped to 600 RMB.”

There is no doubt that they bought their games from the “black market”. Sometimes players had awareness of “real” and “fake”.

Iwaslike 2022-03-17 17:08:23  
我当时看圣魔之光石首发价是7800还是6400日元  
我拿计算器一算觉得非常困惑

Iwaslike 2022-03-17 17:08:36  
我拿着比美元都小的数字买了个游戏

谢柒子说不重要 2022-03-17 17:10:31  
还有个东西，我依稀记得机器都是500多买的，但  
是出了新机器可以加200多300块钱换

谢柒子说不重要 2022-03-17 17:10:38  
我的GBP换GBC就这样的

谢柒子说不重要 2022-03-17 17:10:44  
GBC换GBA好像也可以

(Figure 15. Questioning the Price)

A game that cost 7000 JPN yen retail cost Iwaslike only 40 RMB. It is clear that there was something “unusual” for the cards Iwaslike bought. Furthermore, fake cards usually had problems. According to figure 14, Iwaslike mentioned he sometimes needed to replace a card because it was broken. Confused by those broken cards, Chinese gamers saw owning a real Nintendo game card as a big deal. Although at the beginning of 21<sup>st</sup> Century, owning a real game card seemed unrealistic for a mainland teenage gamer, this dream led a future of purchasing agents.



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## Conclusion

Nintendo tried its best in the first decade of 21<sup>st</sup> Century to do something in the Chinese market. However, Nintendo faced two unbreakable barriers. Bureaucratic law, which most international companies faced when they entered China, but what Nintendo faced is something it may never solve. The restrictions of games are connected to a realistic question in China. Parents usually criticize games for making their kids “bad.” Whether this accusation is true or not is still doubtful today. On the other hand, the economic issue was also important. The gap of average GDP between China and the U.S is still big today. Many kids in the U.S need to convince their parents to buy one game, but Chinese kids may never able to convince their parents for something that costs them thousands. Moreover, it is something “education unrelating”. Parents usually say “playing damages your goal (玩物丧志)” and “we don’t have money” to refuse kids’ wish of owning a game. Even if some kids saved their money to buy some fake cards, they still faced the risk that their parents would throw out those games. However, there is another common saying in Chinese, “the more difficult to get it, the more precious it is.” Because of the difficulties gamers had in their childhood, gamers see video games as part of their life. Even though this first trial Nintendo did in China failed, later when Chinese gamers entered the work field, and when Chinese people become richer, Nintendo would see its chance again in China.

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## Chapter Three

### Nintendo's Return and a New Era: 2010 to Present

#### **Introduction**

Although Nintendo had failed in China, it also earned a high reputation. Nintendo is never a company that gives up easily. Its past experience in North America, and how Nintendo started to produce video games formed its spirit. On the other hand, China is continuing its modernization. Not only have its GDP per capita and living standard grown intensively, the society becomes more open to popular culture. In recent years, idol culture, cosplay culture, music, and gaming are more acceptable to the public, and they are more welcomed by the mainstream.

In this chapter, we will see Nintendo's return to China. This time, Nintendo would change its strategy. This chapter will focus on four major contents. First, Nintendo's own strategy change. Nintendo would collaborate with a domestic giant to serve its product promotion. Second, technological evolution. We will examine how technology would change consumption. Third, the fan's effort in China. In a business, if there is no consumption, supply would be useless. Fans in China took their own steps to push Nintendo using its technology to serve the Chinese market. Last but not least, how Nintendo would use the new type of business models that emerged in China. Each culture has its own preferences, and a successful global business should use those differences formulating its localization strategy. Nintendo would become a "more than gaming" company in China like its goal when becoming a global giant: providing

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happiness to consumers by every aspect. How Nintendo would use these changes in China helped it enter the market in China. Therefore, this chapter will provide some advice to future game businesses on what they can do using fan culture and the internet. On the other hand, it may tell fans that they could also have an influence on game industry. They should continue to speak their voice and use both passion and logic to persuade and influence society.

