

Google immediately case study

Business



According to the article, it will take upwards of 300 years to obtain and organize all of the world's information. That being said, it is safe to say Google has a long way to go but are they headed in the right direction? Google, just like any other company has goals and objectives. Some of their goals include: Growth Develop and maintain the "perfect" search engine Provide innovative products early and often To organize information and make the web faster and better for everyone (These will be discussed in strategies and throughout the case analysis) Strategies Google is no different from Burger King or from LA Fitness.

All companies share a same goal, regardless of the industry they are in: market share and growth. Google's main goal is to continuously grow and dominate the market/industry and be a leader for years to come. Upon entering the market in 1999, Yahoo and AOL were some of the leaders in the industry. Google immediately changed that by becoming working at becoming a player in the industry.

As of 2009, Google had 65.6% share of all US searches and 90% of all international searches. Meanwhile, the closest rival (Yahoo) had only 17.5%. Since the very beginning, Google came about to change search engines everywhere.

They wanted to offer a faster search engine that provided more relevant results, incorporating history of search, keyword frequency, and important pages. Thus began the creation of paid listings. At the very beginning, paid listings were advertisements all around the page: top, bottom and in the margins. Additionally, cost per click (CPC) came about as well. Advertisers

began to pay for clicked links by consumers to compete for position on search results pages.

The higher their link was on the results page, the more likely it would be clicked.

Google changed this aspect into a cost per impression, meaning if the ad is viewed and thing clicked, then the client is still charged a fee. Google also developed a CAP rate based on actual clicks to expected clicks forecasted by Google themselves. In Google Degas averting littoral content along Walt Logs, something Tanat had not been done by any competitor yet. AOL ended up giving Google the rights to advertise on their website costing Google \$1 billion and giving AOL \$330 million advertising credit. Over the years Google has encountered many rivals and competitors ranging from Yahoo and Being toEbayandAmazon.

These rivals came about due to the innovative products created at Google. Google purchased impasses such as Youth, Doublethink and Channel Intelligence while coming up with products such as cloud applications, Google Docs, Gamma, Google Finance and so much more. Google was leaving their main focus of search engines and dabbled into other categories in the industry. To some, this could be seen as dangerous and deadly to the company itself.

Not for Google, anything they touched turned into gold. Google Docs immediately challengedMicrosoftOffice while Gamma challenged any and all free email websites.

Google has also come out with tablets and mobile phones of late, allowing them to compete in yet another industry. Some might ask what is so appealing about all of their products? In my personal experience, I would say the ease of use is what appeals to me.

Anytime I have used a product of Google, it is so easy to use and has lots of capabilities. Some might see this ease of use as a competitive advantage. When it all comes down to it, developing the “ perfect” search engine is their main focus. Google has a philosophy that says, “ Do one thing really, really well. That is why the main focus of the company is developing the perfect search engine and organizing the world’s information. Through paid as well as free stings, Google has developed a faster and more accurate way to sort search results.

This will continue to be their focus in the future and Google hopes to master the art of the search engine. Google Culture and Values During its existence, Google has proven to be loyal to a certain set of values, principles and culture. In my opinion, this can be swayed as part of their business strategy as well.

As part of there culture, they make these three things consistently known:
1 . “ Don’t be evil” - Do not compromise the integrity of search, effective advertising without being flashy, and do not allow ads on websites that have no elevate.

At Google they have a firm set of beliefs and this is an important one. Google makes sure to do things the right way and follow their moral and ethic code. They do not take advantage of publishers, clients or the customers. Google is
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here to provide a service as well as products and they do so in an honest way. 2.

Technology Matters” - Technology rules everything. Developing a faster and more accurate search query could only be done so through new and advancing technology. Google developed custom hardware to decrease costs and improve speed. 3. “ We make our win rules” - The founders at Google ran the company in a different and unconventional way. They were very secretive to outsiders, only unveiling things that they were required to and nothing more.

This leads into their unconventional governance structure as well.

Governance at Google was an interesting situation when it came to the PIP.

They decided to offer dual class equity, giving 10 votes per share of Class B and Class A receives 1 vote per share. Assuming that majority of people will sell their shares anyways; Larry, Sergey, and Page let CEO Schmidt, Alan E. Meyerowitz, and others, with 80% control of the vote. This allowed them to control the strategy and direction of the company. They made it very well known the direction the company was headed in and that anyone who invests is not only investing in Google, but the idea and direction that Larry, Page and Schmidt want to go in.

