



Marketing Management

CASE STUDY

Summer Semester '24

Team Wolverine

Supervisors

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This case was presented at Research Area Technology, Innovation, Marketing, Entrepreneurship (TIME) at RWTH Business School

Agenda

1.	Introduction to Case Study
	Market Research
	Goal Formulation
2.	Market Segmentation + User Persona – Creator
	Market Segmentation + User Persona - Consumer
	Challenges and Solution
	Competitive strategies
3.	Product Line Strategy
	Pricing Strategy
	Financial Objective and marketing Strategy
	Conclusion



Case Introduction



01

Market Position

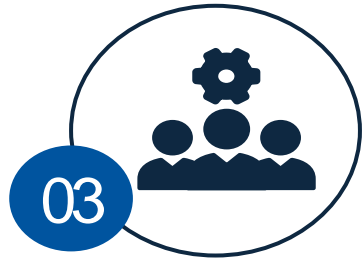
- Leading market share in gaming and entertainment.
- Net worth **\$86.9 bn.**



02

Existing Competencies ^[1]

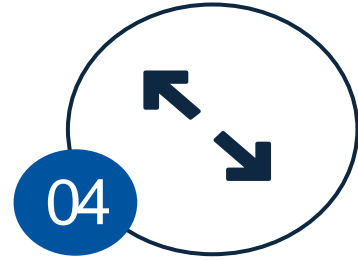
- **Existing Ecosystem :** PSN, Sony Liv.
- Robust presence in gaming and entertainment.



03

Strategic Goals

- Dominate the **content creator** market.
- Year on year growth rate.

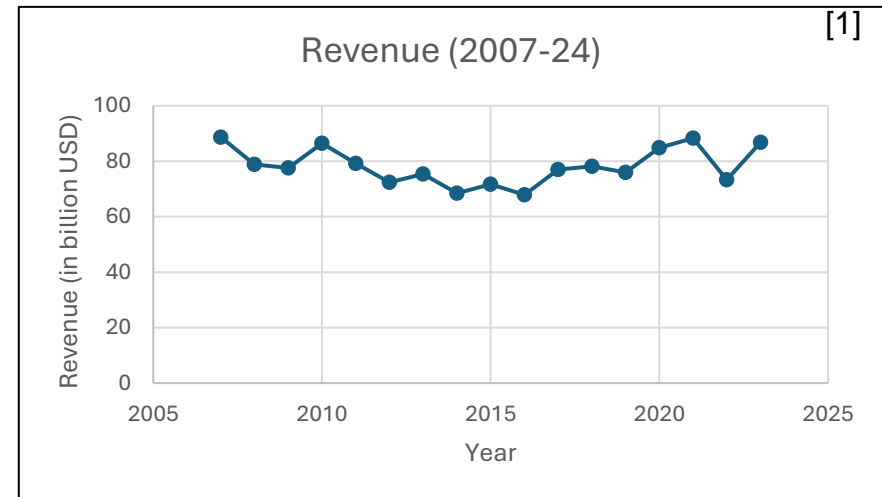
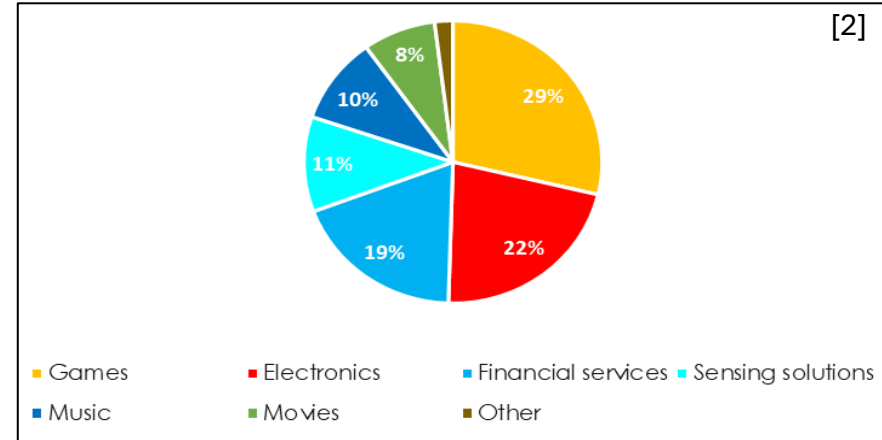


04

Expansion

- Launching dedicated products and services.
- Signing existing content.

SONY



[1]-<https://www.statista.com/statistics/279269/total-revenue-of-sony-since-2008/>

[2]-https://static.seekingalpha.com/uploads/2022/2/10/48493874-16445135814146597_origin.png



Why PlaySphere?

- Un-tapped market
- Stagnant revenue
- Need of a new product line
- Dominate and lead the emerging market
- Provide sustainable solutions for future

Sony, with its robust presence in gaming and entertainment, is uniquely positioned to dominate the content creator market by launching dedicated products and services tailored to their needs. With recent growth showing signs of stagnation, much like Sony missed the digital music revolution to Apple's iPod, we risk losing a similar opportunity here; by acting now, we can lead this rapidly growing segment and secure a significant new revenue stream.



