

Xbox Grows Console Market While Competitors Decline

Xbox Powering Ahead for 2004 After a Bumper Xmas Season

Xbox drove the market growth* of 2% during this period, as the only console brand to record growth. From July 1st to December 31st 2003, Xbox grew year on year by 10% while PS2 declined 1% and GameCube declined by 5%*.

This expansion of the Xbox presence was reflected in a surge in market share during the key Christmas months, where Xbox snapped up almost 40% of the market. During November and December, Xbox recorded a very solid 37% and 39% market share respectively.* Figures just released** show the share has again jumped to 44%, with Sony PS2 now holding 51% of the market, and Nintendo GameCube a mere 5%.*

This promising start to 2004 follows on from an impressive Christmas retail period for Xbox, which saw close to 115,000 units sold, with many retailers struggling to keep up with consumer demand.*** "Sales for Xbox were particularly strong this Christmas," says Peter Geer, Senior Buyer for Myer, Grace Bros and Megamart. "We had anticipated this consumer rush, so thankfully we were still able to meet this high demand".

According to Xbox regional manager David McLean, the strong Xbox market share reflects the brand's growing kudos among consumers. "With less than two years in this market, these latest figures reflect how far we've come," says McLean. "This consumer confidence shows the strength of our product offerings which have positioned Xbox as an entertainment unit with something for everyone."

Now with over 300 games available for Xbox, the strength and diversity of the Xbox Christmas line-up has also been a crucial factor in driving this market success. Some of the best sellers this Christmas included: Need for Speed Underground, Rugby League, Lord of the Rings(tm) Return of the King(tm), The Simpsons Hit & Run(tm), Disney Pixar's Finding Nemo, V8 Supercars Race Driver (Live) and Crash Bandicoot(tm) The Wrath of Cortex. Several games from Microsoft Games Studios were also amongst the best sellers, including Project Gotham Racing 2, Top Spin, Crimson Skies and Counter Strike.

"We have such strong games that appeal to so many different ages and tastes - from Music Mixer which allows you to turn the console into a karaoke machine through to Top Spin which lets you step onto centre court as our very own Lleyton Hewitt" says McLean.

Additionally, the appeal of the online gaming service Xbox Live which has so far outsold its competitor's offering in Australia*, has also helped to steer this growth, with Xbox predicting that by June 2004, the service's member base will have more than doubled to over one million users worldwide.

"2004 will bring us a host of new developments for consumers, so we're confident this year will again be a huge year for Xbox," adds McLean.
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