### ***Collaboration with Tencent: A New Start of Localization***

In 2016, iQue ended its service in China Mainland. Although this company is still operating, it only helps to translate games into Chinese. Nintendo's first approach in China had come to an end, but it did not mean Nintendo had given up, and Chinese fans needed to wait for unpredictable time for its return. In July 2019, during China's biggest Game Expo, ChinaJoy (China Digital Entertainment Expo & Conference). Nintendo officially joined this event. It was Nintendo's first time participating in China's gaming events directly.



(Figure 16. Nintendo at ChinaJoy 2019 (Ai))

It was not a surprise to Chinese fans and media. In early 2019, Tencent had already announced its collaboration with Nintendo. “Tencent Tech, on April 26<sup>th</sup>. Tencent had announced to cooperate with Nintendo. Tencent will be the agent for Nintendo to sell Nintendo Switch in China. The offering date and price will be announced later.” (Tencent) Nintendo’s fans waited for this day for three years. Although in 2014, Chinese Government eased its restrictions on game consoles, iQue stopped its service in 2016. (Yang) During these years, Sony and Microsoft both brought their latest consoles, PS4 and X-box to Chinese market. Thus, after Nintendo Switch’s global debut in 2017, it brought a new fashion of “everyone playing together as a family”. The idea of “two in one”: putting family console and portable console in one, is something PS4 and X-box do not have.

“I believe, the collaboration between Nintendo and Tencent will be a start for promoting Game Consoles development in China,” said by Tencent’s vice president Xiaoyi Ma during ChinaJoy 2019. (Ai)



(Figure 17. The Four Games Introduced on Nintendo Switch’s Appeal on ChinaJoy 2019 (Ai))

The first four games introduced during ChinaJoy 2019 all have official Chinese versions already, and these games are well known globally. They all have a big pool of fans already in China as mentioned in Chapter Two. Nintendo mentioned that it would like to let more players choose Nintendo Switch and engage with its concepts. Satoru Shibata mentioned, “Nintendo’s concept is to make the whole family enjoy.” (Ai) Tencent is just its best fit because it controls a big portion of China’s games and social media.

Both Nintendo and Tencent are confident of Nintendo Switch’s future in China. Not only because of Nintendo Switch’s global success and Tencent’s past success in China, but also because China has changed a lot. Sixteen years after Nintendo’s first approach in China, China has grown up a lot. Not only because its GDP and urbanization, but also because people’s mindsets have changed. Sixteen years later, the kid gamers have grown up and started families. Ba Zhu Jia is already a father of a four-