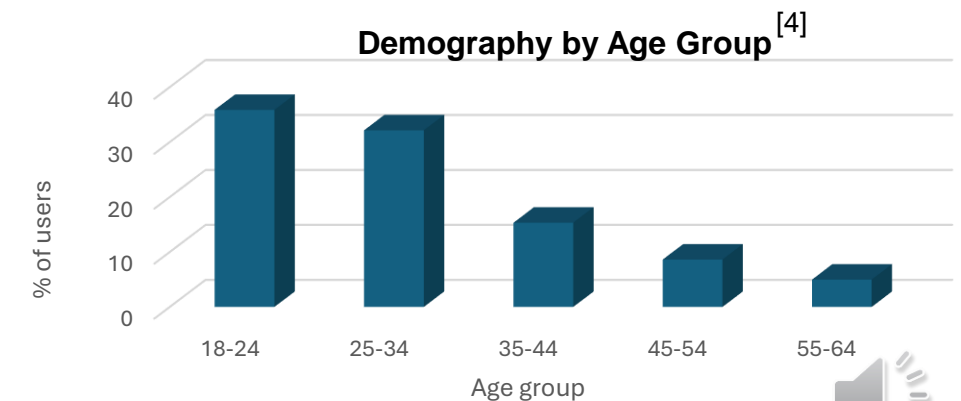
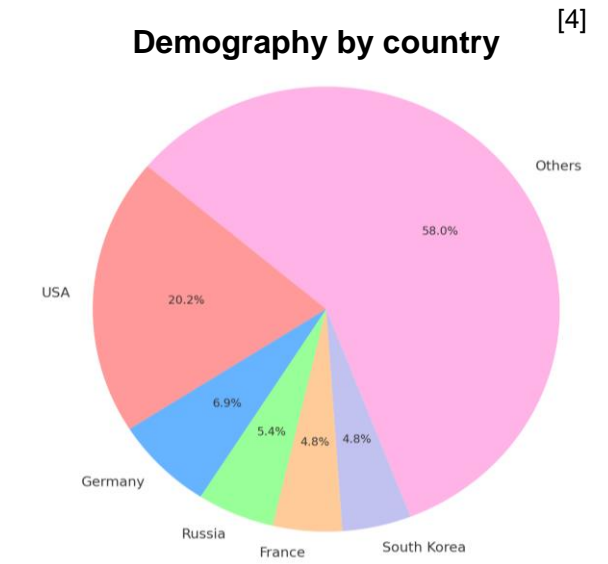
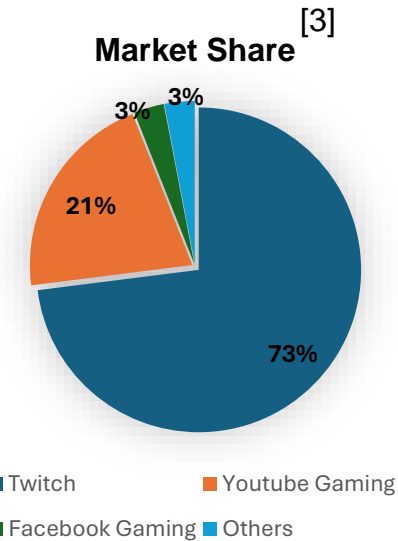
Market Research

Internal research sheds light on demographics of users

As-is situation

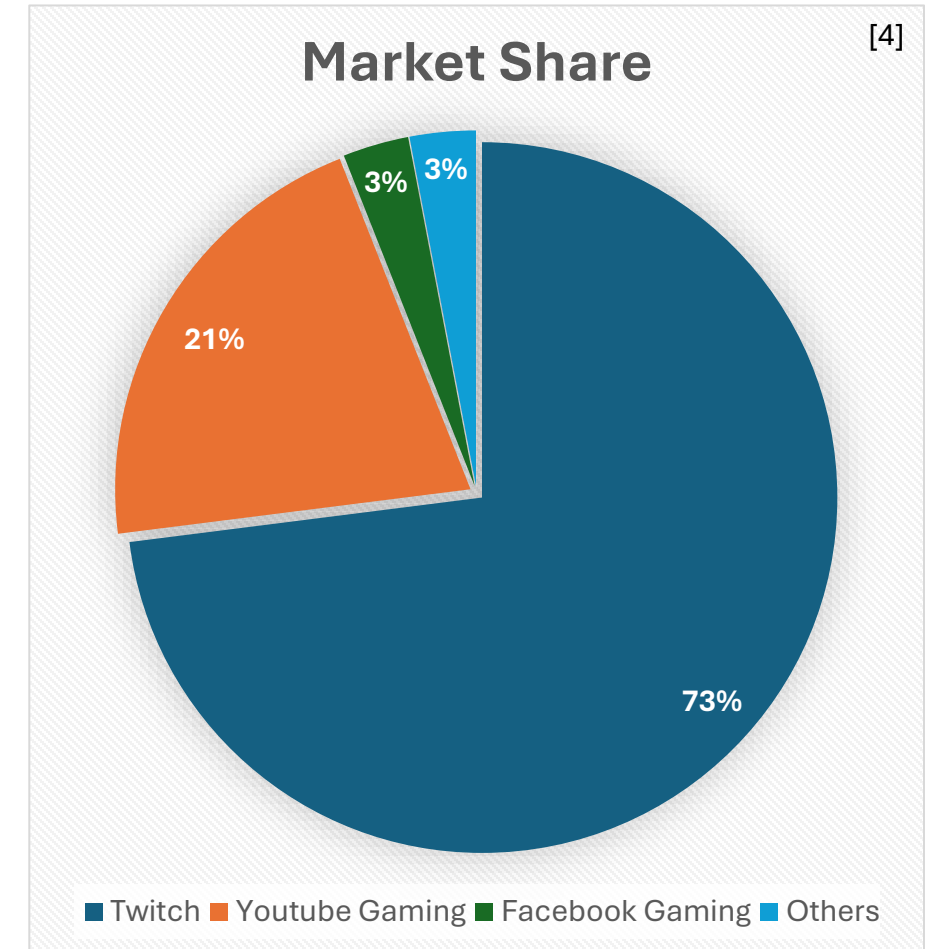
- **Live Streaming Market** → **Good**
(Streaming Market Size was valued at USD 71.62 Billion in 2023.)
- **Projection** → **High**
(The industry is projected to grow from USD 90.01 Billion in 2024 to USD **559.63 Billion** by 2032)
- **Users** → **High**
(80.08% of Twitch users are male, and 19.98% are female as of July 2023)
- **Gaming Video Content Market** → **Favourable**
(Market is valued at USD 10.81 Billion in 2021 and expected to reach USD 44.76 Billion in 2028 with the **CAGR of 22.5%**)
- **Revenue Streams** → **Multiple**
(Main Revenue mediums includes Gaming content, including ads and direct user payments like Super Chats.)

