

# Testimonials

## Flexible cover essential for seasonal business

Internationally renowned entertainment and gaming brand Nintendo saw its sales in the Benelux region flourish during the pandemic, with more people stuck at home looking for something entertaining to do. Nintendo Benelux's existing partnership with Credendo – Short-Term Non-EU Risks proved to be essential in meeting this growing demand and the related increase in risk exposure, as well as helping the company continue to manage seasonal fluctuations in its business.

Based in Nieuwegein and with an office in Antwerp, **Nintendo Benelux** – a branch of Nintendo Europe – dominates sales of physical software, representing 70% of the region's total console market in 2021. Its strong regional position was only further bolstered by the impact of the Covid-19 pandemic with more people looking for something fun to distract themselves from life in lockdown.

While Nintendo had to compete with its traditional competitors, it also had to win over audiences from non-traditional competitors such as Netflix and other streaming services.

"Nintendo, to a certain extent, was the choice of the consumer and we saw an increase in sales in lockdown in the home countries," says Frank Rittinghaus, General Manager at Nintendo Benelux.

Part of Nintendo's appeal is how it positions itself in the market as entertainment for all the family, not just gamers or young people.

"We reach a really broad audience. It is cross-generational with grandmothers and grandfathers playing games with their grandchildren. That proposition makes us unique in the industry and gives us a reason we sell well," he says, mentioning Nintendo games such as 'Big Brain Academy' or 'Ring Fit Adventure' as products that are not targeting the typical gamer.

Another family favourite launched in 2020 was 'Animal Crossing: New Horizons', which attracted a lot of attention from influencers and celebrities on social media and exemplifies Nintendo's brand. "It fitted really well the needs of many in times of isolation," he says.

"Our main goal is to put smiles on people's faces. We connect people through entertainment, by playing together and having fun together," he says.

While the pandemic caused an uptick in demand for Nintendo products, the company is used to spikes in demand due to the cyclical nature of its business. The summer season in June and July sees an increase driven mainly by handheld computing devices, while there are further spikes on Black Friday in November, St Nicholas Day in early December and Christmas at the end of the year.

The launch of certain games – particularly from the high-profile franchises such as Mario and Pokémon – can also see demand rise.



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**Sandra Griffet,**  
Credit Manager at Nintendo Benelux

When demand spikes, Nintendo needs to be able to increase the credit limits for its clients for a temporary period. This is where Credendo – Short-Term Non-EU Risks steps in to help manage these increases in risk.

Nintendo Benelux started working with Credendo in 2019 when their previous credit insurer was unable to provide cover for an important customer. Credendo was able to step in with cover that is still in place today. “This was exceptional,” says Sandra Griffet, Credit Manager at Nintendo Benelux.

“They understand our needs and have a personal approach – we have a dedicated contact, which is very important,” she says, noting that Credendo respects the way Nintendo handles its own credit management.

Credendo works closely with Nintendo to ensure cover is available when it is required. For example, during low seasons, the credit limit is set at a fixed amount and then ahead of a peak season Nintendo meets with Credendo to discuss what turnover is expected and what Nintendo needs.

“Credendo is open to work with us in these difficult conditions. During a peak season it is possible that we need to double or triple the fixed credit limits and so far, it has not been a problem,” she says.

Isabelle Van Durme, Credendo’s Sales Operations Manager working with Nintendo adds: “Our relationship with Nintendo is very transparent. We have very open conversations with them about how to manage the company’s debtors and their credit limits.”

Quick decision-making is essential for Nintendo’s business, with new products being launched monthly and often released under a veil of secrecy.



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Having a dedicated underwriter is valued by Nintendo, preferring this approach to having a credit limit determined by an algorithm, as is the case with some insurers.

“Credendo looks beyond the figures and is willing to listen. If we have information that could contribute to a positive result, Credendo will always listen and try to find a solution,” Griffet says.

Currently Nintendo’s strength in the region lies in physical software sales, though the company will be looking to grow its digital content in the years ahead. Nintendo recently announced new racetracks as downloadable content for its bestseller Mario Kart 8 Deluxe – launched in 2017 – as a way of reactivating lapsed gamers and pulling in new players too.

“Nintendo is at the beginning in terms of digital migration,” says Rittinghaus, anticipating many opportunities for growth for the brand in the coming years.

