

## Microsoft seeks to win over new players at gamer gathering

August 22 2024, by Kilian FICHOU



Microsoft announced that the new versions of its consoles including the Xbox Series X will be available from October 15.

Microsoft held its biggest video game stand ever at the sector trade show Gamescom in Germany on Wednesday, aiming to win over players after several rocky months of studio closures and rising fees.



"We run a business. And it's definitely true inside of Microsoft, the bar is really high for us in terms of delivery that we have to give back to the company," Xbox chief Phil Spencer said during a live event at the show.

"There is a lot of pressure on the industry. It's been growing for a long time and now people are looking for ways to grow," he added, defending the US giant's strategy.

Microsoft took fans by surprise on Tuesday when announcing that its year-end blockbuster "Indiana Jones and the Great Circle", initially meant to be an exclusive for its Xbox console, would also be made available on rival Sony's PlayStation 5 in spring 2025.

The decision follows a shift that began in February with four of its games being made available to rival consoles, marking a strategic turning point to attract players to Xbox with exclusive titles.

The move is aimed at increasing the profitability of its games amid flagging console sales.

## 'Big bet'

After completing in October the \$69 billion <u>takeover</u> of gaming publisher Activision Blizzard, maker of gaming hits such as "Call of Duty" and "Candy Crush", Microsoft has faced a series of hurdles.

The takeover resulted in cuts of 1,900 jobs in January.

Then in May, Microsoft closed four studios of publisher Bethesda, which it acquired in 2020 as part of a \$7.5 billion investment.

The announcement of the upcoming release of "Call of Duty: Black Ops 6", the first in the series to be available on Microsoft's platform Game



Pass, coincided with an increase in service fees.

At the end of February, the service had about 34 million users, far short of its goal of reaching 100 million clients by 2030.

The move to release Call of Duty on Game Pass is Microsoft "pushing all of their chips in", said Mat Piscatella, an analyst for market research firm Circana. "This is their big bet."

Call of Duty's performance on the platform will determine the future of the formula and its viability, he said.

"I think it's evolving as the subscription market hasn't grown at the rate that some have expected," Piscatella said.

Microsoft also announced Wednesday that the new versions of its consoles unveiled in June, which include the Xbox Series X without a Blu-ray player, will be available from October 15.

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