

Google in china analysis 2 vo

Business, Marketing



Marketing Vanguard Analysis Google - Holistic Business Perspective 2005-2009 Viewing at the transition that Chinese internet market has come across during 2005-2009, then it has turned tables completely on Google. The target population is much younger as it was back in 2005. The usage trends have increased multifold and have surpassed the number US users in terms of their comparison with the same country in 2005. Bearing in mind the needs and demands of the Chinese population Google had to make a lot of improvements into its business model to make it more appealing to the Chinese internet users. A nationalistic flavor has also been identified among the Chinese internet users as they prefer localized search engines over foreign ones, here Google encountered a positioning enigma as well.

As for the usage patterns are concerned then Chinese market is substantially different in more than one ways. They do more blogging, a more thorough browsing and more localized way of searching the internet. Apart from these, censorship and repressive strategy over internet browsing are some more barriers that are placed to Google's progress in the Chinese market.

However with a population of more than 1 billion people and one of the fastest internet penetration rates, Chinese market cannot be ignored by a player like Google (Lawrence, 2009).

Analysis of Chinese Internet Market 2005-2009

The Chinese Internet market comprised of 103 million internet users in 2005 and this number grew exponentially to 316 million till April 2009. In 2005, entertainment was the main reason for internet usage in China with around 38% of the users identifying it as their sole purpose of browsing; however till 2009 the trend has shifted to more sophisticated browsing habits such as

news 79%, Blog 54%, Search 68% and Email 57%. In 2005, 69% of users had internet access at home while 38% at work, in 2009 the scenario has changed and internet cafes and schools have also emerged as centers with internet access (Lawrence, 2009).

In 2009 dimensions of entertainment have also developed and gaming and social networking have also become integral components of the category. Internet penetration rate in China is 25% and this makes China a great market for players like Google to capitalize up on. In 2005 one in seven users was above 30 years of age but in 2009 the average age group is 25 years, indicating youth dominance among internet users. In all in all Chinese internet market shows sustainability and signs of growth and further development. In US average internet user age is 42 with annual penetration rate of 3% suggesting that it has reached the saturation level and newer regions must be identified for growth and prosperity in the internet industry (Lawrence, 2009).

Internet Search Service Experience - China 2009

The above graphs give deep insights into the trends that are prominent in among Chinese Internet Users. These trends can be used by Google to take a leap forward from the competition and position itself in the Chinese Market. As can be observed from the pie chart above, first thing done by a Chinese internet user is to access an Instant Messenger, this trend is observed among 40% of the population. This is indicative of the fact that there is a growing need for socialization among the internet users in China and this trend can also be associated to the fact that there is youth dominance in the

Chinese Market (Lawrence, 2009).

News is another important item that is looked into over the internet and this relates to the barriers that are place by the establishment for internet users. This analysis provides Google with a clear path to establish itself in the Chinese Market. Google can offer services that appeal to youth the most and Google + is a step in the right direction. Consistently updating news and providing access to reliable information to the audience can also help Google reposition itself in the market.

Branding Google in China - 2009

Google needs to come up with an augmented product to survive and excel in the competitive Chinese Internet Market. The latest trends show that Chinese Internet users prefer localized browsers, here Google can change its branding strategy and designate itself a more localized image in the market by renaming itself in the local language. Maintaining a youth oriented image is also an important aspect that shall be taken care of and options that are to be placed on the browser shall reflect the ease of use and convenience from a younger audience perspective (Lawrence, 2009).

Google shall also lay emphasis on building and maintaining good public relations with the establishment to ensure continuous coverage in China. Providing a localized touch to the browsing experience shall be the core product here. In a nutshell, Google needs to glocalize in China, thereby thinking global and acting local for the sake of its long term interests in China.

Reference

Anne T. Lawrence, (2009). Figuring out how to deal with China. Retrieved April 13, 2012, from [http://www. greenleaf-publishing. com](http://www.greenleaf-publishing.com)