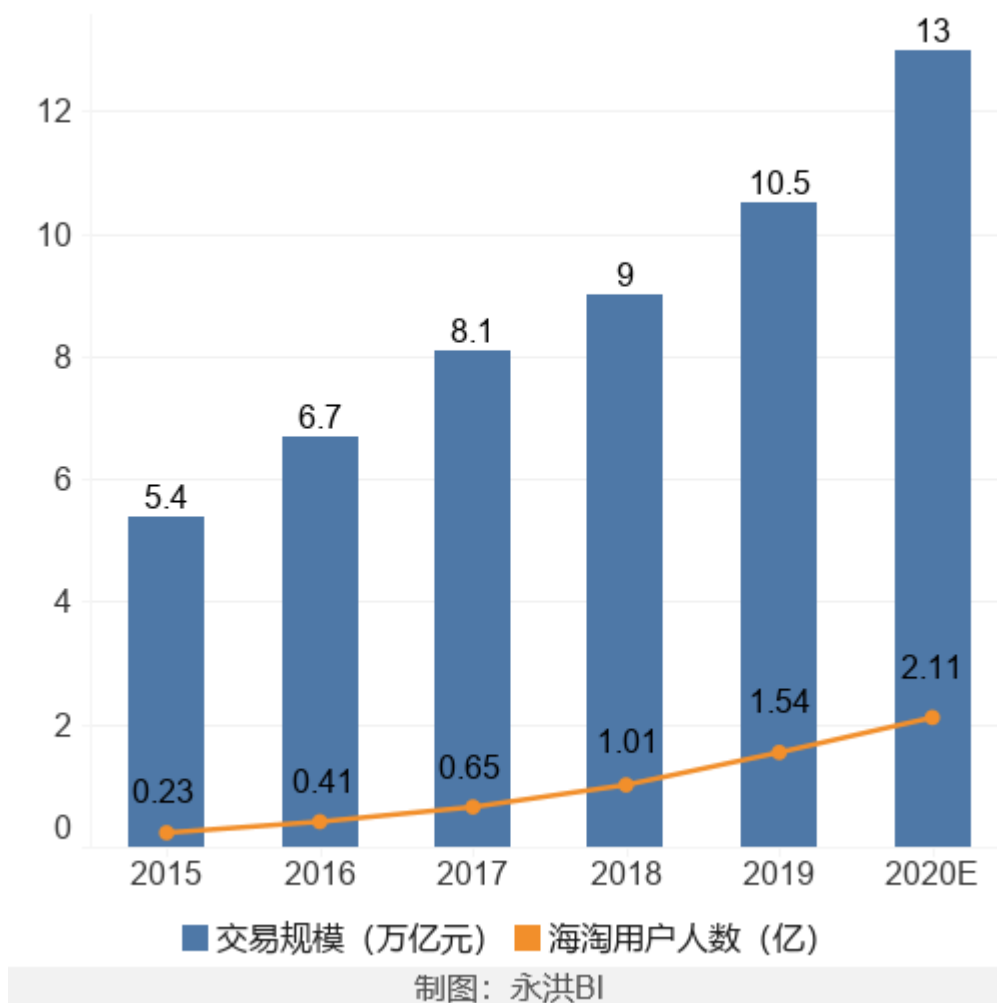
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year-old daughter. More cities have game and anime expos. Cosplays and game products are no longer untouchable to the mainstream society.

### ***Cross-border Purchasing Agents: No More Waits for Domestic Versions***

There are several aspects making Nintendo's second trial more likely to succeed in China. First, it the growth in average Income and globalization in China. After China joining WTO in 2003, China's GDP in 2020 increased 8 times than in 2000. The share of China in global GDP increased from 4% to 17.4%, only lower than the US. (Sun) The big step forward of GDP bettered Chinese citizen's daily life. In 2005, there are 310,263,000 person-time Chinese citizens leaving the country for international traveling. (Gov) In 2019, this number increased to 155 million person-time. If there was not global pandemic, the number would likely be going to increase continuingly. One reason limiting Chinese people choosing game consoles is price. Compare to China's GDP growth, price of game consoles did not change much. In 1985, an NES costed for 149 USD, a 3DS and a wii both costed for 249.99 USD, but a Nintendo Switch costed only for 299.99 USD according to Nintendo's price introductory. The price of a Nintendo console only doubled, but China's GDP as mentioned increased 8 times in twenty years. The price is no longer unacceptable to people living in urban areas. Moreover, because of the increase in international traveling, oversea purchasing agents emerged.

