

Return to Arcadia

Faced with a moribund home game-console market, Japan's game developers have been looking back to their roots. **Tony McNicol** examines the allure of Japan's amusement arcades.

It is 5:00 PM on a Friday and business is picking up at the Gigo amusement arcade in Tokyo's Shibuya district. On one of the four floors a schoolboy seated at a fighting game is deftly dispatching his first digital opponents of the evening, a small posse of admirers standing silently at his shoulder. Close by, schoolgirls still in their uniforms are noisily crammed into a Print Club photo-sticker booth; three men

dog-walking machines to zombie-splattering shooter games; a different, bigger set of thrills from the home game console.

After a long period when arcades looked threatened by home consoles, now they are fighting back. The console market is itself languishing, having shrunk 15% in 2003 and about the same the year before. No surprise, then, that Japan's games manufacturers are looking back to their arcade roots.

Space War. Shortly afterwards, Bushnell became one of the founders of Atari, which in 1972 brought out Pong. Japan didn't enter the fray until 1973, when Taito produced its own version of Atari's arcade classic: Elepong.

At the time, Japan was in the middle of a bowling craze, and many of the country's 3,500-plus bowling alleys of the time had "games corners" equipped with mechanical games and pinball machines. The new video games slotted in easily.

By the late 1970s, breakout and space-craft-shooting games were hugely popular, and games "cafés" had popped up all over Japan. According to Steven L Kent's *The Ultimate History of Video Games: From Pong to Pokémon*, there were so many people playing Space Invaders games in 1978



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Game lovers get their kicks at the Gigo amusement arcade in Shibuya, Tokyo.

in factory overalls are trying their luck on a UFO Catcher crane game; and a young family of three is happily banging on a festival drum machine.

In 2003, there were no less than 26,359 sites in Japan with entertainment machines, ranging from multi-story "games centers" to a few surviving backstreet cafés with dusty tabletop games. The large arcades today boast multifarious amusements ranging from super-realistic train simulators and

Japanese games giants like Sega, Konami, Namco, and Taito have dominated the arcade game industry for much of its history. Yet, the first arcade games were born not in Japan but in the United States. In 1958, a scientist at the Brookhaven National Laboratory, William Higinbotham, produced Tennis for Two, a simple tennis simulator played on an oscilloscope. In 1971 another American, Nolan Bushnell, produced the world's first arcade game,

that the government actually ran out of coins. Inevitably, a crash had to come, and in the 1980s many of the smaller arcades went bust. By the 1990s, very large arcades and "mini-theme parks" were dominating the market.

The final, almost fatal, challenge to the industry came from increasingly sophisticated home consoles. Arcades found their customers were staying at home to get their game-playing thrills. With less and less to



Soccer aficionados in the World Club Champion Football: Serie A corner at Gigo.

separate the graphics and speed of arcade and home consoles, machine makers rolled out ever more curious arcade machines directed at increasingly narrow markets. Which brings us to the present and Japan's plethora of fishing games, dance and DJ machines, Print Club sticker booths, and other oddities.

Camaraderie on the Cards

In an age when console technology has overtaken arcade technology, what can arcade machine makers do? According to Sega Corp. spokeswoman Ishizawa Nana, the most important thing for manufacturers is to produce games that consoles can't imitate. For example, some of the biggest hits of recent years have been multiplayer games or games that use trading cards.

"People in Japan are taking a second look at arcades," says Ishizawa. "These games are different from home consoles because you can play them with others and make friends."

We are at the Shibuya Gigo arcade, standing in front of Sega's World Club Champion Football: Serie A. Up to eight people can play this game at any one time, seated in a row at their consoles before a big TV screen. First-time users get a set of eleven player cards for 1,000 yen and an IC chip-equipped card to hold the details of each user's squad and record so far. The game was designed mainly for twenty-five-to forty-year-old men. "I come to play with other people," says thirty-year-old Osamu, adding that he is a fan of Italian soccer.

The game has an arcade football mode as well as a manager mode, and the individual player cards can be swapped to form each user's dream team. The game has been a big hit in Italy and Hong Kong as well as in Japan. According to Sega, at present two hundred million cards are in circulation worldwide.

Alongside the World Club Champion Football terminals is the hugely popular

Mushi King (Insect King) game terminal. This game is designed for elementary-school-age boys. Users receive a beetle trading card each play, which they can use to hold insect battles based on the game of paper, scissors, and stone. "The secret of its popularity is that parents like playing it too, particularly fathers," says Ishizawa. In Japan, insect hunting is a popular pastime for little boys (perhaps of all ages). Oddly enough, the only person playing the game today is Mrs. Suzuki, the mother of a seven-year-old son with a full set of the seventy-nine Mushi King cards. But she's come alone. "I came with my son at first, but then I got hooked," she says, with a touch of embarrassment.

The arcade industry grew 7.3% in 2003. According to Kamide Hiroshi, an analyst at KBC Securities, arcade operators have boosted profits in part by shutting smaller unprofitable arcades and shifting to bigger sites in shopping malls or to separate game centers. Yet, the real growth in arcades is not actually down to new video machines. "Arcades have seen a bit of a recovery over the last two years," says Kamide, "but (revenue from) the archetypal video game is still falling. It's the prize-winning games and the token (play-gambling) games—they are the two growth drivers for the industry."

In particular, there has been a veritable invasion of "UFO Catcher" games. In 1997 the law was changed to allow better prizes worth up to 800 yen (from 500 yen previously). That and lots of dating couples and swarms of schoolgirls with a yen for soft toys has had the arcades buzzing. Makers have also been applying more imagination to the popular token games. One machine in Sega's arcade is designed to look like a Shinto shrine, complete with bell ropes. When the machine gives the signal, the most vigorous rope shaker wins a cascade of tokens.

Extended Play

But what about the huge console game market and the game design market? Can video game makers regain the initiative they enjoyed in the 1980s and 1990s? Where are the successors to Sonic the Hedgehog or the iconic Mario Brothers?

The rapidly changing console market has left Japanese companies behind, says Kamide: "Making games for consoles has become a lot more expensive than it used to be, and the risks are much higher." Also, a trend in Europe and the United States toward violent or super-realistic games has left Japan's game creators with their traditional penchant for cute-character-filled fantasies struggling to adapt. Overseas sales of Japanese designed console games have dropped precipitously.

What can arcade game makers do to catch the attention of console gamers abroad? Most of all, says Kent, they need to apply their proven imagination and innovative skills to the foreign games market: "Japanese companies as a whole, and particularly in games, have shown an astounding ability to adapt to changing markets and economies." Even though Sega has recently pulled out of the console market and been bought by Sammy Corp., a pachinko pinball game machine manufacturer, Kent doesn't believe makers will turn their back on video games. "These are great game giants. They will learn to adapt to the western market." ■

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One of a wave of new card-based games, Mushi King is aimed at the very young.