4. Do one thing really, really well” - This is basically a quote that Google has and will always live by. When Google first came about, the main focus of the company was providing a better search engine than what already existed. Google created algorithms that allowed for quicker and more relevant search

results. Between these algorithms and the deals Google scored with companies, they quickly jumped into majority market share.

To this day, Google still acquires companies and has deals with clients to continuously improve search quality on a day-to-day basis. Do not expect this to ever change.

There are other points that Google lives by but these four are the most important and outline their every decision, their every move. Situation Analysis S.O.O.T Strengths 1 . Brand Recognition – Everyone knows and has heard of Google.

People have begun to use the company's name as not only a proper noun but also a verb, “ Goggled it or Goggling it”. To be so popular not just in the form of search engine, but with all the products offered, that is a huge strength. Reputation is everything. 2. Acquisitions – “ If you can't beat them, Join them”.

That is a popular quote heard from time to time.

Google has dominated the market since entry in 1999 and lots of companies have fallen to this quote. Google acquires competitors (current and possible future) from time to time, such as Youth, Doublethink and Channel Intelligence. This increases their reach towards possible new target markets, increasing revenue and profit. Most importantly, it increases market share. As a company absorbs competition, one would assume their market share becomes absorbed as well.

3. Algorithms - Google created an algorithm to link pages together that deserved attention.

This allowed for faster and more relevant search results leading to Google becoming a true threat to competitors. Irrelevant results always swamped and spammed customers. Google found a way to trim this down and it also became a competitive advantage. 4.

Free Services - Google offered free software to optimize advertising campaigns. Google Analytics allows companies to focus spending on specific keywords that are more popular so they are more likely to lead to sales.

Weaknesses 1 . Variety of products - I very well could have considered this one of their strengths as well.

I firmly believe when Google came about, their main focus was to improve the quality of the search engine. Since then, Google has developed a wide variety of products ranging from books, email and videos all the way to mobile phones, operating steward Ana Google cocas.

Tottering a mayoral AT products Ana services can cause a company to lose their main focus. 2. Legal issues - Google seems to not be bothered by their legal issues. From copyright infringement (books) to searches by trademarks, Google has faced legal issues throughout their existence.

There was a class action lawsuit in which Google ended up settling for \$45 million with book authors/publishers for copyright infringement. In addition to that, placing competitor ads when a company is searched did not sit well with companies such as Gecko or American Airlines.

It created customer confusion and led to possible loss in sales for the clients of Google. These suits were also confidentially settled. 3. International Reputation- These legal issues were not solely domestic. Litigation for companies overseas ended in a different result, with the courts siding with multiple trademark holders rather than Google.

Book scanning was resolved domestically as well but the results were opposite once again overseas.

It seems as though Google has a poor reputation as a result of these legal issues overseas. Opportunities 1 . Mobile Devices - Google has created an Android phone that is currently competing with top market mobile devices. They also have come up with Google Glass and tablets. There are more opportunities in this industry and large room for improvement on their existing products.

Apple may dominate this part of the industry but it is not farfetched to think a company like Google cannot deplete Apple's market share. . Full Service Portal - Yahoo currently offers a full service portal inclusive of sports, finance, email, calendar, tasks, etc. Google already individually offers some of these products. Maybe getting into the idea of a full service portal could be their next step? 3.

Improving existing products - After initial releases of products, Google can weigh the popularity and success of each product. They will know what is failing, what interests society and what they can/should improve on.

Innovation is not only creating new products but also improving existing ones. . Advancing Technology - Google has acquired many companies

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throughout their existence, which allowed them to use new and uncharted technology.

There is always new technology and Google is a multimillion-dollar company allowing them the possibility of purchasing if not creating this technology themselves. Adapting to new technology allows Google to gain an advantage over others in the industry Threats 1. Replacement Advertising - Google began advertising on search pages. Since the start of web advertising, we have come a long way.

Now there are mobile phone APS that include advertising as well as social media sites. This could begin to threaten the market share and revenue of Google 2.

Privacy Laws - As we know, Google is no stranger to legal issues. Privacy has begun to threaten Google in many different forms. One common for was through Gamma. Advertisements were chosen based on what the email said but no one was actually looking; there was simply an algorithm in place to extract that information and process it. The search history can be accessed and people think this invades their privacy as well.

Your search history is available for up to 18 months.