Sources : [3]-<https://www.linkedin.com/pulse/boom-live-streaming-market-size-whats-driving-growth-sippi-thomas-urnmf/>
: [4]-<https://www.streamscheme.com/twitch-statistics/>



Video on demand competitors and their market share:

1. Twitch –
 - Main focus on gaming, real-time community interaction, diverse monetization options, and robust infrastructure for high-quality, low-latency live streaming.
 - Active streamers on Twitch has grown from three million in 2018 to 7.59 million in mid-2023.
 - The revenue recorded was \$2.8 billion in 2023 up from \$1.5 Billion in 2019 and \$0.1 Billion in 2016.^[5]
2. YouTube Gaming –
 - Main Revenue mediums - Gaming content, including ads and direct user payments like Super Chats.^[6]
 - YouTube Gaming Live had approximately 40 million monthly active users as of 2022.
3. Facebook Gaming



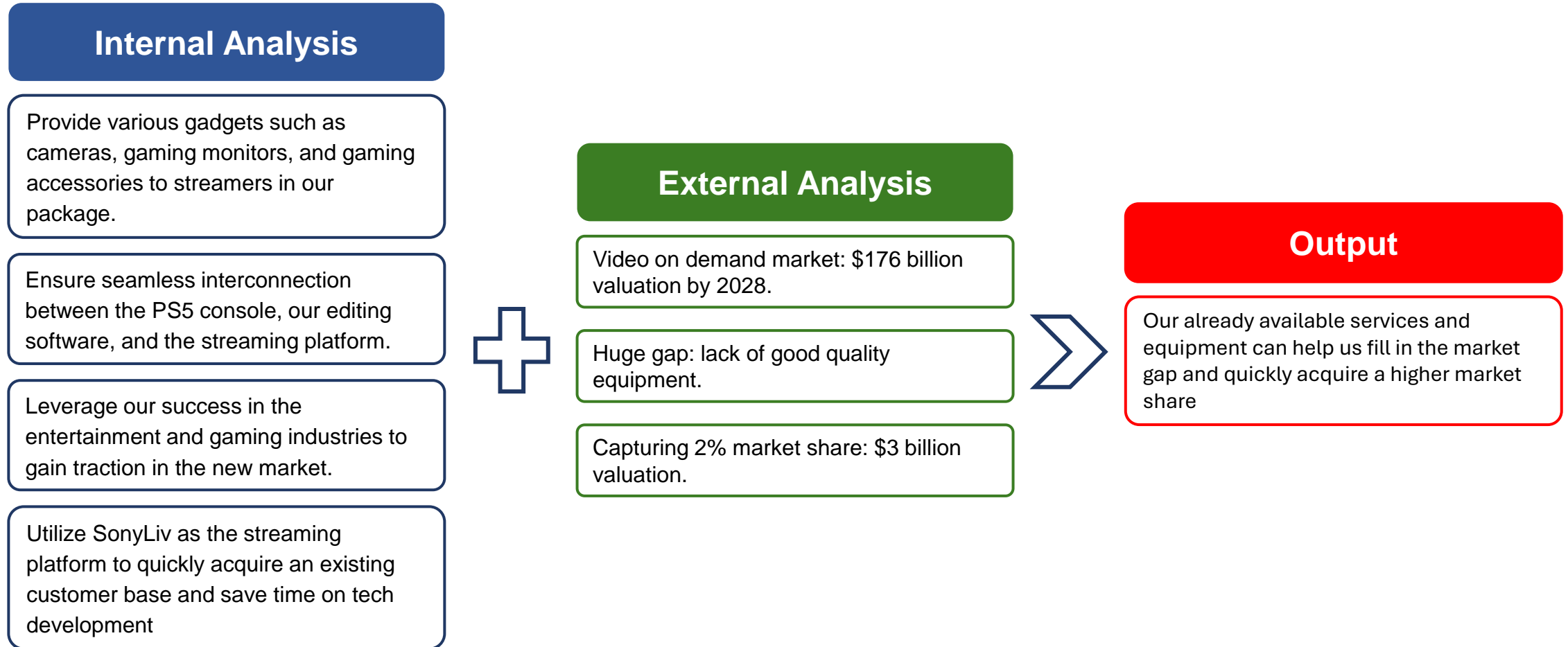
[5]-<https://www.linkedin.com/pulse/boom-live-streaming-market-size-whats-driving-growth-sippi-thomas-urnmf/>

[6]-<https://www.streamscheme.com/twitch-statistics/>



Goal Formulation

A combination of Internal and External Analysis for Strategy formulation.



