

The Development of PS in the Current Game Market

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Abstract. This paper mainly discusses the current issue and future development of PlayStation of Sony. The two main competitors of Sony's PlayStation are Nintendo and Microsoft's Xbox. Sony previously occupied approximately a half of the whole market share, which surpassed the market share of Nintendo and Xbox respectively. In 1994, PS successfully defeated SEGA and Nintendo in Japan and became the overlord of the game industry at that time. In the following decades, Sony launched PS2, PSX, PS3, PS4 and other excellent host products and the global sales volume of PS2 hosts was 158 million, which exceeded all hosts and handheld machines. However, Sony is now in a recession and many problems occur. PS experienced a decline in game quality and Sony added many of its exclusive games to the PC side for distribution, causing dissatisfaction among many PS host players. Simultaneously, Microsoft's XGP subscription system became a great success. At this urgent time, some great leaders of Sony decided to reform strategies of the company. There are failures and obstacles during this period but we are likely to witness the re-rising of Sony's PlayStation. You will find more interesting details in our paper.

Keywords: Sony's Supply Chain Management; Introduction.

1. Introduction

At present, Sony, Nintendo, and Microsoft are the core enterprises in the global console game industry, among which Sony and Nintendo are Japanese enterprises and Microsoft are American enterprises. The game consoles and game products of the three enterprises have their characteristics. Nintendo is the oldest enterprise. For example, the bulky learning machine and most games are full of the childhood life of many players. The game style is mainly cartoons. In addition, the game Mario series is one of the company's signature products; the Nintendo Switch, a game console, is a well-known game console, which realizes the innovation of combining handheld and host. Become one of the most popular handheld devices. Sony's main business is games and consoles. Relying on the PS series console platform and handheld platform, Sony monopolizes a large number of game developers. Its games have a wide range of types and high-quality works. Although games are not Microsoft's main business, they are still one of the major console game companies. Its games have a large circulation, and Microsoft's game console is famous for its performance. The console type is the Xbox series, which is the main competitor of Sony PS. In the analysis report on the global game console market released by ampere analysis, the global console market will grow to a record \$60 billion in 2021. Among the major console game companies in the console hardware, software, and service market, Sony accounts for about 46%, Nintendo 29%, and Microsoft 25%. So Sony is still the most successful company in today's game market. And with the advent of the digital era, game users are no longer limited to physical media such as CDs, but also download games through the network, which reduces the research and development costs of game manufacturers and will have more funds to improve the quality of games. The birth of PlayStation can be traced back to 1989 when Sony was still a company focusing on research and development of technological products. At that time, Nintendo found Sony and asked for cooperation. However, due to some reasons, the cooperation

between the two sides was soon terminated. But it also inspired Sony to make games and game consoles. So after five years of precipitation, the first version of PlayStation was launched in Japan. Subsequently, it was listed in the United States and Europe. At that time, PlayStation relied on excellent performance and appearance design. It not only successfully defeated SEGA and Nintendo in Japan but also became a generation leader in the game industry at that time. In the next few decades, Sony immediately launched PS2, PSX, PS3, PS4, and other excellent host products. With Sony's excellent game production and its many IPS, PS series consoles won the favor of a large number of consumers and once became the most famous console at that time. And the global sales volume of 158 million PS2 hosts exceeded all hosts and handheld computers. Become an eternal legend. At the same time, Sony released Playstation Portable (PSP) in 2004, which became a popular handheld game. In the promotion of Playstation, Sony has also cooperated with UEFA, Balenciaga, and other internationally famous brands and events, thus gaining more international popularity [1].

However, in today's game market, Sony has begun to go downhill. PS not only has a decline in game quality and hair cycle but also has added many exclusive games to the PC side, causing dissatisfaction among many PS host players. At the same time, Microsoft launched the XGP membership subscription system, so that as long as you subscribe to XGP, you can play many of its games for free, causing a large number of players to want to buy Xbox. However, the PS + subscription system launched by Sony is not loved by players. Meanwhile, Sony announced an increase in the price of PlayStation. These factors indirectly led to the stagnation of PS host sales and the decline of the company's reputation.

2. Sony's Competition with Microsoft

2.1 Sony's Crisis and Opportunity

The quality of the game, the release cycle, and the abandonment of exclusivity all contribute to the degradation of the quality. On the one hand, Sony once faced pressure from Japan's economic problems, on the other hand, many economic changes threatened the technological standards in the electronics industry [2]. Nobuyuki Idei constantly expected development of Sony in the future and began a drastic revolution in PS. His thoughts of Sony's need for continuous comprehensive innovation is commendable, but its advanced strategic goals have shaken the huge Sony empire. In 2005, Howard Skinger replaced Nobuyuki Idei as president and CEO. In the face of Sony's declining performance, Skinger, who successfully operated Sony Entertainment in the United States, began to cut Sony's costs to develop PS. At the same time, he inherited Nobuyuki Idei's chiefs of combining content and hardware and kept asking for it. Sony tried to innovate and develop but failed. Kazuo Hirai successfully operated PS3 before becoming CEO.

2.2 Kazuo Hirai's Strategy

Long periods of out of stock problems led to a decrease in user's experience feeling. Actually, the game console business turned Sony's gaming business into a profit. Kazuo Hirai started the internal integration of what he referred to as a defense strategy. And meanwhile, he transformed the strategy from "content-oriented, supported by technology" of "Only One Sony", that means, the integration of all Sony's resources is able to launch new electronic products. Sony's innovative advancement attempts in the transformation period are still continuing, and it is unknown whether Kazuo Hirai can let Sony take off again as well. Although Sony has many types of business, Kazuo Hirai is noteworthy. He holds a view that Sony derived from the electronics industry. A great breakthrough has been made in this transition period. "The situation was critical but viewed differently, there was a huge magma of passion. I found that Sony was still valuable." said Kazuo Hirai [3]. So all Sony's resources can be integrated to launch new electronic products. Sony's innovative development aims to develop the transition period, and it is also unknown if Kazuo Hirai could make Sony take off again.

