

By: ~~May 2008~~ Dumitrescu, Games Editor

Analyze That: Cut the Prices of Gaming Consoles

It seems to be the only way to make everyone happier

The NPD, which charts both console and videogame sales in North America, has released its numbers for April and we did a [rundown](#) of those earlier in the day. Most of the commentaries on the Internet are focusing on the way Nintendo, through both the Wii and the DS, is creaming the competition, meaning the Microsoft Xbox 360 and Sony PlayStation 3. And it really is so, as Nintendo managed to push more than 1 million units of its games consoles while its adversaries are hovering around the number of 188,000 games consoles sold. But there's another element in the numbers that might become interesting. PS3 and [Xbox 360](#) sales have been slipping since March, by around 20%. This is unusual because of the fact that both consoles see this reduction in sales and because, traditionally, after a dip following the holiday season, console sales are usually stable or even rising a little as summer approaches. It's also worth noting the fact that April saw the launch of Grand Theft Auto IV, one of the most anticipated games of the year, a game that has generated more than 2.5 billion sales in North America in just 5 to 6 days from release, on both the platforms it was launched on. The game also broke sales records in England, where it managed to push more than 1 million copies, which is pretty impressive. The performance of the game even sparked a [battle in the "format war"](#) between the Xbox 360 and PS3, which is still being fought. Microsoft is bragging that the game [pushed Xbox sales](#). But, according to the NPD, the console lost sales during the month of March. The fact that a hyped up, expected launch that generates extensive game sales does not also generate any visible and clear pick up in console sales is a bit worrying. This is all the more so especially to Microsoft, a company that has invested heavily to associate the game with the Xbox 360 and that had hoped in such a pick up following the few months that saw the PS3 beat the Xbox in sales. It might mean that all the gamers that had the resources to get a console already have gotten it and now they are content with playing the games that come out. The console from Microsoft is about three years old, while the Sony console is approaching two years of age, which means that they have at least the same shelf life ahead of them. To continue to make them competitive against the lower priced and more sales-successful Nintendo Wii might just coincide with that moment when both Microsoft and Sony began contemplating generously cutting the prices of the consoles that they make, while continuing to make money from the sales of games for the respective platforms. It would really be a win-win situation. More gamers would have access to console and more games would be sold as a result. Gamers win and developers win. As long as Microsoft and [Sony](#) are still producing games they might have a shot at bigger sales and bigger profit.