Sources: Company Internal Research Document



Market Segmentation

User Persona : Content Creator

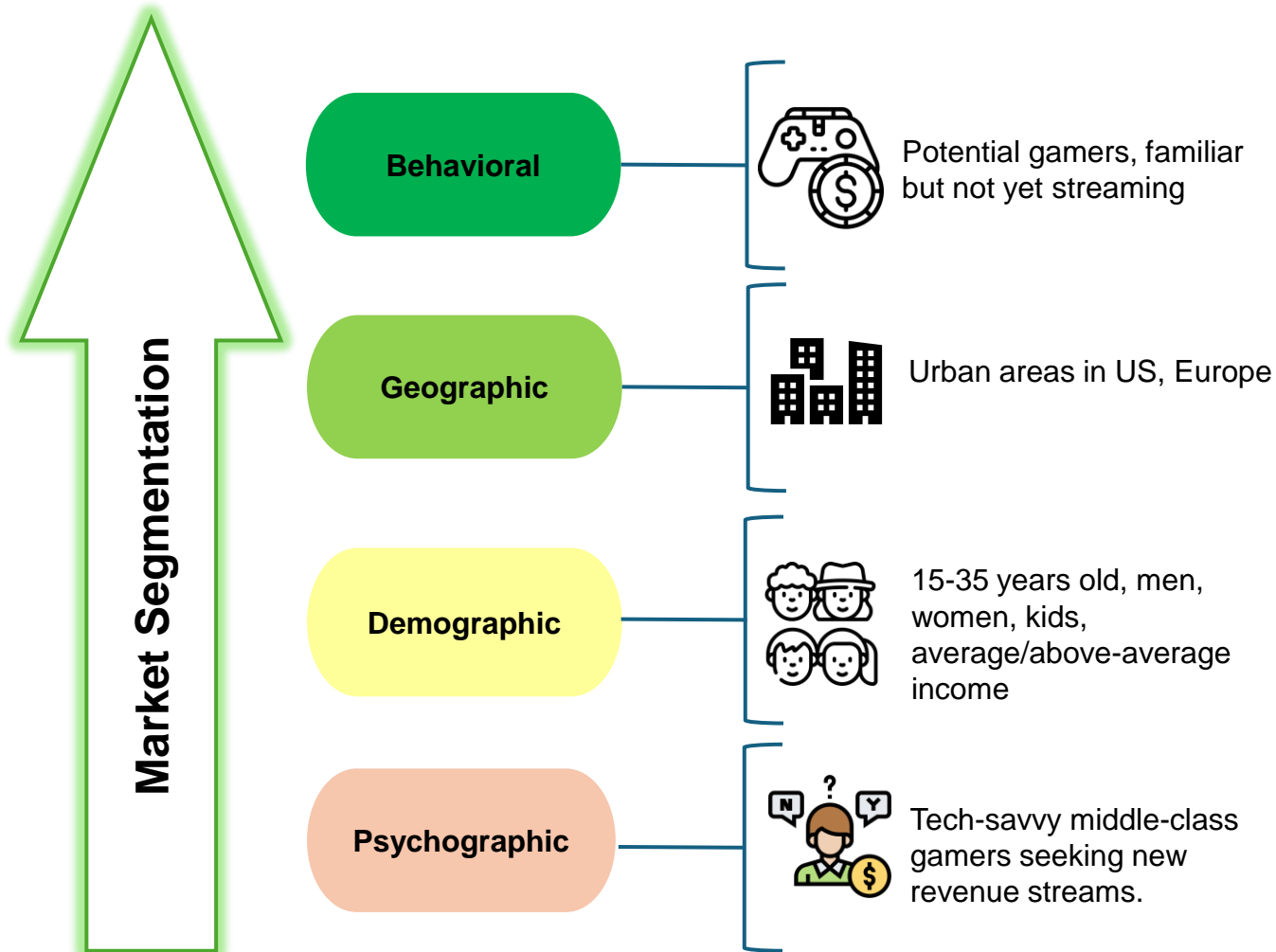


Image Source : Company Internal Production



Average Jack Content Creator

As-is situation

- Daily PS5 gamer
- Needs streaming resources.
- Expand his reach

Pain Points

Affordable alternatives to expand his reach and enhance content quality which in turn generates revenue from passion for gaming,

PLAYSPHERE Solution

One stop solution for hardware and software streaming resources.



