Written by Marco Attard 26 January 2017

March 2017 sees the next Nintendo games machine hit the market-- the strange tablet-console hybrid known as the Switch. Will the 127-year old Japanese company find success with the machine, or will it break it? Analysts are weighing in, and the predictions are, inevitably, varied.



First presented to the world through <u>a slick announcement video on October 2016</u>, the Switch is a machine of many parts. One can play it as one does a tablet or handheld console, but it can also be connected to a dock for home console gameplay on an HDTV. It has two controllers users can either connect to the tablet portion of the machine, use separately as Wii-style motion controllers or even use as single gamepads for 2-player action.

Whichever way one plays with it, the Switch is crucial for a Nintendo reeling from the commercial failure of the Wii U, whose global sales clock at just 13 million units during a 4-year lifespan. Will the Switch buck the trend? Analyst DFC Intelligence predicts Switch sales will reach 40m in 3 years-- behind Playstation 4 sales reaching 50m during the same timeframe, but ahead of the XBox One's 26m units sold.

However DFC also suggests caution, since Nintendo has a poor track record with product launches, even if it describes the Switch as "a compelling piece of hardware that could potentially reach a much larger addressable market."

In the meantime, Wall Street appears positive, as the Wall Street Journal says 13 firms rate Nintendo stock is "Buy." That said, one has to keep in mind Nintendo's core strength does not lie in hardware-- it lies in software and a stellar library of IP including the likes of Super Mario, the Legend of Zelda and Pokémon. As such, it can drive interest in its hardware through games for mobile devices, as it is already doing with Super Mario Run and, of course, the hugely popular Pokémon Go.

What Does the Future Hold for the Switch?

Written by Marco Attard 26 January 2017

Should things go south for the Switch Nintendo can even decide to focus its considerable talents solely on smartphones, as well as licensing its various properities in any number of profitable avenues. For example, Nintendo has already licenced its characters for theme parks through a deal with Universal Studios.

In conclusion, will the Switch be a success? Probably, but not to the extent of the Wii or Sony's console offering. But it might point out towards Nintendo's future strategy based more on smartphones and the milking of popular franchises.

Go DFC Market Brief: Nintendo Switch Overview & Forecasts

Go Nintendo Switch Projected to Easily Outsell the Wii U (Venture Beat)

Go Win or Lose, Nintendo Switch Heralds a Big Change for the 127-Year Old Company (Business Insider)