

Swot analysis on the xbox essay sample

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A SWOT analysis is an examination of an organization's Strengths and Weaknesses, as well as what are the Opportunities and Threats (Schermerhorn, 2010, p. 212). To best do a SWOT, it is important to look at the history of the XBOX. When Bill Gates revealed plans for the Xbox at the Game developer's conference in San Jose, Ca. in March of 2000 no one knew exactly what to make of it. Was he mad, brave or just plain deluded? With Sony bashing Nintendo into a distant second place and Sega struggling to stay in the console arms race, his plans seemed a little crazy. But Microsoft never does things by halves, and five years on we see an industry radically altered by a powerhouse platform that many pundits wrote off before it even went into production (CVG, 2005).

On May 10, 2000 XBOX attends its first Electronic Entertainment Expo (E3) and it gets quite a bit of fan fare with people waiting up to an hour just to see what the XBOX will be able to do. At the XBOX booth there are just tech demos of games to come on a new system almost eighteen months in the future. It's interesting to note that at the TAKE 2's booth a little known PC game called HALO is being demoed for the first time without much interest. After the E3 Microsoft quickly snaps up the HALO game for its launch line-up, HALO and its sequels have become history making top sellers in the gaming industry. In September of that year Microsoft announces an impressive list of 156 game developers pledging support for the XBOX, noticeably absent were SEGA and Electronic Arts (EA). This announcement should have struck fear into Microsoft's competitors but Sony and Nintendo ignored their effort to break into their territory (CVG, 2005).

In December of 2000, twelve months before the XBOX launch, a deal is finally struck with EA to produce at least ten games a year for the XBOX. One of the most well known games to be produced by EA for the XBOX is a yearly updated release of Madden football. Over the next twelve months Microsoft also starts a major advertising campaign in Europe with X01, which is a lavish party with fireworks; DJ's playing music to dance to and a lot of money being spent to get the XBOX noticed. In March 2001, nine months before launch, Microsoft and SEGA announce at the Tokyo game show that SEGA will produce eleven games for the XBOX. This was a shock to many because SEGA's dream cast was losing sales to other game console makers, Microsoft financing played a big part in that deal (CVG, 2005).

Finally on November 14, 2001 Bill Gates attends the launch of the XBOX at the Toys R Us in front of Times Square for the low price of \$299! The event is done with style and the XBOX logo a big green X is literally everywhere. With new game titles like HALO, AMPED, and DEAD OR ALIVE 3, saw many people buying multiple game titles plus the XBOX consol on the first day. Microsoft goes on to sell over a million XBOX consol's in the next 3 weeks, it's a huge success! Over the next few months the XBOX was also launched in Japan with a fraction of the of the sales, this was attributed to marketing mistakes, an odd launch date of February, and the reluctance of the Japanese consumer to buy an American product that was dominated by Japanese companies Sony and Nintendo. The European release fared much better with fifty thousand sold the first week and continued to climb (CVG, 2005).

For the next three years Microsoft battled for second place to the industry leader Sony's play station. Ultimately Microsoft would forge ahead becoming number one in sales and quality gaming experience. Strengths; Superior marketing from two years out building up to the consol release in Times Square, Public recruiting of top game developers, XBOX and XBOX 360 both released over a month prior to Christmas making for outstanding holiday sales, XBOX was designed and manufactured by a leader in technology Microsoft giving it an instant reputation, XBOX live functionality lets you play your game on online against other players from around the world, built in hard drive to down load games and as memory storage, aggressive price cutting, and a broad range of quality titles (PS3power, 2008).

Weaknesses: Not as many game developers producing game titles for the XBOX, many of the game titles you can get for your PC which would operate better than a game console, and It's hard to break brand fans like in Japan who stand by Sony (PS3power, 2008). Opportunities: continually expanding in all countries, the technology is expanding in such a way as to be able to use twitter and down load net flix, Strong online services that make it easier for players to connect, interact and do more online. Threats; Life of the consol is approximately 5 years due to constant playability, As soon as any technology is released designers are already thinking and developing the next big thing in the gaming industry, competitors taking a different route as in the Nintendo wii doesn't support the graphics the XBOX does but it gets gamers off the couch and into the game making it family friendly, online viruses infecting the XBOX game console, and state and federal agencies

regulating the gaming industry on the level of graphics, violence, age group and story line associated with a given game title (PS3power, 2008).

References

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