## 中国跨境电商海淘用户规模以及市场规模



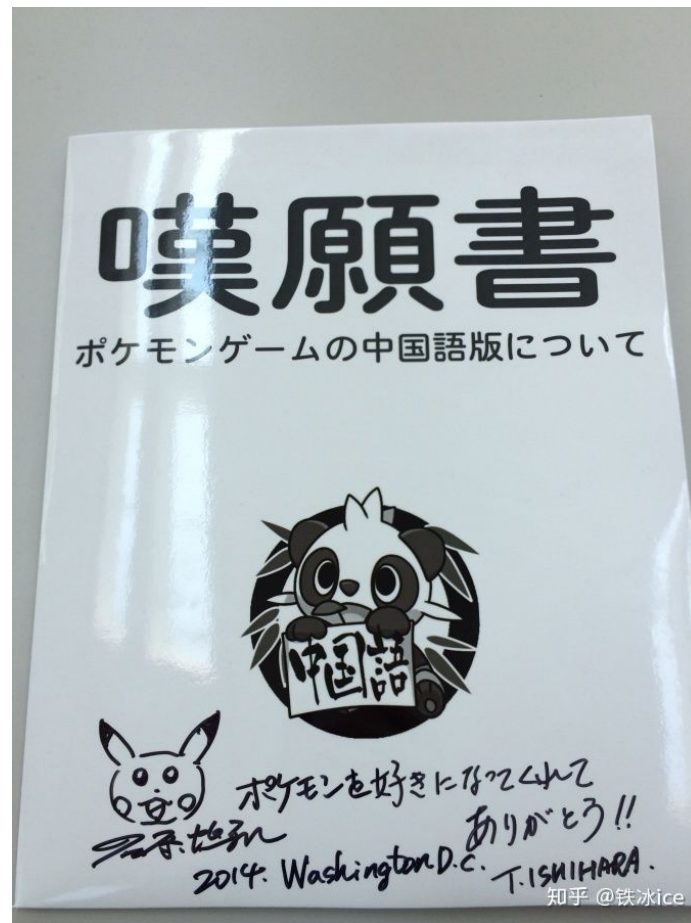
(Figure 18. Annual China's Cross-border e-commerce size 2015-2020 (Yonghong))

According to this diagram, the blue histogram refers to the annual transaction scale (unit: trillion RMB), and the orange line refers to population using cross-border e-commerce (unit: 100 million person). Thanks to the growing cross-border market, the gamers mentioned in chapter two could easily find a shop to help them buy latest games from overseas and send to their home directly. There is no need for gamers to wait for someone to copy the game.

### *Technological Evolution: No More Language Barrier*

However, purchasing agents only solved the question of how to get the game. There is still a language barrier between Chinese gamers and overseas games. Luckily, many technological improvements have solved that problem. In 2013, Pokémon released its first 3DS game, Pokémon XY. The Pokémon Company revealed that players could choose from seven languages at the beginning of the game. The first seven languages excluded Chinese. It was reasonable that during that time Nintendo had nearly failed in mainland China, and its main consumers in Hongkong and Taiwan could use either English or Japanese. However, this could not satisfy Chinese users. According to the article gamer ice posted on Zhihu, “on July 30<sup>th</sup>, 2014, mainland gamer Koutian1xiaotu started this program on mainland’s biggest online Pokémon NGA. He was based in Hong Kong, and annual Pokémon World Championship Series (WCS) would be held in Hongkong. He and his friends wanted to use this chance to persuade Pokémon to have a Chinese version.” (Ice) This idea was supported by not only gamers in mainland China, but also gamers in Hong Kong and Taiwan. By August 17<sup>th</sup>, the day WCS 2014 was held, the proposal was translated into simplified and traditional Chinese, Japanese, English and Spanish. Gamers from all Chinese areas created a website and made a film showing their love for Pokémon, and how important a Chinese version was to them. (Ice)





(Figure 19. the Proposal of Pokémon Chinese version (Ice))

Finally, this proposal was handed into The Pokémon Company's CEO Ishihara directly in Hongkong. Fans did not have to wait very long. In 2016, when Nintendo revealed the next Pokémon game, Pokémon Sun and Moon, both simplified and traditional Chinese was on the playable language list. (Dian) It was just the beginning of more Chinese games. On December 13<sup>th</sup>, 2017, Mario Cart 8 Deluxe had a new update. This update allowed players to choose their game language into Chinese. (Tang) At the same year, Legends of Zelda also announced its future update would add Chinese into the game. (Skylark)

In 2019, an update for Nintendo Switch, the console itself was added. This update allowed players to change the console's language into Chinese. Except the Nintendo e-

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shop, where you buy digital games for Nintendo Switch, still follows the language your area uses. For example, a Japanese Nintendo e-shop uses Japanese, but a Hongkong Nintendo e-shop is also a choice. (Tang) Furthermore, Pokémon's CEO Ishihara announced at the same year that in the future, all Pokémon games would include Chinese. (Dian) Only a few years after Nintendo's failure in mainland China, the Chinese market returned to an important place for Nintendo's commercial empire. Of course, technology also played an important role in this movement. The memory cards are times bigger than before. This allowed not only larger stories, but also more languages. Thus, all these updates adding Chinese were done by online updating. Faster internet played an important role here. Players do not need a data cable to download new updates anymore. In conclusion, the Chinese versions emerged because everything was ready for a tiny step forward.