Market Segmentation

User Persona : Content Consumer

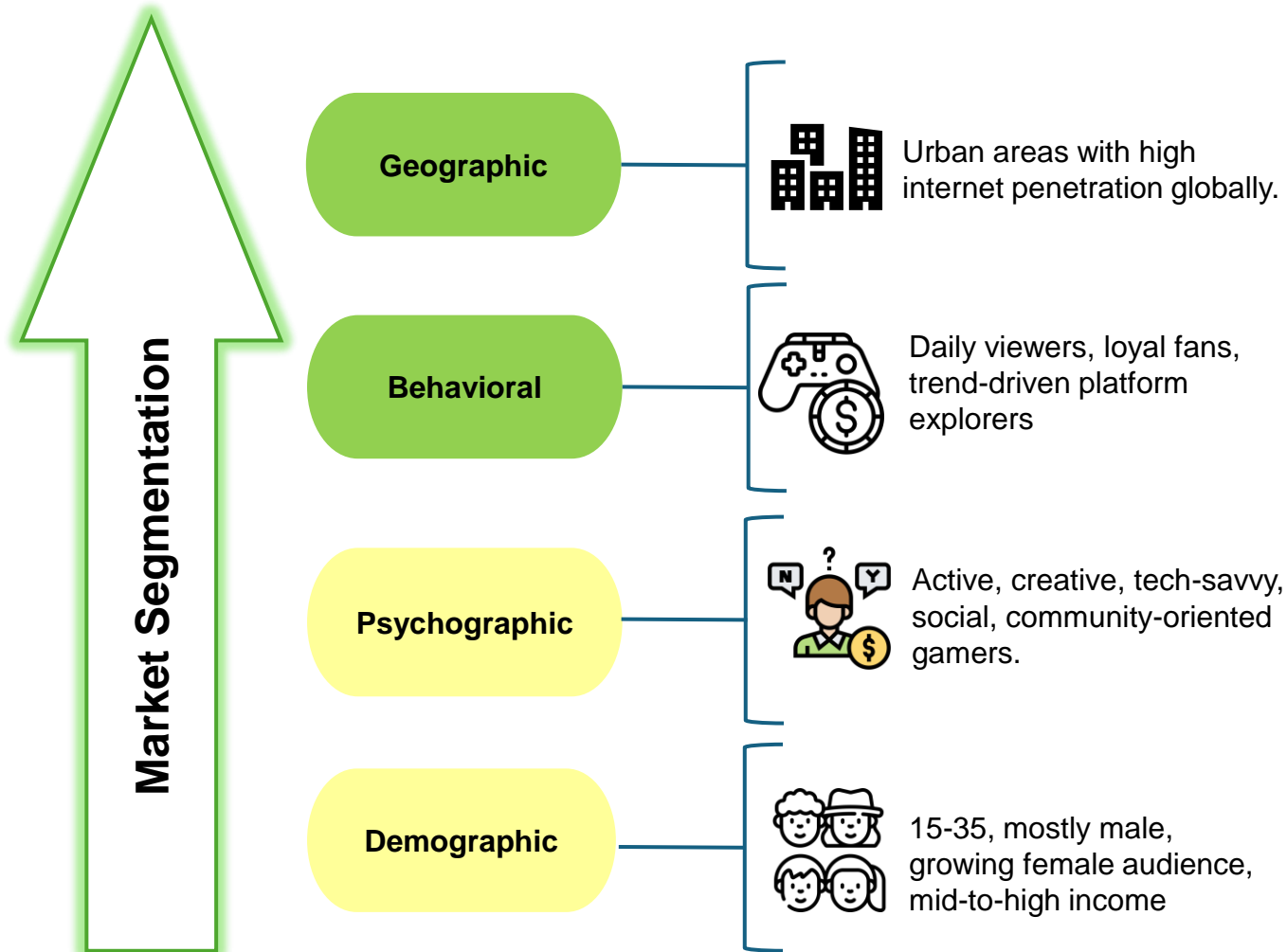


Image Source : Company Internal Production



Average Joe Content Consumer

As-is situation

- Tech-savvy,
- Seek affordable quality content,
- Support favorite creators while exploring new trends.

Pain Points

Enjoy high-quality content, engage with creators, seek affordable exclusive features.

