

Will The Xbox One Rule The Living Room? Price Will Determine The Size Of Its Kingdom

Written by Administrator
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The [Xbox One is more or less a known quantity now](#) , but its price has yet to be revealed by Microsoft. Price and ship date are always the biggest concerns when new gadgets or hardware hits the market, but in the case of the Xbox One, it's likely to help determine whether the "home entertainment system," as Microsoft is characterizing it, becomes the category-busting, revolutionary, multipurpose living room command center it's being billed as, or ends up just another console with niche appeal that makes it a target of lust for core gamers, but few outside that circle.

The Xbox One continues what Microsoft started with the Xbox 360, building in plenty of non-gaming services, apps and tools that could appeal to a broad range of audiences, including sports fans and people who just generally enjoy media content of all stripes. The Kinect interaction potential looks to be able to provide pretty extensive feedback for athletes and people training, and its new voice-recognition tricks offer a chance at a completely revamped way of interacting with the television. Microsoft also looks to be courting partners for a la carte TV content delivery, which is a huge potential alternative market to traditional cable and satellite providers.

New features of the Xbox One are clearly designed to cast a wider net and rope in people who might not care all that much about games. But price will determine whether Microsoft actually lands those customers or whether the Xbox One remains a gaming machine first, which just happens to provide gamers with a number of other benefits besides.

Rumors have pegged the new Xbox One pricing at anywhere from less than the initial cost of the Xbox 360 and PS3 (each [was around \\$350 U.S.](#)), to [\\$770](#) (likely a high guess to prevent sticker shock later on) as it has been listed on Amazon Germany, to anything in between. A gap of just a couple hundred dollars could make all the difference here: Users who aren't so interested in the gaming aspects have plenty of options now for over-the-top services from providers, including Apple, Google and Roku, all of which offer similar access to custom

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content, if not the unique interaction methods and Snap multi-information streams of the Xbox One. And most of those are available for around \$100 or less, which will have a significant impact on buyer choice.

It's possible that what Microsoft wants is to [append a layer on top of live TV](#) , similar to what Google initially attempted with Google TV, as our columnist Tadhg Kelly suggested in his column earlier today. But I think Microsoft is doing much more feeling out with the Xbox One, with a variety of services and a focus that could easily shift depending on where consumers take it. But getting them there in the first place involves either pricing the console right or demonstrating irrefutably that the value added by the console and its services make up for a steep premium over other alternatives.

I'm not convinced Microsoft has the guts to price the Xbox One where it needs to be to truly start breaking down device category walls, but we'll see if they surprise us when they talk price, which could happen as early as E3 next month.