PRODUCT TEARDOWN

PlayStation product teardown

When prices rise and playtime dips, how do you keep PS Plus members renewing?

Existing product · Lens: PS Plus retention · Data: Sony Q1 FY2026 (April to June 2026)

01 · PRODUCT

An existing, profitable global platform

PlayStation is Sony's PS5 consoles, PlayStation Network and the PlayStation Plus subscription. This teardown looks at the PS5 and PS Plus experience.

Why PlayStation

Q1 FY2026 operating income of ¥202.0 billion, up 37% (helped by tariff refunds), so the levers are retention and subscription value.

Why PS Plus

Prices rose on 20 May 2026, shipments fell 36% and playtime dropped 4% (against a strong prior year).

WHY IT MATTERS

−36%

PS5 shipments in the quarter, to 1.6 million.

Down from 2.5 million a year earlier, while PlayStation Network users hit a record 125 million.

A record audience, a softer console year

125M
monthly active users in June 2026, up 2%

95.3M
PS5 consoles shipped to 30 June 2026

¥937.1B
games and network services sales, about flat

+37%
operating income, ¥202.0B, helped by tariff refunds

+21%
network services sales (PS Plus and others)

−4%
total playtime in the quarter

Who competes, and how PlayStation earns

Console sales, Jan to Jun 2026

Nintendo Switch 2: 6.09 million

PlayStation 5: 3.53 million

Xbox Series: 0.84 million

VGChartz estimates, not company figures.

Revenue, Q1 FY2026

Software ¥526.6B, 82% digital

Hardware ¥222B, down 10.4%

Network services up about 21%

Third-party commission is not disclosed.

03 · PROBLEM

Prices keep rising while players play less.

PS Plus rose on 20 May 2026 (US one-month plan $9.99 to $10.99), PS5 prices rose abroad, and playtime fell 4% (Sony calls engagement solid).

HOW MIGHT WE

keep members renewing PS Plus and playing as prices rise, without cutting network-services revenue?

04 · USERS

Four players, one to serve first

SERVE FIRST · 18 OF 20

Price-Squeezed Subscriber

Pays for PS Plus mainly to play online with friends.

SECOND · 15 OF 20

Seasonal Player

Returns for the yearly big release, then plays less.

THIRD · 14 OF 20

Catalogue Hunter

Pays for higher tiers to play the game library.

LATER · 11 OF 20

Family Gifter

Buys for children and gives gift cards.

Scored on size, headroom, fit with the fix and strategic value (my judgement, to validate with interviews).

05 · JOURNEY

The journey breaks at renewal

Stage	What happens	Feeling	Where it breaks
Start console	Opens the PS5 home screen	Eager	None
Choose a game	Picks from library or catalogue	Excited	No clear "play next"
Play online	Plays with friends	Engaged	Needs PS Plus
Renewal notice	Sees the new price	Annoyed	No recap of value
Decide	Renews, switches or lapses	Calculating	No middle option
Play less	Logs in less often	Disengaged	Next renewal is harder

Five pain points, two worth fixing first

#	Pain point	Evidence	Score
1	PS Plus price rises	One-month plan to $10.99, three-month to $27.99 (May 2026)	18
2	PS5 hardware prices	Rose in Europe and other markets; US lawsuit reported	15
3	Physical discs ending	New-title disc production ends Jan 2028 (PlayStation Blog)	13
4	Playtime and discovery	Total playtime down 4%; link is my inference	13
5	Paying for online play	Some players say it should be free	11

Score out of 20 on reach, severity, evidence and fixability (my judgement). Sources: Euronews, Noobfeed, God Is a Geek.

Five ideas for the renewal moment

B

Value recap

Show games played, free games claimed and hours before renewal

A

Loyalty price lock

Keep the price for continuous members

C

Pause and flex plans

Pause a month, or pick multiplayer-only

D

Play-next picks

Personalised catalogue suggestions

E

Family plan

One subscription for a household

A value recap ranks first on RICE

Rank	Solution	Reach	Impact	Confidence	Effort	RICE
1	B. Value recap	80	0.5	0.7	1	28.0
2	A. Loyalty price lock	60	1	0.6	1.5	24.0
3	C. Pause and flex plans	50	1	0.5	2	12.5
4	D. Play-next picks	70	0.5	0.5	2	8.8
5	E. Family plan	25	2	0.4	3	6.7

RICE = (Reach × Impact × Confidence) ÷ Effort. Inputs are illustrative estimates, not Sony data.

MVP: show the value before renewal

A recap of games played, free games claimed and online hours, with a one-tap switch to a 12-month plan.

+2 pts
renewal rate

−5%
monthly cancellations, relative

8 weeks
50/50 test in 3 regions

10 · TEST

An 8-week 50/50 A/B test

Item	Definition
Hypothesis	Showing the value used makes members more likely to renew at the higher price
Success	Renewal rate +2 points; monthly cancellations -5% relative
Guardrails	Revenue per member, annual-plan take-up, support tickets, complaints
Stop rule	Stop if renewal rate falls more than 1 point against control

11 · GO TO MARKET

Four gated phases

Phase	Timing	What happens	Gate
1. Pilot	Weeks 1–8	Renewal screens in 3 regions	Renewal +2 pts, no breach
2. Expand	Weeks 9–12	6 more regions, local languages	Holds across regions
3. Launch	Weeks 13–16	All members, recap by email	Tickets do not rise
4. Iterate	Month 5+	Test A and C on top	RICE re-check

Channels: renewal screen on console, PlayStation app, email before renewal.

12 · RISKS

What could go wrong

Light users leave

A recap shows how little they used. Test it first on members above a minimum playtime.

Price anger

A recap does not lower the price. Pair it with a price lock later.

Thin evidence

Pain points rest on press reports. Validate with interviews first.

TAKEAWAYS

Three things to remember

1. PlayStation has a record 125 million users, but shipments fell 36% and playtime fell 4%.
2. The break is the renewal notice, where the price shows and the value does not.
3. Test a value recap first. A win is +2 points of renewal with revenue per member flat.

What would you test first?

SOURCES

Sources and caveats

Sources

God Is a Geek, Push Square: Sony Q1 FY2026

VGChartz: console sales estimates

Euronews, Noobfeed: PS Plus prices

Caveats

Network services yen amounts conflict

Console sales are estimates

Scores are my own estimates

Thank you

Questions and feedback welcome