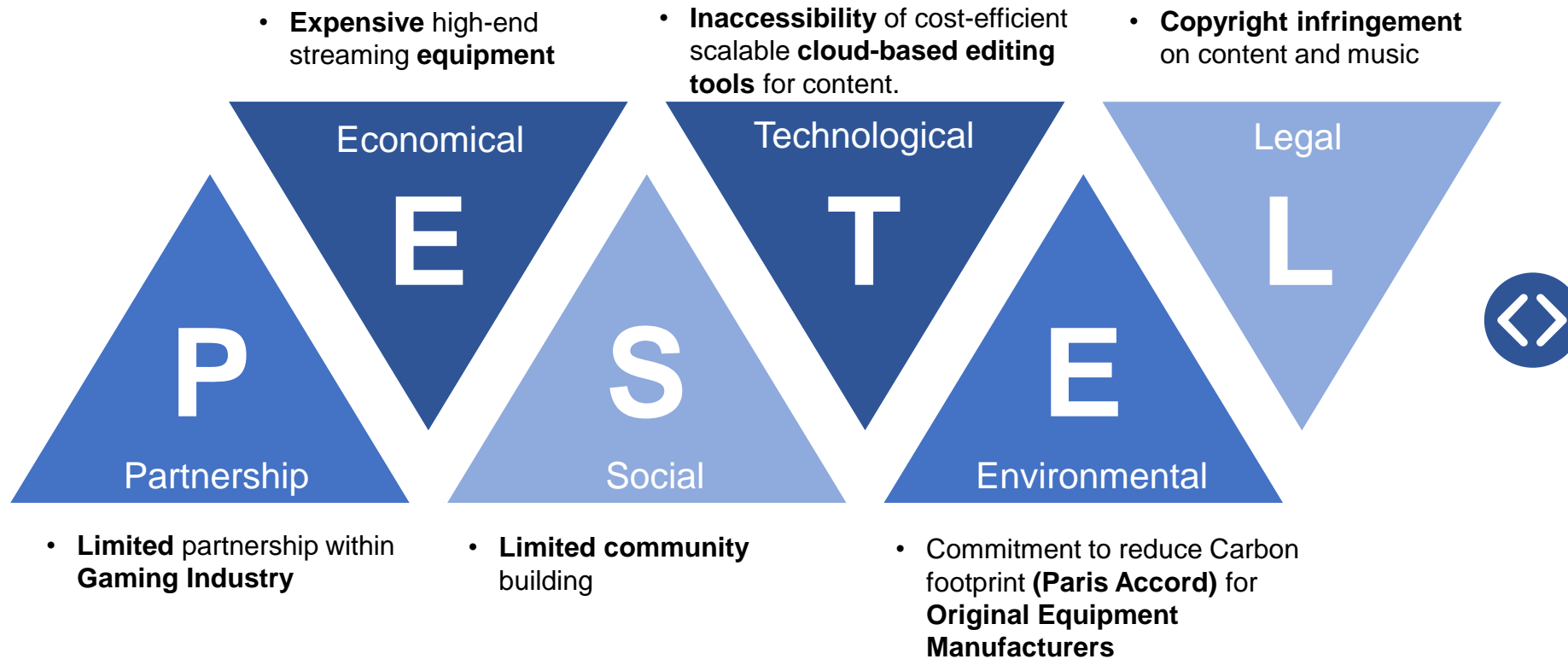
PLAYSPHERE Solution

One stop solution for streaming, quality content and community building via Streamoji.

Existing Challenges and Solutions

External research sheds light on streamers and content creators' challenges

CHALLENGES



SOLUTIONS

- Exclusive PlayStation integration
- Economical cameras and streaming decks.
- Exclusive Platinum community membership for PlayStation owners.
- Easy to access cloud-based editing tools.
- Recycle, re-use, re-furbish
- Subsidised access to music and records.

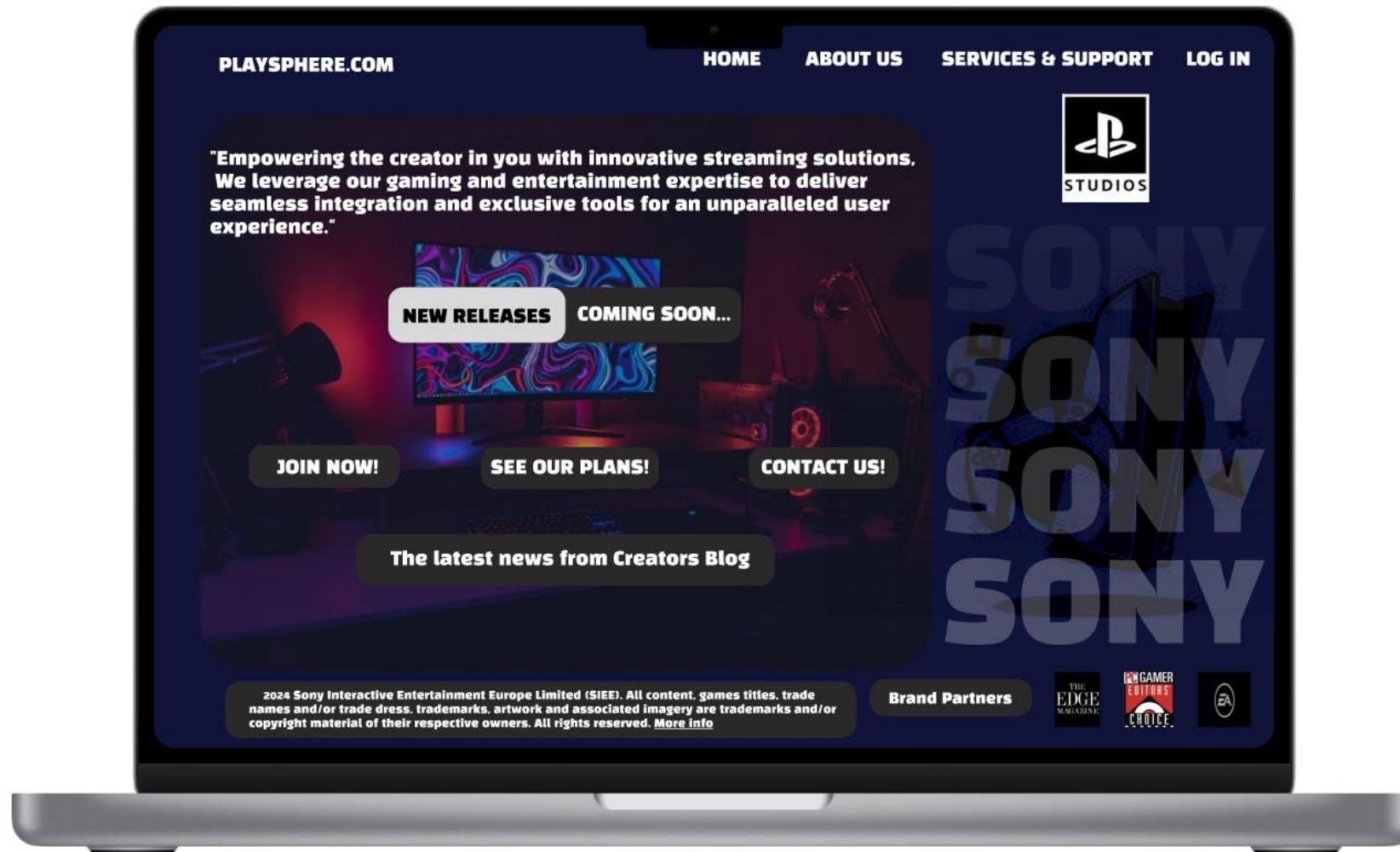
Sources: Company Internal Research Document

