

Free essay about yahoo business model in 2011

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The Internet gave yahoo a field to grow in to a transnational company. The yahoo business model was created to be an internet search engine, display ads and an electronic mail provider. However, due to disruptive technology yahoo business model has had to adapt to the external environment competition (Levene, 2010, p. 97). Given that the internet gave way to innovators creating different software, yahoo has had to change their business model and marketing structure in order to maintain or gain more market share. Gaining more market share is crucial because the company can maximize its profits. However, yahoo business stock market went down as a result of disruptive technology such as Google and poor leadership. Leadership strategy in the company affected its stock market because the company did not have clear goals or expectations that they needed the company to achieve. Given the objectives in any company is a crucial leadership strategy in determining direction in which the company needs to take (Schwingamer, 2012, p. 45). Also, the economic recession affected the company in that the total costs of the company surpassed the total revenue accrued by the company. In addition, Yahoo business model did not encourage its employees to achieve the company's goal because the company did not have a definite direction they wanted the company to achieve. Thus, yahoo's level of performance in 2011 went down.

Given that the yahoo business model in 2011 affected its stock market and also reduced its market share in the economy, yahoo had to find a new CEO who had a vision for the company (Perkins, 2012, p. 113). Also, the company has to negate a way in which the total revenue would be higher than the total costs in order to get more profits that would make the company

venture to new business ideas (Perkins, 2012, p. 115). Today, the technology is dynamic and yahoo has to make a new business model that can adjust to the changes in the society and can also serve the greater community to increase its market share.

References

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