



CAIRO UNIVERSITY - FACULTY OF ENGINEERING

COMPUTER ENGINEERING DEPARTMENT

MARKETING - SPRING 2020

Google Stadia

Mohamed Shawky Zaky

SEC:2, BN:16

Remonda Talaat Eskarous

SEC:1, BN:20

Evram Youssef Helmy

SEC:1, BN:9

Mahmoud Osman Adas

SEC:2, BN:21

Kareem Omar Mostafa

SEC:2, BN:6

Contents

1	Introduction	1
2	Type of Product	2
3	Marketing Mix (4Ps)	3
3.1	Product	3
3.2	Price	4
3.3	Place	4
3.4	Promotion	4
4	SWOT Analysis	5
5	Pricing Strategy	6
6	Promotion Strategy	7
6.1	Promotion Types	7
6.2	Press Release	7
6.3	Advertising	8
7	Recommendations of Researchers	10
	References	12

List of Figures

1	Gaming Consoles	1
2	Screen Capture Of Internet Requirement	2
3	Google Stadia Controller	2
4	4Ps Marketing Mix Diagram	3
5	Google CEO Sundar Pichai introduced Google's first major gaming initiative, Stadia, at the 2019 Game Developers Conference in March 2019. (Business Insider) [14]	8
6	Stadia Official Trailer Described By Many As 'Cringy' And A Failure	9
7	Stadia Sub-Reddit Banner	10

1 Introduction

Stadia is a new gaming platform by Google which is presented as the next evolution of console gaming. The video gaming industry as it stands consists of several integral parts (as of now) one of which is the gaming console (Fig. 1). The gaming console is the hardware necessary to experience video games. It can be expensive, hard to maintain and become irrelevant after several years of use (which requires purchasing a new console with new hardware).



Figure 1: Gaming Consoles

Stadia tries to eliminate the console by offering video gaming as a subscription service like streaming services (Hulu, Netflix, etc...). with internet speed on the rise with the cloud computing industry taking shape, the possibility of removing the need of specialized hardware for gaming is increasing. In this paper, we take a closer look on Stadia, what it does right, what is does wrong and what can it do to achieve its goals.

2 Type of Product

Stadia can be classified as an augmented service as the main purchasable is a subscription-based service that can't be access without a sufficiently high internet speed connection (a minimum of 10Mbps according to their website [5]) so it can't be a product as a product must be tangible and can be consumed at will without a special requirement(internet connection).

Bandwidth, data usage, and stream quality

Bandwidth requirements

An internet connection speed of **10 megabits per second (Mbps) or greater** is the minimum recommended to use Stadia. A slower network speed can cause issues while playing games on Stadia.

To play in 4K resolution, you'll need an active Stadia Pro subscription, a network speed of **35 Mbps or greater**, a 4K TV with Chromecast Ultra, or a Windows computer or Chromebook with VP9 hardware decoding and a 4K monitor.

Figure 2: Screen Capture Of Internet Requirement

As for the augmented part, Stadia subscriptions include (optional) products to use with the service such as the stadia controller.



Figure 3: Google Stadia Controller

In conclusion, google stadia is a service with optional products to enhance the experience.

3 Marketing Mix (4Ps)

In this section, we will discuss the 4Ps Marketing Mix of our research product (*Google Stadia*). We will discuss the product definition, its price analysis, its place and promotion. This helps us further understand the marketing setup of this new product and develop a common understand of how it begins and whether it will stand and succeed.



Figure 4: 4Ps Marketing Mix Diagram

3.1 Product

As mentioned before, *Google Stadia* is a cloud streaming service for video games, where gamers can stream video games, running on cloud systems, without having to buy the game console themselves. Stadia offers a very cheap way of playing videos games for gamers, who can't afford buying a game console or an expensive gaming rig.

To use Stadia service, the user just need a device with *Google Chrome* or any Stadia-supported application on his/her personal computer or mobile phone and a reliable internet connection, in addition to the monthly subscription.

