

# Good example of report on swot analysis of google

[Business](#), [Company](#)



## **Executive Summary**

SWOT analysis is a very important tool used in the process of analyzing the external and internal environment of any company. Google Inc. is the name that is equated against the assertion of being the nova in research engines all across the globe, thus, making it the first search engine in the known history of technology all around the world. In wake of completing this task, Google Inc. will be used as an example for the practical application of the SWOT technique. The SWOT analysis of Google allows unique and worthy insights in the operational environment of the company, thus, allowing delineating how to maximize strengths and opportunities while, controlling for weaknesses and threats.

## **Introduction**

Business is an activity that cannot be operated in isolation. With the passage of time, the usual notion of business has changed a lot. The modern day notion of business is that they exist to create certain stuff in the wake of earning a profit and hence, for the creation of this stuff, organizations are needed. The existence of organizations have given birth to a very important concept in business studies named, organizational management, defined as an art of making a group people work towards the achievement of predefined common goals.

Perhaps, in any corporate setting, the first and foremost important task assigned to the management of an organization is to assess the internal and external environment facing the organizations. The very handy and instrumental tool that is utilized by the corporate world in such an analysis is

often termed as SWOT, an abbreviation for strengths, weaknesses, opportunities and threats. It is very difficult to trace the exact origin of this technique, however, evidences are a proof of the fact that this strategy has been in books since 1972. SWOT analysis allows monitoring the degree of fitness between the strategies and the environment of an organization, thus allowing the corporate world to take the maximum from their strengths and opportunities, while minimizing their threats and weaknesses. Academic scholars are of the view that external opportunities will limit themselves to only potential opportunities unless efforts have been put in place by the management take advantage of these by careful resource utilization .

### **SWOT Analysis: The Case of Google**

Google Inc. is the name that is equated against the assertion of being the nova in research engines all across the globe, thus, making it the first search engine in the known history of technology all around the world. Larry Page and Sergey Brin is accredited for this revolutionary innovation, where by typing keywords or exact searches, the users can get access to thousands of websites and informational documents, a warehouse of knowledge incorporating almost every single ideal information . It is a noteworthy fact to mention that Google offers free services to the end users helping them not only with its unique service of search engine, but the customers are also available with books, in the realm of Google Books Search, news within the arena of Google News, videos and maps on Google video and Google Maps, respectively.

Topping the charts in the list of search engines, Google is leading the global technological frontier by changing the perceptions of people towards the use

and sharing of desired information. Google has been successful in earning the title of the most renowned brand because it is the most preferred internet destination, thus helping them envisage an expanded global presence. The year 2013 marked the expansion of the company by spreading its operations in almost forty countries around the world, with an extended worker family of 16800 employees in more than seventy offices; headquarter of this corporate empire is in Mountain View, California, USA. The financial indicators for Google Inc. showed encouraging figures as the company was successful in generating a total revenue of \$66 billion in the fiscal year 2014, depicting an increase of 19% from the previous year statistics .

### **The following table pictures the SWOT analysis for the Google Company.**

Opportunities and threats are external to an organization. These two elements of the analysis discuss the environmental issues in charge at affecting the company, may they be political, economic, technological or socio cultural.. Google has the opportunity of being the systematic innovator of scale. The technological implication of this opportunity lies in the fact that 27. 8% of the world population today is using these internet based services and hence are dependent on companies like Google to transfer and share their zillions of bits of data . It is a note worthy fact to mention that every day Google serves hundreds of billions of customers and hence, the e-commerce users require their product to be a technological and innovation giant, henceforth offering value addition, user ease, reliability and advanced features, as the main ingredients. Innovation is the only way through which

Google can satisfy the urge of its demanding users. This technological advancement allows the Google Company to be more and more innovative and they enjoy the opportunity cum luxury of experimenting and introducing new products in the market, hence retaining the funda of innovation. The environmental culture at Google is one of the biggest opportunities for the company. Google's company environment is characterized with two adjectives, equal sharing and equal contribution . The cultural ambiance of the company gives a unique opportunity to the company to be innovative, as the company believes in hiring employees that are creative and talented, allowing them easy sharing of ideas and opinions, resultantly, every employee is a hand on contributor on the road to innovation.

Threats are the potential intimidations that a company faces at the hands of environment external to the corporate entity. Google faces a major threat of loss of potential reach. The idea is having political repercussions. There are political factors that can greatly affect the use of Google service in various parts of the world, China being the most pronounced example. Google and China are in a one to one clash against each other in the realm of possible threats to intellectual property rights and foreign ownership in the said country. This clash resulted in restricting the use of Google in China, in ideal circumstances, while a complete ban on the company services, in worst conditions. This poses a potential threat to the company if other countries in the league start to follow Chinese example. There are chances that the strong and rigid perception of the Chinese government against Google may spread in the neighbouring counterparts, resulting in the boycott or complete ban of Google products and services . The implementation of the Federal

Internet Sales tax law is another threat to the company having severe economic consequences. Since, it is a noted fact that search engines are privately owned companies and are allowed to operate freely within the applied limitations; Google is free from government control as it does not fall under the jurisdiction of any single government. However, the case will not be so after the implementation of this tax. The implication of this tax results in a 24% decrease in internet retail sales, meaning that Google will have a huge set back as 97% of its revenue comes from advertising of e-commerce businesses .

In contrast to opportunities and threats, the strengths and weaknesses of a company are internal to any organization and represent a resource based view. A resource based view help the companies to pay attention to details relating the organizational internal resources, strengths and weaknesses. The two significant strengths that make up the intangible resources of the company include technical and human capabilities. The technical capabilities are the main strength of the company, as they allow Google to benefit from the concept of core competency. The theory of core competency stresses how a company can retain competitive advantages and sustain its profitability. Google is unanimously the market leader in search engines, having a 65% share in the web search market . This strength allows the company to be technically innovative, as the company can now afford to take risk. It is because of this reason that the company invests heavily in the department of research and development. Human resource is important resource based strength of the company. Dedicated, intellectual, creative, efficient and talented pool of trust worthy and loyal employees is the biggest

strength of the company . At Google Inc., the management works towards a well synchronised system of recruiting that ensures the availability of the right candidate for the right job, thus, turning to be the most significant asset for the company.

Along with the strengths, there are also certain important weaknesses that the company inherent. It is a stated fact that Google relies heavily on advertising as its main source of revenues. According to a careful estimate, the company generates more than 85% of its revenue from the ad business alone. There off establishing that any potential decrease in the ad industry of the company will bring unimaginable losses to the company. Hence, what requires of the company is to broaden their services portfolio basket. In addition to this, the company is lagging behind with the next generation devices, notably mobile and tablet computers, which is an area of serious concern for the company .

The listed internal strengths of the company provide ways of maximizing at the opportunities available to this giant corporate entity. Both the technical and human resource strengths of Google Inc. allows the management to maximize their opportunity of being more innovative and stay ahead of their competitors in the race of being the most frequently used technological sophisticated tool for web searches and related services.

## **Conclusion**

SWOT analysis is a very important tool used in the process of analyzing the external and internal environment of any company. Google Inc. is the name that is equated against the assertion of being the nova in research engines all across the globe, thus, making it the first search engine in the known

history of technology all around the world. The SWOT analysis of Google allows unique and worthy insights in the operational environment of the company, thus, allowing delineating how to maximize strengths and opportunities while, controlling for weaknesses and threats.

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