3. Substitution- With the variety of products offered, can one NAS one or more competitors. IT legal Issues continue to roles or prices become too high, it is possible that customers switch from Google to their competitors. The threat of substitution is high in the sense of products other than search. Some would say they do not see a difference between Yahoo, Google and

Being BUT this is not a threat because as of 2009, Google had 65.6% of all US searches.

If there is no difference, then where is the threat of this number to decrease?

Why would anyone switch from the current search engine that they use?

Competitive Advantage and Resources Resources and competitive advantages seem to go hand in hand here at Google. A key resource is the employees. Google has approximately 48,000 employees; this calls for a wide variety of knowledge and talent. Each employee brings something different to the table. Google stresses individualism and personal projects.

If 48,000 people are striving to improve the company and create new possibilities, that would make employees a phenomenal resource. Another resource is their algorithms.

As I have stated throughout this discussion, Google created algorithms to create a faster, more dependable and relevant search engine. Developing these algorithms allowed them to sustain a competitive advantage. In fact, some competitors even wanted to purchase the use of these on their engines (Yahoo and AOL)! Instead, Google went ahead and created a search engine becoming a direct competitor. Another resource, which might actually seem odd, is the founders and CEO of the company.

They run Google in an unconventional way but it has really paid off. They developed a set of values and pounded this culture into all heads at Google.

Technology is another resource used at Google. Technology in general is always changing and people constantly have to adapt. Google is a driver of <https://assignbuster.com/google-immediately-case-study/>

technology and constantly brings products to the market. Google uses technology to succeed as well as incur a profit.

The above resources can also be considered competitive advantages for Google. The algorithm that was created set Google apart from competitors and allowed them to enter the market. They immediately began obtaining market share and competitors could not compete with that type of search engine. Brand recognition is another competitive advantage.

If people were to give me the option to use Bing, Yahoo or Google, I would hands down always use Google.

Not that I can tell a difference but simply because I am accustomed to it. It is well known and developed in so many facets of the industry. Another competitive advantage that Google has is its free software. The competitors cannot afford to offer free services to clients, which gives Google a leg up on the competition. It allows Google to tap into new markets, further tap into current markets and please current clients.

Data scraping abilities (which I have direct contact with) is another competitive advantage.

The data scraping capabilities at Google are unbelievable. The resources they have here allow them to analyze every bit of data possible. This leads to better and more accurate services for clients, enhanced keywords, and an enhanced overall experience for clients. Porter's 5 Forces I narrate AT new entrants - some would consider tens null out I think it varies depending on which segment you are discussing.

In the search engine segment, I would say the threat is low but when you look at the multitude of products offered elsewhere, there is always a high threat.

Costs to enter could be high in some segments while low in others. While profits are attractive and could result in new companies entering the market, Google as a dominant firm can turn these potential threats away. Threat of Substitutes - This has the same basis as threat of new entrants. Depending on the product, the threat could be high or low.

Cell phones and tablets have a ton of possible substitutes out there and that can cause customers to switch brands. Varying prices of products or differences in quality can cause a high threat of substitution as well. Rivalry- High.

There are rivals in every segment of Google's business. Search engine as Yahoo as its biggest competitor but not limited to just them. There is also Being, AOL, and other small competitors.

The existence of innovation and new products keeps the rivalry intense amongst competitors in the industry. Similar products and similar goals keep the rivalry constant Bargaining power of suppliers - Low. The main suppliers of Google are engineers. Due to the number of engineers, the supplier has low bargaining power. Google has 48, 000 employees and if engineers feel they can do better elsewhere, then Google will find replacements.

Being such a large and successful company almost has Google on a pedestal. Who wouldn't jump at the opportunity to work for them?

Bargaining power of consumers - Also varies based on what product is being discussed. When you discuss tangible products such as mobile phones or tablets, power is high. When it comes to search engines, Google Docs, Gamma, etc, power is low. Although there are other substitutes to these items listed above, the interface and software of Google sets it apart from the rest. The threat of switching is non-existent.

Critical Success Factors - these are factors that are necessary for a company to achieve its mission. For Google, the following are SF: Speed and accuracy- The faster results can be displayed with accuracy then the more likely that people will use Google. This is how Google set themselves apart from the industry. New algorithms allowed for more relevant results at a quicker pace. Quality search results - As I stated above, the algorithm allowed for relevant results. People were being spammed by random links not relevant to what they were looking for.

Innovation- Google is constantly bringing products to the market and attracting new target markets. Not only are they bringing new products to light, they are changing and improving existing products Culture - This is a SF for Google because it sets them apart from competitors. Google stands by their beliefs and their culture 100%. They do not deter. They delete regardless of the solution. It allows them to think outside the box and differently than competitors Ease of use - Older generations are not completely acquainted with the use of technology and probably never will be.