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Introducing PlaySphere

Sneak peek into our product's beta version



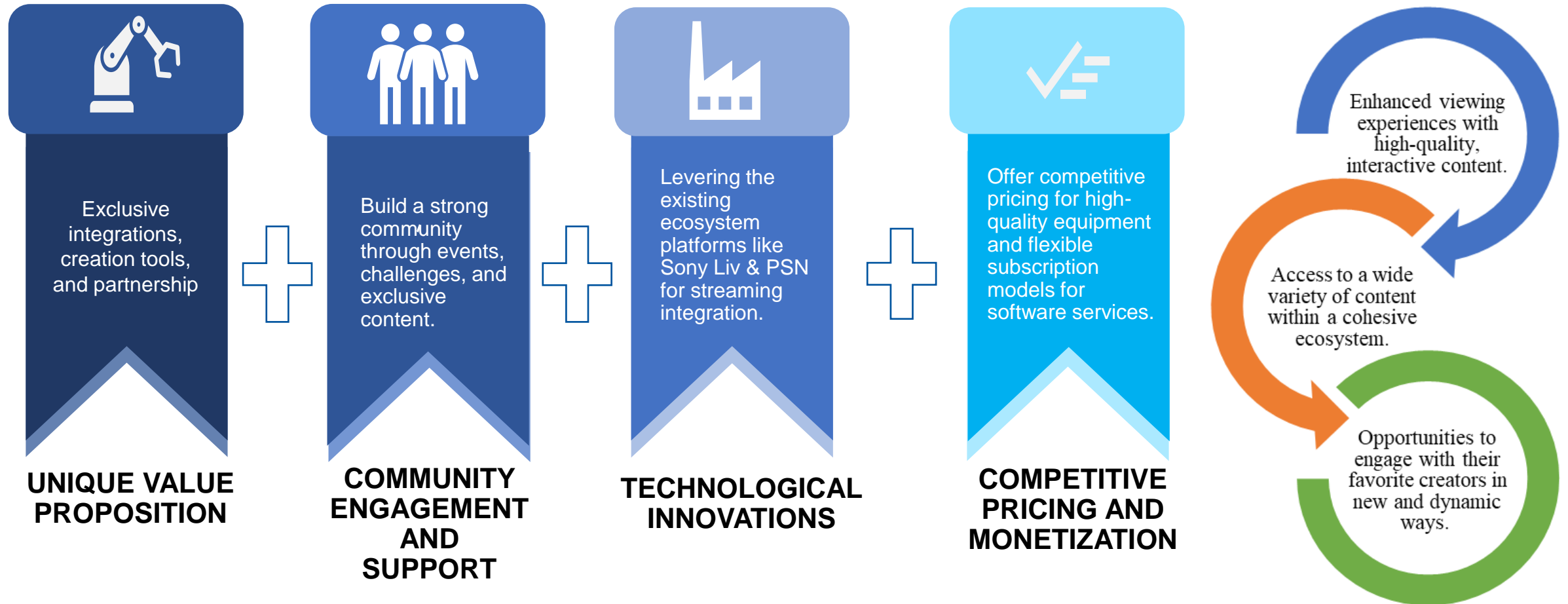
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Competitive Strategies

Unique market strategies for Customer Value Creation



Sources: Company Internal Document (Assumptions in excel)

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Pricing Strategy

Subscription Plans For Content Creators

Silver

Free



- ✓ HD streaming

Gold

€19.99/month



- ✓ UHD streaming
- ✓ Premium software features
- ✓ Premium platform features
- ✓ Unlimited streams per day
- ✓ Camera subscription
- ✓ Sony Music rights

Platinum

€24.99/month



Exclusive for PS5 Owners

- ✓ UHD streaming
- ✓ Premium software features
- ✓ Premium platform features
- ✓ Unlimited streams per day
- ✓ PS5 streaming access
- ✓ Camera subscription
- ✓ Sony Music rights
- ✓ Premium streaming setup subscription
- ✓ 24/7 technical support
- ⊖ Brand deals
- ⊖ Additional audience collaboration features

Diamond

€49.99/month



- ✓ 4k streaming
- ✓ Premium software features
- ✓ Premium platform features
- ✓ Unlimited streams per day
- ✓ PS5 streaming access
- ✓ Camera subscription
- ✓ Sony Music rights
- ✓ Premium streaming setup subscription
- ✓ 24/7 technical support
- ✓ Brand deals
- ✓ Additional audience collaboration features