### ***An Open Culture: Less Doubt about Games***

As mentioned in Chapter Two, prices and the strict auditing examination are not the only two factors causing Nintendo's first failure in China. Chinese society was not open to games. Ba Zhu Jia talked about games with his friends at school, and knowing many games made him popular, parents and teachers saw game as something interrupting kids from studying. Under the system of the Gaokao (National College Entrance Exam), any possibility that may lower one's score is not tolerable, but as first-generation gamers in China have grown up, society has changed its views on games.

In 2020, Riot Games world-rekknowned game League of Legends' global championship (S10) was located in Shanghai. On ChinaJoy 2020, Riot and Shanghai government announced this decision together. The original plan was to hold both global championship S10 and S11 in China. (Xinhuashe) Although in the end S11 changed its location to Iceland due to China's COVID-19 control protocol, it was a very big step forward in China. A global championship is a big event that needs government support, and we could see Shanghai government did everything it could to balance COVID-19 controls and game plans. During the whole event, Shanghai's mainstream media outlets spent time to advertise the event to public. At one of Shanghai's biggest subway stations, Nanjing Rd. station, the public could see special League of Legends decorations (see figure below).



(Figure 20. League of Legends station in Shanghai, 2020)

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After two years of straight victories in S8 and S9, Chinese League of Legends pro teams had won two global champions. Becoming global champions, these professional gamers had a chance to endorse brands in China. Thus playing games was not just seen as a waste of time anymore to many kids. Those professional players have shown one could also become famous and rich in China without going through Gaokao. Thus, people in China are more aware of the connection between smart and becoming a good gamer. A world champion, Chinese player Gao Tian Liang (ID: Tian) was known as a smart guy. He was known that if he did not become a professional player, he would take Gaokao and attend Tsinghua University. (Hei) What's more, gamers entering mainstream culture is just a start. In 2021, Chinese League of Legends team Edward Gaming (EDG) won S11's world championship, players were invited to participate in CCTV's Spring Festival Gala. They had five minutes to send their new year wishes and talked about their way to championship. (Tencent News) This step forward is very important to China's popular culture. CCTV Spring Festival Gala is a TV program for everyone in China. Although these years younger generations criticize it as "boring" and "just for the officials," EDG's chance was appreciated by the youth. Not only because esports is favored by youth generation, but also because EDG's appearance on the CCTV Spring Festival Gala are evidence of China's official's acknowledgement of gaming. Everything shows that China has a better environment for game related products to enter main stream culture.

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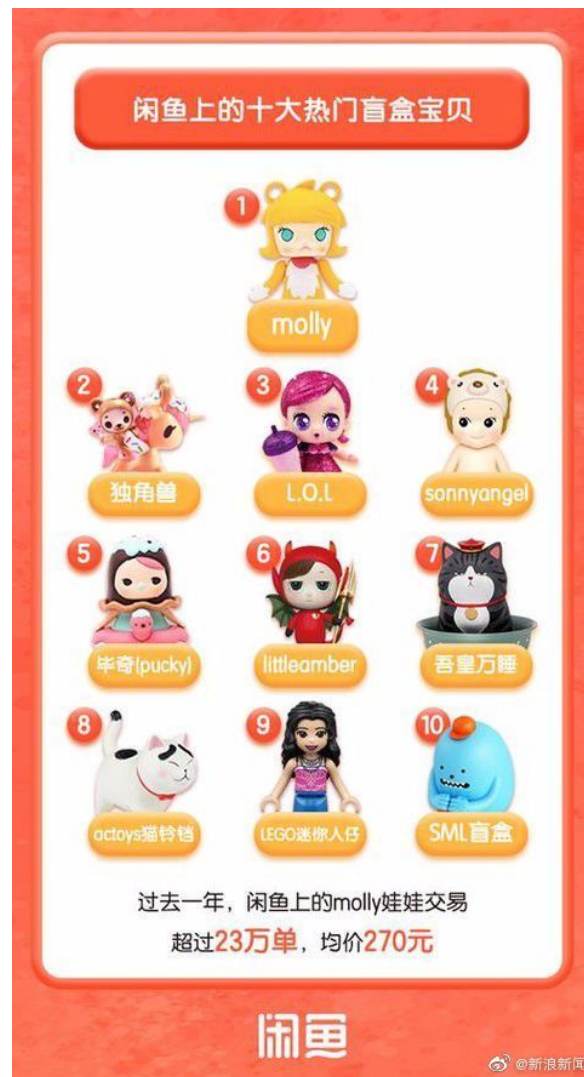
### ***Brand-related Products: New Ways for Promotion***

