

## NEW XBOX 360 SALES TACTIC?

In a statement that surprised gamers and non-gamers alike, Peter Moore of Microsoft Xbox, endorsed Nintendo's new Wii console. Speculations circulated whether this statement by Moore was a genuine praise or a calculated move designed to offset the launch of Sony PlayStation 3. Moore even referred to himself as a big fan of the Nintendo console. He suggested that for the price of a PS3, gamers would be able to get a new Xbox 360 plus a Nintendo Wii, with some leftover for a few games. It can be recalled that Sony pegged the price of their new PlayStation at \$499-\$599, a price the company claimed to be fit for a Blu-ray console.

This move by Microsoft seemed to be another tactic to push the Xbox 360 sales higher with the imminent release of the PS3 at its heels. Peter Moore was downplaying the viability of the PS3 by pointing out the only disadvantage of the new Sony console: its price. But Moore's reason was not only consumer concern. Moore's statement also implied that Microsoft do not see Nintendo as direct threat and competitor. Perhaps he thought that having Nintendo's support would clearly buoy Microsoft's sales. Moore was right to do so in this case, since ugly numbers were cropping up in sales reviews of the Microsoft consoles.

The marketing and research firm, NPD Group supplied numbers and reports that indicated that the prized console of Microsoft lagged behind the PS2 in terms of hardware sales. Launched half a decade ago, Sony's PlayStation 2 still lets its presence be felt at the game console market. The five-year old Sony console even managed to exceed the sales of the then-brand new Xbox 360 especially in the month of May. The next-gen console sold only 221,000 units; 11,000 units less than the PS2 sales. Though Microsoft retaliated quickly by revamping shipment processes and adding a third manufacturer for its console, it wasn't enough to draw considerable margin between their sales and that of PS2.

But even if the move didn't suffice, it somewhat improved Xbox 360 console sales. Succeeding sales reviews showed that the sales of the console picked up; the influx of consoles ensuring amply supply and brisk sales. But the PS3 was touted to be a bigger threat. It didn't help either that Sony's processing systems have improved since the release of the PS2. Clearly, it became imperative for Microsoft to beef up its marketing operation to ensure their new console's top position within the next-gen hierarchy.

In conclusion, Microsoft's marketing plan included Peter Moore banking on Sony's overly-inflated ego that expected gaming fans to shell out big bucks for the PS3. Moore targeted the rival console's price when he made that statement about Xbox 360 and the Wii console. He also hoped to draw in Nintendo fans over to the Microsoft side by actively endorsing the Wii. If Nintendo approves Moore's tactic, the next-gen console battle will be a two versus one fight. Another tell-tale sign of Microsoft and Moore's pricing attack at Sony's new console was the reported price slash for Xbox 360 consoles during the holidays. The price slash was clearly planned to coincide with Sony's PS3 launch. However, the affirmation if Peter Moore's tactic worked still rests on gamers' shoulders.