

Yahoo: a case study analysis



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Introduction:

Founded in 1994 by Stanford Ph. D. students David Filo and Jerry Yang, Yahoo! began as a hobby and has changed the way people communicate with each other, share and create in formations.

Yahoo has been in the market with variety of products and services including search engine, email, Messenger, News, Analytics services and web hosting...

The headquarters of the company is in Sunnyvale, California and they counting more than twenty offices around the world.

Yahoo! Inc. has become the world's largest global online network with more than five hundred million users in the world.

Yahoo did some improvements over the last years; they introduced some new functions and services. Now users can watch videos, listen to the music, compare products prices, and find travel deals... Yahoo is trying to diversify the products and services, so they can satisfy the need of the internet users.

Vision and mission of Yahoo:

Yahoo mission is to be the most essential and indispensable global Internet service for all the internet users. Yahoo is trying to create indispensable experiences, and fueled by trust, and tries to reach values like excellence, teamwork, innovation, community, customer fixation, and fun.

They are trying to be polyvalent by diversifying the applications and services, consequently to respond to the users need.

Yahoo's vision is to be indispensable for the internet users, to be the center of people's lives by delivering personally relevant, meaningful internet experiences and feed and build customer wants.

So for any research, email, news, advertisement ... yahoo will be the best .

SWOT analyses

Opportunities

Yahoo is well positioned to deal with mobile technology with services and solutions. Thus, it's a very good opportunities for the company to take advantage of it.

The internet market is huge and it is a good opportunity for yahoo to take new market like India because it offers a growth potential.

Yahoo can get good incomes from its new businesses.

Threats

The biggest threat for Yahoo is the competition. Yahoo has many competitors but the principal ones are Microsoft Corporation, Google and Time Warner Inc.

Because of the culture some countries have developed their own search engine like china and India.

Weaknesses

Differentiation is difficult for Yahoo. Almost all of its packaged services are available in other websites.

Free E-mail accounts are available from competitors like Hotmail G-Mail...

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The most used service is the search engine and unfortunately Google is offering a better one.

Shopping is available everywhere on the Internet. Google has Froogle.

Strengths

Yahoo has over 350 million users of its services and solutions. Some reports indicate that is the most popular website in the World.

Yahoo Brand name is well known all over the world.

Yahoo's Overture is a tremendously profitable Internet advertising business.

Yahoo provide a better solution of the internet research than many other websites

Competitive analyses:

Yahoo has many competitors but the principal ones are Google, AOL, and MSN. All the companies that work in the field of Internet Information Providers are competitors.

Yahoo is one of the most web site used in the internet it used for many things like news, sports, research , email ... and it connect people with their passion. Google and aol are the principal competitor of yahoo they have a lot of traffic to and they try to attract new users every day so the competition is very hard for all the web site that provide internet information and the best one will be the most innovative or the one who will came with the new idea that none have.

GOOGLE:

Founded in 1998 by Stanford Ph. D. students Larry Page and Sergey Brin, the headquarter of the company is in Silicon Valley with offices throughout North America, Europe, and Asia Google today is a top web property in all major global markets. It's a big name in the internet market and it still growing people chooses to use Google than the other web site like Yahoo because it provides an internet research with a very speed results it helps you to write the world that you would write before you finish it it's like Google read on your mind. Google provide a map that it's become very popular almost everybody use it to go from an addressee to another using laptop or just a phone so it's like a GPS and you can use it to see the street from a satellite. Google targeted advertising program, which is the largest and fastest growing in the industry.

AOL:

America Online (AOL) is a global Web services company that operates some of the most popular Web destinations, offers a comprehensive suite of free software and services runs one of the largest Internet access businesses in the U. S., and provides a full set of advertising solutions. . A majority-owned subsidiary of Time Warner Inc. AOL LLC and its subsidiaries have operations in the U. S., Europe, Canada and Asia.

