

# Sony's new video game subscription service takes on Microsoft's Xbox Game Pass

Article

**The news:** Sony plans to introduce a video game subscription service this June in order to boost sales of its **PlayStation** consoles, the company said Tuesday.

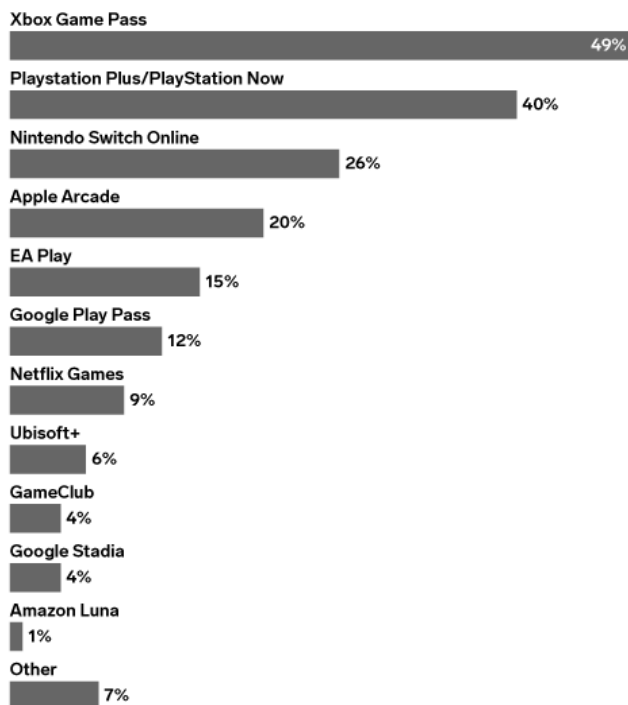
- It will combine its existing PlayStation Plus and PlayStation Now subscription services into a single PlayStation Plus subscription service, which will be offered in three tiers.

**What this means:** The move is undoubtedly a response to **Microsoft's Xbox Game Pass**, a popular subscription program that allows gamers to download and play a variety of games.

- Game Pass lets gamers play through the cloud on their Xbox consoles, phones, and PCs.
- Microsoft has been investing heavily in Game Pass, acquiring major video game companies such as **Activision Blizzard** and Bethesda for a combined \$76 billion in order to bring their popular titles to the service.
- Sony wasn't happy about that Activision Blizzard deal, raising antitrust concerns.
- Sony's PS Plus Premium service (the most expensive) will allow users to stream games to their PCs as well as their PS4 and PS5 consoles. Gamers will also be able to try various games before deciding whether to purchase. High-profile games like Marvel's Spider-Man: Miles Morales will be among those available at launch.

### To Which Game Subscription Services Are US Gamers Subscribed?

% of respondents, Feb 2022



Note: n=1,042 ages 18+; includes games played via phone, desktop/laptop, gaming console, or other device  
Source: SurveyMonkey as cited in company blog, Feb 8, 2022

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**The big takeaway:** Subscriptions are taking over the gaming industry, which could have massive implications in a number of sectors:

- Gaming subs largely eliminate the purchasing of physical games from retailers like **Best Buy** or **GameStop**, which has the potential to erode margins or even bankrupt some players.
- Subscriptions prevent churn, which could help create more long-term loyalty for one platform over another.
- Power will continue to shift from smaller game studios to a few major digital distribution platforms, making it all but impossible for new competitors to join the field.
- Subscriptions could also increase the cultural relevance of brands like Microsoft and Sony, enabling them to add more immersive, metaverse-style content over time.