There is one more thing shown during League of Legends global championship. Legends (playable characters) products were very popular. Figure 21 shown fans coming to watch the finals in Shanghai, and they bought many League of Legends products.



(Figure 21. fans purchasing LOL goods (Yin))

Brand-related products have become increasingly popular in China starting in 2019. Alibaba published a report in 2019 analyzing Chinese millennials buying habits, and garage kit, which is a category including toys, office tools etc. that relate to a famous cartoon or designer. were the top product. Alibaba says on Taobao, there are about 200 thousand buyers spent 20 thousand RMB a year for a blind box, a particular type of garage kit similar to Japanese Gatcha, which consumers can get a toy out of a number of them. Consumers may not know which one they would get before opening the box.



(Figure 22. top selling blind box garage kits (Yangzi))

Figure 22 shows how popular these toys are in China. In 2019, people traded these toys for an average price of 270 RMB, and there were 230,000 trades done just on Xianyu, an online trading website by Alibaba. This is unbelievable because a blind box only cost an average of 50 RMB. However, you never know what's inside the blind box. Therefore, people trade some of the popular toys, usually because they are scarce, for higher prices. Someone may ask why people buy a blind box knowing they may not get the toy they want. Analyzer Yangzi says there are three reasons. First, a blind box is cheap. Second, because it is cheap, there is a chance for a consumer to get the toy at

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a cheaper price. This is because usually a garage kit cost more than a hundred RMB. The last reason is, people want to get all possible toys in the blind box. Of course, you may get repeated toys, but once you want to “get them all”, it is very hard to stop. (Yangzi)

Nintendo also sees this blind box culture as an opportunity. By producing world-reknoned games, Nintendo created famous characters like Mario and Pikachu. It collaborated with KFC China to produce kid menus that come with a Pikachu toy. There are usually five to six choices. The collaboration lets adults and bigger kids buy these kid menus. Thus, it is also a good advertisement to kids. They may not know Pikachu and Mario at the beginning, but when they get one of these cute toys, they start to know the game. Thus, thanks to this blind box culture, the Japanese blind box, Ichiban Sho, entered China. Ichiban Sho has many collaborations with Japanese game industries. Figure 23 is a Ichiban Sho of Pokémon. Some popular toys are scarce enough that is one out of a hundred.



(Figure 23. Pokémon Ichiban Sho 2022)

Nintendo has attained commercial success not only from blind box culture. What is behind blind box culture is the influence of a brand. Blind box is not the only way to show a brand's influence. Anta, a Chinese top line sneaker brand, has just revealed a new color for its basketball shoes GH3. The new color is a collaboration with Super Mario. (See figure 24)





(Figure 24. Anta GH3 collaborating with Super Mario (Dahaha))

In addition to sneakers collaborating with Nintendo's games, Uniqlo also sells Pokémon t-shirts every year in China. Uniqlo's t-shirts are for both adults and kids. Parents may not allow their kids to spend hundreds or even thousands of RMB for a game console, but they would all prefer a cheap and comfortable t-shirt. Therefore, Nintendo has a very open market to sell its products and brand. As Chapter Two mentions, people may never play Nintendo's games in China, but everyone has heard Super Mario's music and watched Pikachu on TV. Thus, Nintendo has more and more chances to advertise itself to Chinese consumers.

