

Facebook puts other companies underneath its wings

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Introduction

Facebook is considered these days as a leader for the social networking websites, Facebook is such a great success story which officially came out in 2004 created by Mark Zuckerberg and his classmates at Harvard University. On October 28, 2003, when they were in the second year, Zuckerberg and his team started the idea by launching a website called "Facemash", after that, for many reasons the website was shut down by the school.

On February 4, 2004, Zuckerberg started again with his team a new website called "Thefacebook", they worked hard to develop the website and they divided the tasks professionally; Eduardo Saverin is responsible for the business side, Dustin Moskovitz for programming issues, Andrew McCollum for the graphic design, and Chris Hughes. Facebook has been written and developed using C++ and PHP language. They worked together such as a great talent team until the website was expanded to many schools (Who Invented Facebook, ND).

In my point of view, Facebook made a difference in the social media world by making the website so attractive to the users, right now Facebook has over than one billion active users, in addition, Facebook has a second global rank and a second US rank according to the Alexa traffic rank, and the visitors of the site are viewed as an average of 18.1 pages per day (Facebook Rank, ND). So we are going in this paper to discuss all aspects and terms of my thesis statement and verify it as well. Moreover, we are going to review one of the strategy that Facebook has and do SWOT analysis as well.

My thesis statement summarized as the following “ Facebook puts other companies underneath its wings by imposing Ads network strategies, marketing strategies and as well as social media strategies”. The Five Porters Forces Risk of entry by potential competitors: The barriers of entry to other competitors of Facebook is very high, since Facebook has the criteria of the users satisfaction which makes the users more loyal to Facebook, for instance, I would say Google is a potential competitor to Facebook, hence, the risk of entry is low.

Intensity of rivalry among established firms: Twitter is one of the most competitors to Facebook, since Twitter has Five Hundred million users on its social network as well as has the tenth rank on Alexa traffic rank; furthermore, Facebook and Twitter are fighting to make the users more attractive by coming up with new ideas in the network social networks to make it more easier to the end users.

Bargaining power of buyers: Since Facebook offers social networking services to the end users, Facebook does know the importance of the user's power to make them successful by offering unique and flexible tools for the social networking, moreover, Facebook team should take into considerations the feedbacks and reviews of the end users. Bargaining power of suppliers: In Facebook case, there's no specific supplier because they are offering online services, they could be the suppliers themselves, and we would consider the government is a supplier for Facebook; since the government monitor and control the social networks.

Threat of substitutes: The threat of substitutes for Facebook is represented by any social networking website like Twitter or Myspace which they are really rivals, so Facebook team should update the website from time to time to make the users satisfied and to face the user's daily demands on the social network. Facebook SWOT Analysis Strengths: Facebook has the second rank at Alexa as a global rank and second rank in the US (Facebook Rank, ND).

In addition, Facebook now has over than one billion active users; Facebook has announced its revenue by gaining more than \$150 million from the mobile advertising (Turcan, 2012). Furthermore, Facebook supports more than 70 languages for the users across the world which makes Facebook attractive for many users their mother language is not English. Now Facebook has a popular brand name and it has been used as a reference in many movies or even in the business cards (FACEBOOK SWOT, ND). Weaknesses: There are many faked accounts and duplicated accounts that cannot be identified easily.

Also, people say Facebook is secretly gathering information about them which may leave an impression to remove their accounts. Moreover, Facebook posted a loss in last two quarters which will impact its stocks (Turcan, 2012). Opportunities: Researchers can take advantage of using Facebook by gathering data for surveys purposes. Moreover, Ads prices are still going up as Facebook recently announced which will have the investors buy new stocks. Also, Facebook can be used as a market place; people can sell and buy items through Facebook (FACEBOOK SWOT, ND).

Threats: China government doesn't allow Facebook to operate out there in China; since china has a huge population. In addition, it is probably that users may switch to any other services like Google+ (Facebook Investment, 2012). Also, Twitter has a strong competition with Facebook in the market place and they are making unique features Faecbook doesn't. Furthermore, there are many viruses have attacked Facbook as we have heard recently from news, and it might be a threat of ongoing hacking in the future.

Facebook Marketing Strategy

Marketing strategy is one of the interesting strategies that Facebook has; Facebook demonstrates its strategy by defining the target audience which means Facebook has grouping packages for all accounts by age, gender, profession and location which help the other companies to post their Ads on Facebook for specific class of people and as well as specific region, furthermore, Facebook helps other corporations to increase the traffic on their websites by creating an official page contains their official website link and contact information which truly helps the corporations to share their information, run certain events, post any kind of advertisements and get more likes.

I would say the more likes you get, the more success you are. In another hand, the non-profit organizations can take the advantage by creating a page on Facebook to get donations and find volunteers across all the world, moreover, Facebook provides the page owners with all kind of statistics tools and reports, those kind of reports are weekly and daily updated and included with the post quality, how many likes, page views and photoviews.

Conclusion In my point of view, the marketing strategy makes Facebook an attractive destination for all kind of businesses to post Ads, upload photos, create events and communicate with people which leads rapidly to grow revenue of Facebook.

In my opinion, Facebook developers should work on the privacy settings to make sure that the users will stick with them for a long period of time. Moreover, the developer team should do something to prevent the existence of the duplicated accounts and the faked accounts by monitoring the IP addresses of the user's computer. Finally, Facebook is still in the fore beating up Twitter, My Space and other social networking websites, as I mentioned before, Facebook has been a leader for the other online social networking services, I would say Facebook made a difference in the information revolution these days and created a competitive environment in the market place.