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Pricing Strategy

Subscription Plans For Content Consumers

Base Model Free



- ✓ Ads
- ✓ Limited chats per day
- ✓ Limited to SD quality
- ✓ 5 highlighted chats per day

Premium Individual €9.99/month



- ✓ Ad-free streaming
- ✓ Infinite Chats
- ✓ Unlimited highlighted chats per day
- ✓ HD Quality streams
- ✓ Background play
- ✓ Customizable badges
- ✓ Customizable Streamojis

Premium Family €29.99/month for 5 accounts



- ✓ Ad-free streaming
- ✓ Infinite Chats
- ✓ Unlimited highlighted chats per day per account
- ✓ HD Quality streams
- ✓ Background play
- ✓ Customizable badges
- ✓ Customizable Streamojis
- ✓ Block explicit content
- ✓ Separate content section for kids

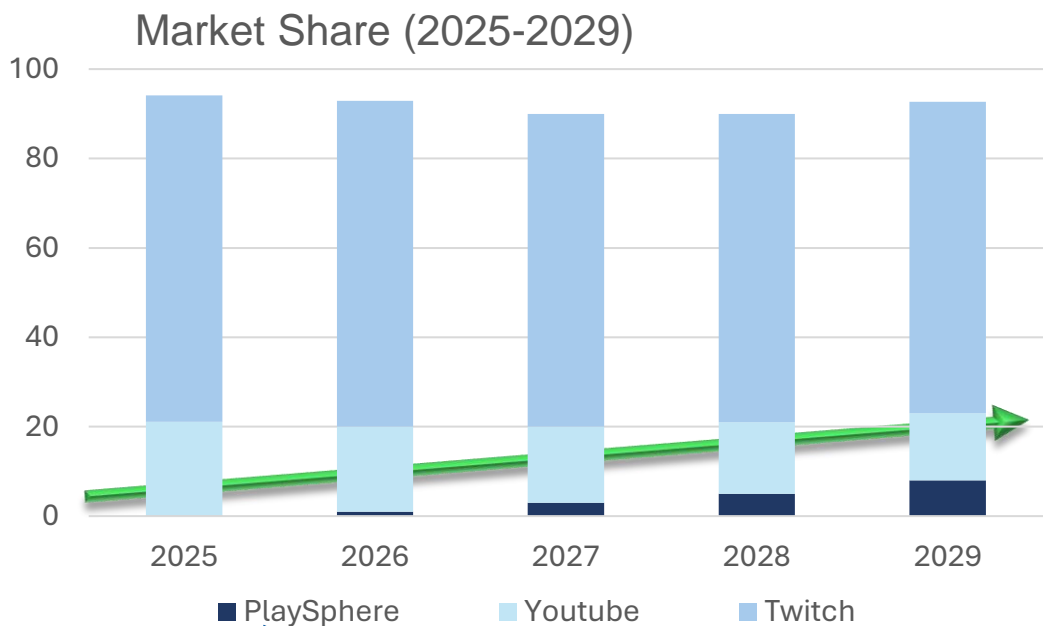
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Goal Formulation

Market success and Financial Goals for PlaySphere

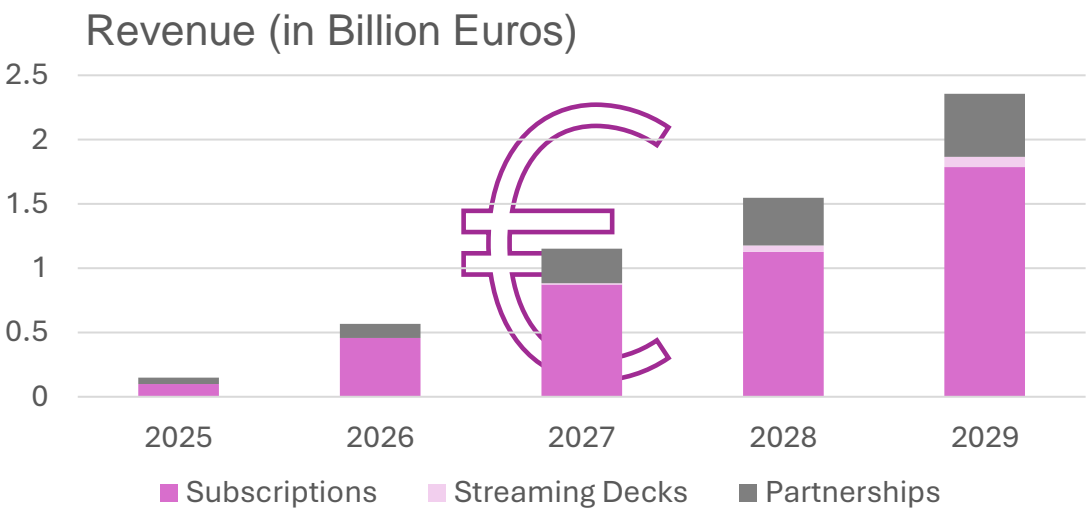
Market Success Goals



We aim for a 5% market share by 2029 in a market projected to be valued at USD 44.76 billion^[4]

Sources : [4]-<https://www.streamscheme.com/twitch-statistics/>
: Company Internal Documents (estimation in excel)

Financial Goals



Marketing goals

- Leveraging influencer partnerships, targeted campaigns, and innovative product features to establish brand leadership in the content creation market.

Meet The Team

Team Wolverine



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