Article Summary

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<Price>

[Cost + Profit]

→Xbox One competes with PlayStation 4 in the market.

→the retail price of Xbox One is more experience than one of PlayStation4 by 100dollers.

→Soc, which is inserted GPU based on “AMD Jaguar 8 Core” and “AMD Radeon” in Xbox One, is expected to be more experience by 10 dollars than one of PlayStation.

→The memory capacity in Xbox One made by SK Hynix is cheaper than one in PlayStation4 because it

Is adopted DDR3, which is older than GDDR in PlayStation4.

→The lower graph indicates that the gap between both retail pricing costs is bigger than both total BOM costs by 10 dollars.

(IT media news, 2013)

→Both Microsoft and Sony can cut their retail pricing because the cost to produce the consoles decreases.

→The biggest factor increasing the hardware cost of the Xbox One compared to the PlayStation 4 is Microsoft’s inclusion of the new-generation Kinect system costing $75.

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| --- | --- | --- |
|  | Xbox | PlayStation4 |
| Components / Hardware Elements | Xbox One Cost Estimates | PS4 Cost Estimates |
| Console, CPU/GPU | $110 | $100 |
| Console, DRAM | $60 | $88 |
| Total BOM Cost | $457 | $372 |
| Manufacturing Cost | $14 | $9 |
| BOM + Manufacturing Cost | $471 | $381 |
| Retailing Pricing | $499 | $399 |

(Steven & Andrew, 2013)

[Value added]

・The processor inserted GPU made by American AMD, which is most experience in parts of Xbox one, is expected to be more experience than one in PlayStation4.

・Kinect, the part inserted in only Xbox one, is 75 dollars, and it might be main factor making Xbox more experience.

→For these reasons, Xbox Kinect is more experience than PlayStation4.

(Nihon Keizai Shinbun, 2013)

[Reference]

→IT Media News. (2013).「 Xbox One 」の製造原価はPS4より90ドル高い[online] Available at

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→HIS Market . Microsoft Xbox one Hardware Cost Comes in Below Retail Price, IHS Teadown Reveals [online] Available at <https://technology.ihs.com/467389/microsoft-xbox-one-hardware-cost-comes-in-below-retail-price-ihs-teardown-reveals> [Accessed 21 May 2018]

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