2.3 The Transformation of Sony

Thanks to Microsoft's innovation, PS gradually lost its appeal to customers. The positioning is noteworthy. Sony originated in the electronics industry, and Sony's revival should be carried out by restoring the spirit of its founders and restoring Sony's purpose. At the same time, Kazuo Hirai's understanding of Sony's business units is different from that of Sony's founders. Unlike the content serving the electronic hardware department in the era of product fragmentation, Nobuyuki Izui hopes to integrate all Sony's resources to initiate a new electronic department, so as to conform to the technical standard of the digital age. People are looking at Sony's innovative development achievements in the transition period. After the transformation, Sony's technological innovation and development characteristics not only continue the original ingenuity and differences, but also add integrated innovation and destructive innovation and the enterprise's own creation and development needs. Meanwhile, the technological innovation and advancement of Sony in the new era needs the combination of Sony's existing technology and the development of original and market-destructive new technologies, which can update new technologies in innovative fields for Sony. At the product level, it requires Sony's existing technical resources [4].

2.4 Microsoft's Compression of Sony

Microsoft XGP membership subscription system for Sony to suppress Sony, so the failure of the PSP caused Sony to lose the competition with Microsoft. Since Nobuyuki Idei, Sony's fourth-generation leader, began to transform Sony, Sony's technological innovation and development path has always been biased. Nobuyuki Izui's strategies to develop PS is extremely advanced, and there also lacks direct understanding of Sony's own situation about PS. Nobuyuki Izui is willing to use network technology to connect all Sony's products, which has made Sony's technological innovation power unable to concentrate, and its original technological innovation strength has been accumulated on the long product line. Skinger then believed through research that Sony's main problem lies in corporate culture and organizational management. At the same time, it believes that Sony's future positioning should be a content-oriented and technology-supplement network entertainment company, so Sony's hardware technology team is more required to cooperate with content production.

3. Sony's Supply Advantage

Sony Corporation's supply chain management focuses on ensuring appropriate standards are met throughout the manufacturing process. The company focuses supply chain management on human rights activities, internal labor conditions, and environmental standards. The company has also developed its own set of global standards to manage its supply chain management activities. The Green Partner Environmental Quality Approval Program is one of their developments. The Green Partner Environmental Quality is to ensure that suppliers can maintain the global standards for purchasing electronic parts. Which can also ensure that Sony has genuine suppliers of various electronic parts who can supply authentic materials [5].

Previous Close 10,470.00	Open 10,395.00	Volume 3,201,200.00	3 Month Average Trading Volume 73.29
Shares Out (Mil) 1,236.48	Market Cap 13,127,860.00	Forward P/E 14.31	Dividend Yield 0.62



Fig. 1 Sony Group Corp Statistics

To make certain that suppliers adhere to international standards while purchasing electronic parts, the company established the Green Partner Environmental Quality Approval Program. This might assist the business in creating its own set of international standards to control its supply chain management operations. Suppliers can take part in the company's quality approval program if they have been approved through an audit evaluation and designated as Green Partners by the company. This guarantees that Sony has reliable electronic part vendors who can provide legitimate materials.

A Sony Supplier Code of Conduct was also developed by the business to help suppliers know what components and materials to bring to the various processing areas of the business. The Sony Supplier Code of Conduct might aid in ensuring that the products are accessible in numerous markets worldwide. The promotion of supplier initiatives and the organizational growth of the business' supply chain management operations can both be ensured by the Sony Supplier Code of Conduct [6].

In contrast, Sony has a lower market share and sales volume when compared to Samsung and LG. To combat the ongoing threat posed by Samsung's LCD screens, Sony should invest in components and materials that ensure high-quality images and pictures, as well as audio features [7-9].

Sony should also improve the quality of PSP launch games in order to compete with the Nintendo Wii and Xbox360 with a better game lineup than Microsoft's products. The developers of the game have included a system that supports automatic software updates to ensure that the PlayStation 3 has the best console version of the PSP available on the market. Sony should also review the hardware used in the game console's development to ensure that its expenses match its revenues. As a result, its retail price will be comparable to the Nintendo Wii and Xbox 360 [10].

4. Conclusion

The study introduced the relevant information about Sony in detail, including Sony's competitors, the establishment of Playstation, and the sales analysis of Playstation. At the same time, it raised the current problems for Sony. For example, problems such as the quality of games, the release cycle, and the abandonment of exclusive rights lead to a decline in the quality of games. Long-term out-of-stock leads to a decline in the user experience. The continuous innovation of Sony's rival Microsoft makes Playstation lose its appeal to customers and Microsoft's pressure on Sony on member subscription systems. Therefore, the paper puts forward suggestions on Sony's supply chain

management, and green partners can ensure that Sony has real suppliers of various electronic components to a certain extent. At the same time, Sony's supplier code of conduct can ensure the promotion of supplier initiatives and the organizational development of enterprise supply chain management operations. In terms of games, Sony should still improve the quality of released games and adjust the retail price to a reasonable position. The study also sought to evaluate Sony Corporation's supply chain management activities by looking at the product categories sold and supplied by the company, including the countries in which Sony Corporation operates. The study also looked at Sony products that were potentially dangerous and why they were dangerous. It also made recommendations for how the company can address these risks.

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