Stadia is not the first project of its kind. We have *Nvidia Geforce Now* and *Microsoft Project XCloud*. However, Stadia offers seamless 4K video

game streaming based on *Youtube* streaming service, which is a big bonus over other streaming services.

3.2 Price

Stadia is subscription-based service, where the users pay a monthly fee, in order to use the service. There are two levels of membership: *Stadia Pro*, which is paid for, and *plain Stadia*, a free access plan.

Stadia Pro offers the user a seamless *HDR 4K* gaming experience, with a good library of video games. However, the user still has to purchase most of the video games on top of it. Stadia Pro membership costs 8.99 *GBP* per month in the UK, \$9.99 *USD* per month in the US. New subscribers can get a free one-month trial of Pro membership.

The alternative plan is *plain Stadia* (a.k.a. Stadia Base). In this plan, users must purchase any required video game themselves. Also, the streaming quality is limited to 1080p. This comes with an advantage that user doesn't have to pay any monthly fee.

3.3 Place

Since Stadia is an online cloud streaming platform, it's available worldwide. It's unavailable only in *Hawaii* and *Guam*. However, such service can be unpopular in countries, where internet connectivity is limited, such as African countries.

3.4 Promotion

Google follows an online promotion campaign, through advertisement on online platforms such as *Youtube*. Most of the details of the platform development can be found at their developers website [1]. Open source contribution to the project is also applicable.

The service also provides a one-month free trial for Pro membership to encourage different users to use their platform. Google is also enhancing the service by including more video games and improving the streaming performance.

4 SWOT Analysis

5 Pricing Strategy

6 Promotion Strategy

Before discussing the promotion strategy, let's define promotion types first.

6.1 Promotion Types

The Economist Times classifies [6] promotion into:

1. Press Releases.
2. Advertising.
3. Consumer Promotions.
4. Trade Discounts.
5. Freebies.
6. Incentive Trips.
7. Awards.
8. Personal Selling.

In the next subsections, we will discuss the different promotion techniques that google used with stadia.

6.2 Press Release

First and most notable way google promoted stadia was through their press release (conference) on March 2019 [13].



Figure 5: Google CEO Sundar Pichai introduced Google’s first major gaming initiative, Stadia, at the 2019 Game Developers Conference in March 2019. (Business Insider) [14]

6.3 Advertising

Google has a huge advantage in advertising compared to its competitors (Microsoft, Sony and Nintendo.) Most of google’s revenue comes from ads [7].

Google collects huge amounts of data to assist the advertisers in finding their target users. This data can help google a lot on choosing their target customers. Google competitors don’t have such huge amount of user data.

Nevertheless, Google didn’t use that advantage very well. On its first trailer on Nov 19, 2019 [8], stadia faced huge dislike from the gaming community.



Figure 6: Stadia Official Trailer Described By Many As ‘Cringy’ And A Failure

According to many commenters [9], bloggers [11] [12] and youtubers [10], the trailer felt randomly generated and ‘trying so hard’ or felt cringy. Apparently, Google failed to understand its customer base, and didn’t tailor the trailer very well for them.

7 Recommendations of Researchers

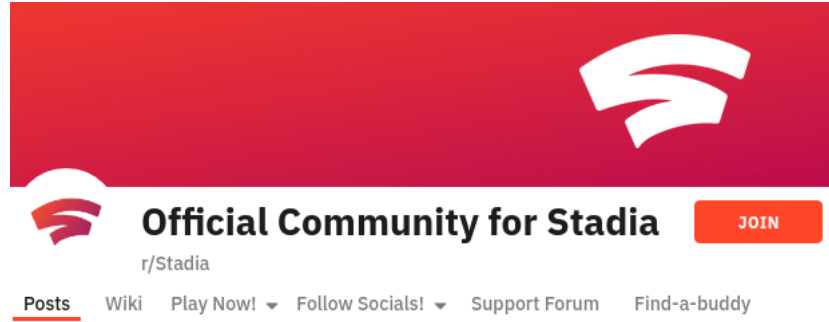


Figure 7: Stadia Sub-Reddit Banner

To further understand users' demands and possible improvement, we have to explore a massive community for *Google Stadia* users and enthusiasts. This community is *Stadia sub-reddit* [3], which is the official community for Stadia users.