Strategic Issues:

When we see the financial statement of yahoo we can notice that yahoo spend too much money in research invests and the biggest part of this money goes to build a gamut of web 2. 0. But we can see that yahoo didn't make any innovation these last years but style spending a lot of money. So

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yahoo forgot the principal reason of its popularity and the Advertising rates are falling due to the competitors. In other hand we can see Google who commands about 50% of all online searches and it still increasing every day.

Nowadays yahoo has enough resources, strength and opportunities to improve the web site. We can notice that already the web site undergone several changes and an amazing web site with almost all the needs of the internet users are provide. Yahoos try to be the most focus on users need and to be always innovative.

External Audit – Efe Matrix:

Opportunities

Weight

rating

Weighted score

1

Yahoo is well positioned to deal with mobile technology with services and solutions. Thus, it's a very good opportunities for the company to take advantage of it.

0. 2

4

0. 8

2

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The internet market is huge and it is a good opportunity for yahoo to take new market like India because it offers a growth potential.

0.2

3

0.6

3

yahoo can get good incomes from its new businesses

0.2

2

0.2

Threats

1

Because of the culture some countries have developed their own search engine like china and India.

0.25

3

0.75

2

The biggest threat for Yahoo is the competition. Yahoo has many competitors but the principal ones are Microsoft Corporation, Google and Time Warner Inc.

0. 15

2

0. 30

TOTAL

1

2. 65

The company “ Yahoo” total weighted score is 2. 65 higher than 2. 5 so the company is consider as strong in external position.

Internal Audit – Ife Matrix:

Strength

Weight

rating

Weighted score

1

Yahoo provide a better solution of the internet research than many other websites

0. 1

3

0. 3

2

Yahoo Brand name is well known all over the world.

0. 2

2

0. 4

3

Yahoo has over 350 million users of its services and solutions. Some reports indicate that is the most popular website in the world.

0. 2

3

0. 6

4

Yahoo's Overture is a tremendously profitable Internet advertising business.

0. 05

2

0. 1

Weaknesses

1

Differentiation is difficult for Yahoo. Almost all of its packaged services are available in other websites.

0. 15

4

0. 6

2

Free E-mail accounts are available from competitors like Hotmail G-Mail...

0. 1

2

0. 2

3

The most used service is the search engine and unfortunately Google is offering a better one.

0. 1

3

0. 3

4

Shopping is available everywhere on the Internet. Google has Froogle.

0. 1

3

0. 3

TOTAL

1

2. 8

The company “ Yahoo” total weighted score is 2. 8 higher than 2. 5 so the company is consider as strong internal position

SWOT MATRIX:

Strength

Weaknesses

Yahoo has over 350 million users of its services and solutions. Some reports indicate that is the most popular website in the World.

Yahoo Brand name is well known all over the world.

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Opportunities

S O Strategies

W O Strategies

Yahoo is well positioned to deal with mobile technology with services and solutions. Thus, it's a very good opportunities for the company to take advantage of it.

The internet market is huge and it is a good opportunity for yahoo to take new market like India because it offers a growth potential.

Yahoo can get good incomes from its new businesses.

Use the famous and popular name of Yahoo to get more market share in other country like India (S1, S2, O2)

Use the ability of Yahoo to introduce new services like yahoo mobile to take new market share(O1, O2, W1)

Threats

S T Strategies

W T Strategies

The biggest threat for Yahoo is the competition. Yahoo has many competitors but the principal ones are Microsoft Corporation, Google and Time Warner Inc.

Because of the culture some countries have developed their own search engine like china and India.

Use Yahoo's brand recognition and

partnerships

to promote website (S1 S3 T1)

The competition is very strong from Google and AOL so Yahoo has to try to use their differences to attract more people and add new services (T1, T2, W1)

Conclusion:

Yahoo spent too much money on search market and from my point of view the company should try to focus more on one kind of service provide because now yahoo is competing with many web site like Google for the research, CNN for the news, hotmail for the email and it will be harder to maintain all those web site behind yahoo will need to spend more money that they can to be always innovative and competitive with all those competitors.

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