### ***Conclusion***

In conclusion, Nintendo is aware of its failure in China in the first decade of 21st Century. It sees this failure as a chance to better understand Chinese culture and market. Nintendo picks up the way it did before: finding a trustable local agent to help its domestic promotion, and this time it works. Thus, a dynamic selling strategy makes

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Nintendo more welcomed by Chinese customers. Nintendo Ring Fit Adventure, Mario Cart 8 Deluxe are both best-selling games in China. Nintendo's awareness of Chinese consumers' preferences on educational and connection helps Nintendo to success in gaming. On the other hand, Nintendo's second entry to China is a good timing. Nintendo does not need to promote gaming culture by itself as a foreigner in China. The growth of local popular culture and internet have made the way for more gaming institutes to join this market.

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## Conclusion

This project has studied the development of Nintendo in China using primary sources such as first-hand interviews, official data, and magazines, as well as secondary sources including scholarly analyses in books and journals. Research methods used include statistical analysis, comparative studies, case studies, and personal interviews. This study is not a business overview, but an investigation of the popular culture surrounding by Nintendo's games in China. The findings may be useful for the industry to make marketing strategies in China.

### *Findings and Limitations*

Having completed my study, it can be seen that Nintendo's global success was not an easy thing. It faced a series of cultural conflicts between Japanese thinking and Western thinking. Nintendo conquered those problems by trusting local agents and finding creative game engineers. On the other hand, Nintendo's spirit from its old success helped it to conquer new lands. Fake game consoles and game cards that Japanese market and North American markets do not possess became a big problem for Nintendo in China. Nintendo tried to use laws as its tools to protect its profits. It learned from its failures and collaborations with a domestic giant to go through this cultural barrier. Technology would help Nintendo limit pirate merchants and attract consumers

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as well. On the other hand, pirate merchants are not completely unbeneficial for Nintendo. Their translations and cheap price provided early gamers the chance to experience games that would be otherwise inaccessible. We can see from the interviews that gamers in China acknowledge pirate merchants, and they would like to pay for real games if they could. Without the influence of Nintendo's first entry in China, its second entry may not have been so successful. Any study has its limitations. This study focuses on the history of Nintendo's development in China, and I have focused on mostly coastal areas in China, which could not represent the whole country's conditions.

### *Suggestions for the Future*

Based on the above study and analysis, my suggestions to both Nintendo and future researchers are as the following. Nintendo must know that a business cannot succeed or fail without its consumers. It can see what fans in China did beside Nintendo's own efforts. These fan's efforts may create some changes in the future. The pirates helped Nintendo pass through intense censorship and influence its consumers. Thus, the development of the internet would be a more effective and efficient tool for product promotion. The internet provides a platform for popular culture to create its own society under the mainstream. It increased the chance for any new popular culture to survive. Furthermore, new business models emerged in China. Nintendo would use its influence to produce these products and claim its interests. Nintendo's successful return to Chinese market would be a good lesson to future businesses and to fans. For future

businesses, it would provide a solution for them to enter the Chinese market more fluidly. For fans, it tells them how they could persuade the company and change the social environment. Nintendo can do SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis in China. Like what it did in North America, Nintendo does not need to promote game culture alone in China. Domestic agents and online celebrities could all be used as Nintendo's tools in the present moment.

On the other hand, Nintendo is not the only game company trying to open the Chinese market, and Chinese game companies are trying to expand as well. Future research could investigate the different strategies Nintendo and other companies, including foreign and Chinese companies, used when facing cultural differences. As I mentioned at the beginning, I personally would like to become a game designer. This project would give anyone like me a note to the future. Despite the political issues that may exist in China, popular culture overall is hopeful and right to invest in. Anyone who wants to do something big should not avoid trying their hand in this growing market.

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