Aside from our analysis, we checked some recommendations and reported bugs from Stadia users. This information helps us to develop a list recommendations and improvements for Stadia service, in order to improve the overall marketing process.

Our recommendations focus on both promotion campaign and technical improvements, that can positively affect the market share of Google Stadia. We target the competition with game consoles, like *PlayStation* and *XBox*, and other cloud streaming services, like *Nvidia Geforce Now* and *Microsoft Project XCloud*.

Our recommendation list can be summarized as follows:

- Stadia have to consider in-game promotions, as most gamers' opinions heavily rely on in-game recommendations. For example, *Nvidia Geforce series* has been dominating the PC gaming market for years, due to in-game recommendations and the technologies, by which Nvidia enhances video games.
- Expanding the game library is a crucial thing for any gaming platform to flourish. Stadia has to expand its game library to include a wide range of video games from **AAA** games to **indies**.

- Stadia is only available through a limited number of platforms that support *Google Chrome* or *Chrome OS*. This can be a drawback for some users that don't have a compatible device. So, Stadia has to expand its compatibility to include a wide range of devices and applications, in order to increase the number of potential users.
- Technical issues can form a negative impression among users and enthusiasts and Stadia suffers from some issues during streaming and game rendering, especially for users with limited internet bandwidth. So, Google has to optimize its service for this type of users.
- As Google isn't a video game producer or publisher, it has to cooperate with specialized video game publishers, like *Blizzard Entertainment* and *Bethesda Softworks*, in order to promote their platform and even have some exclusives on their own. This can positively affect their market share and attract more users to their platform.

References

- [1] Stadia Developers Website :
<https://stadia.dev>
- [2] Wikipedia Article :
https://en.wikipedia.org/wiki/Google_Stadia
- [3] Stadia Reddit :
<https://www.reddit.com/r/Stadia/>
- [4] Pocket-lint Article :
<https://www.pocket-lint.com/games/news/google/143589-google-stadia-explained-price-release-date-games-list>
- [5] Stadia Support : Minimum Internet Speed :
<https://support.google.com/stadia/answer/9607891?hl=en>
- [6] The Economist Times : Promotion Types :
<https://economictimes.indiatimes.com/definition/promotions>
- [7] Statista : Google Global Annual Revenue :
<https://www.statista.com/statistics/266206/googles-annual-global-revenue/>
- [8] Youtube - Google Stadia - Official Launch Trailer :
https://youtu.be/A6Wy_pWscsk
- [9] Reddit Thread Critisises Stadia's Trailer :
https://www.reddit.com/r/Stadia/comments/ealx4f/stadias_marketing_advertising_campaigns/
- [10] Youtuber And His Fans Critisises Stadia'S Trailer :
https://youtu.be/m0OYCMkr-_Q
- [11] Kotaku Blog : This Google Stadia Ad Is So Random (And Terrible) :
<https://kotaku.com/this-google-stadia-ad-is-so-random-and-terrible-1840007405>
- [12] CCN : Google Stadia's Advertising Couldn't Be a More Appropriate Car Crash :
<https://www.ccn.com/google-stadia-advert-car-crash/>
- [13] Youtube : FULL Google Stadia Connect Full Conference - E3 2019 :
https://www.youtube.com/watch?v=8igzue_fNDQ

- [14] Business Insider : Google's ambitious new video game service is starting to look like a giant mess - and it isn't even live yet :
<https://www.businessinsider.com/google-video-game-service-stadia-launch-problems-2019-11>