

# [Microsoft: a global brand](https://assignbuster.com/microsoft-a-global-brand/)

## Our Values

As a company, and as individuals, we value integrity, honesty, openness, personal excellence, constructive self-criticism, continual self-improvement, and mutual respect. We are committed to our customers and partners and have a passion for technology.

We take on big challenges, and pride ourselves on seeing them through. We hold ourselves accountable to our customers, shareholders, partners, and employees by honouring our commitments, providing results, and striving for the highest quality.

## Company Profile

At Microsoft, everyone one is motivated and inspired every day by how their customers use their software to find creative solutions to business problems, develop breakthrough ideas, and stay connected to what’s most important to them.

Microsoft run business in much the same way, and believe in their five different business divisions, which offers the greatest potential to serve customers. They are:

Windows & Windows Live Division : Includes the Windows product family and is responsible for our relationships with personal computer manufacturers as well as online software and services through Windows Live.

Server and Tools : Software server products, services and solutions, including: Windows Server operating system, Microsoft SQL Server, Visual Studio, Silverlight, System Centre products, Forefront security products, Biz Talk Server, and Microsoft Consulting Services.

Online Services Division : Consists of an online advertising platform with offerings for publishers and advertisers, and online information offerings such as Bing and the MSN portals and channels.

Microsoft Business Division : Includes the Microsoft Office suites, desktop programs, servers, and services and solutions; Microsoft Dynamics; and Unified Communications business solutions.

Entertainment and Devices Division : Consists of the Xbox video game system, including consoles and accessories, Xbox Live operations, Zune digital music and entertainment device; Mediaroom, mobile and embedded device platforms, Surface computing platform, and Windows Automotive.

We are committed long term to the mission of helping our customers realize their full potential. Just as we constantly update and improve our products, we want to continually evolve our company to be in the best position to accelerate new technologies as they emerge and to better serve our customers.

A recent publication (Partners – Crosswords)

## SWOT Analysis

## STRENGTHS:

Microsoft is one of the huge reputable global brand currently in the market. It is recognizable for couple of reasons, it was one of the largest software developers and it has developed a customer base of near about 30 million people all over the world. It has built its reputation on the successful development of its computer softwares namely the Windows line of products.

Brand is all-important. Microsoft is one of the best established and healthy IT brands in the World, and has a very loyal set of enthusiastic customers that advocates and uses the brand. With loyal customers, it means that Microsoft does not only recruit new customers but retains old ones.

The company is composed of different main offices inside the United States and around the globe making the distribution and development of its products easily accessible to the consumers. It has its offices in Germany, United Kingdom and Europe and sub offices in countries such as China, France and Korea.

## WEAKNESSES:

Microsoft lacks a solid client and service support centre on the internet. This is important since problems and bugs with regards to their products must be fix rapidly to attain efficiency. The lack of a customer service centre would erode the integrity and quality perceived by costumers on Microsoft products.

Microsoft products have compatibility issues with other hardwares and softwares manufactured by other companies. This compatibility issue would then limit the ability of the customer to buy all products made by Microsoft since it would affect the stability and performance of a computer.

Microsoft does not share the programming codes of its softwares making modification difficult if bugs and other malfunctions are detected by programmers not affiliated to the company.

## OPPORTUNITIES:

Microsoft moved into the Chinese market by producing computer programs based on the Chinese language and giving discretionary authority to the Chinese government to censure and to eaves drop on emails, documents and webpage.

Microsoft has also diversified its products. During the past years the company has ventured into fields such as game design, game developing and publishing and the production of game consoles such as the Xbox.

The company has also branched out to provide free email and news services to its customers. It has also developed softwares and computer programs that are vital in organizing business spreadsheets and data.

## THREATS:

The success of Microsoft in software development has spawned other competitors to follow the footsteps of the company towards success. The primary competitor of the company in the operating systems industry is the Linux program developed by independent programmers. This program is easy to use and can be obtain free of charge.

Since the company is diversifying in other fields it competes its products with the products being made by companies who have been experts in their chosen industry. The company might eventually lost its battles in making its products competitive when put side by side with products made by corporations which has established their name and reputation to the customers.

Another threat that is being faced by Microsoft is the different lawsuits and indictments against the company being made by independent companies, programmers and software developers. These lawsuits do not only exhaust the financial resources of the company but it also promotes negative publicity and bad public image.

Microsoft is losing its market share steadily, due to increase in competition and diversified products offered by their competitors.

A recent publication (Thinking Made Easy: SWOT Analysis of Microsoft)

## PESTEL ANALYSIS

A PESTEL analysis is a set of tools or an investigation of the important factors that are cronogicaly changing which influences on a business externally. PESTEL is abbreviated as Political, Economical, Social, Technological, Environmental & Legal impacts. Politically influences on organisation like abrupt changes in government, inconsistency in their policies. Economic changes relate to changes in the macro economical conditions such as unstable economical conditions, rise in people standards or fluctuations in interest rates, etc. Social changes relate to changes in society (either globally or locally) such as changes in lifestyles e. g. more women going out to work, changes in customers buying behaviours. Technological changes relate to the entrance of new high tech inventions and ideas such as the development of the robotics and internet as business tools. Environmental changes means the impact on production oriented organisation with the environmental policies like all textile manufacturing units were transferred to Asian markets from Manchester UK due to its adverse effect on the environment. Legal

## Political

Microsoft is highly affected by the political scenario there in USA. Microsoft is becoming one of the giant companies globally. It has created huge monopoly across the globe. US government is now trying to break up Microsoft into several different companies so that to maintain equal competition throughout the market. One of the other reasons in splitting up Microsoft Corporation that it is becoming so much stronger that it could be a threat for even US government in near future.

## Economical

Being such a versatile company and the market share they have, Microsoft plays major role in bringing up the country economies they have set-upped their businesses. According to an independent studies that the economies of the country shoots up three times when Microsoft starts businesses in that country.

## Social

Microsoft has an edge on all of its competitors that socially more people are inclined towards Pentium platforms so naturally it helped a lot to have more market share rather than others. Market segment of Pentium users is considerably very huge but it would be threat for Microsoft that they are losing its share with an average pace, due to their unsatisfied customers.

## Technological

It was a decade earlier that Microsoft was the leader in producing high tech softwares and gadgets, but now they are getting tough competition from global phenomenon brand ‘ Apple’. No doubt Microsoft adopts and market new technology as soon as it could be but still i

## Porter’s Generic Strategies

Michael Porter has proposed three generic strategies that provide a good starting point for strategic thinking; overall cost leadership, differentiation, focus and combination of all these three strategies is known as stuck in the middle. Microsoft is a versatile company it produces series of products and services which caters different market segments, and according to every particular segments they developed their specific strategy for different product segments.

## Overall cost leadership

Microsoft’s has out scoured its major software houses towards Asian markets, that help them to develop efficient and yet low cost softwares with low overhead or manufacturing cost. The added benefit of companies going globally is that they get access to their local market, and one of the reasons Microsoft has established software house in India is to expand their Indian market share.

## Differentiation

The other strategy which Microsoft is keep following since very early stages, is of their differentiated products and softwares. With the launch of Windows the most user friendly and

## Focus

Microsoft has narrow down its market segments, they identified the need of their customers and created segments within the segments. For example at first there was only one segment of computer games lovers but now Microsoft has narrow down this segment and created a separate gaming console for gamers called Microsoft Xbox 360.

## Marketing Strategies