The ease of use could help close that gap tremendously and allow for Google to tap another market. The multitude of products, software, hardware or tangible products need to be easy to use. Even my generation has trouble with software and hardware, it is like a second language to some!

Alternatives and Recommendations A few possible alternatives that Google can do are become a full access portal, increase personal time to 20% (making it a 60-20-20 system) and focus on improving existing products. Becoming a full access portal will allow Google to take some additional market share from Yahoo.

Currently Yahoo offers finance, sports, mail, news, etc.

All in one place. Google needs to put this into action. The pros of this are that Google already has these things but offers them separately. Google has the Gamma option, finance, news, maps, books and much more. It already has the pieces and just needs to combine them into one place. This should not be hard with all the talented engineers on staff.

Another pro is that the market share is bound to increase. Google already has many loyal customers to different segments of the market.

Some might use Yahoo for things not currently offered in the same place. If Google offers sports where it has email and finance (for example), it could take away customers from Yahoo. A con is that this is a big risk. If the interface is not easy to understand or follow, people might abandon these options altogether and go directly to a competitor.

Increasing personal time spent on projects to 20%, changing the culture too 60-20-20. Currently Google encourages personal projects and stresses to work on a 70-20-10 basis. Google says they do not mind spending money now if it can lead to possible wealth over time.

For this idea, there are a few cons. Employees could get caught up in their personal ideas and projects leaving the important ones assigned by managers past due.

This could also be seen as free time and some might take advantage of it as a break from work in general. Another con is if 48,000 employees are working on their own projects 20% of the time, it might not be time well spent amongst everyone. Even if everyone is working diligently on a project, these projects might not pan out and that is a lot of wasted time. One of the biggest pros is high risk, high reward.

Google is willing to take a risk after evaluating projects developed by employees.

Allowing them to work on personal projects 20% of the time can create more opportunities to "hit big" for Google. Another pro is the encouragement of creativity. Personal projects call for creativity and this can then transfer over into the 60-20 time spent elsewhere. My last suggestion is to focus on existing products rather than continue to increase the amount of products they have already. Google came about and was focused on search but since then have brought multiple products to the forefront of the market.

While they have been mostly successful, existing products can still be tweaked to gain maximum exposure. The main pro of this suggestion is that ten Slinks Ana problems excellent could be resolved. Google could perfect already popular and existing products with the possibility of taking demand from competitors. Another pro is redirecting their focus back to the original product and the main source of revenue. Search was the first product of Google and even today it makes up the majority of the revenues (including advertising since they are hand in hand).

Some cons are that they could be missing out on the next big thing.

Putting all focus on existing products might have Google miss out on a hot new product that could really bring a big boom to the company. Another con is there might not be much more additional potential to focusing on existing products. They have acquired companies and competitors throughout their time and this is one way to focus on existing products. Another recommendation is pretty simple and quick to the point. Get rid of products that do not have high value to the company.

The scope of the product line is wide and I do not think it is possible that all are value-adding products to Google.

While some might be reaching large audiences and bringing high profits to the company, there are always some that are not doing so well. While they still might be making a profit, the workforce could be used elsewhere and that might have a higher value than the non-core product. Resources and time could be used elsewhere to perfect other products or to create new and

innovative ones. The con is that while it might not be adding the product is still bringing in a profit.

Google is very successful and would not have a product existing that currently has costs outweighing benefits.

They are too smart for that. Giving up on a product might not be the correct decision just because it is not bringing in expected amounts of money. My recommendation would be to combine the 60-20-20 option with the focus on existing products option. While the 60-20-20 idea can cause a lack of focus, intertwining it with the existing products idea allows that focus to still be there. Employees can incorporate work on existing products in that additional 10% of time as well.

Allowing companies to work privately on anything could prove to be a bad idea but pairing it with existing products will benefit the company. Imagine 48,000 employees focusing on existing products. The sky is the limit and Google can really blow competitors out of the water. I decided the full service portal is not a good suggestion. The risk of it not being easy to access and maneuver around does not outweigh the benefits. Customers already use a variety of products regardless if they are all in one location.

If putting these product in one place backfires due to difficulty of use, customers may go to Yahoo and begin using their portal.

Google already has a sense of customer loyalty so why try and change something that is working. Implementation The recommendation at hand here is to increase personal time to 20%, making the culture at Google 60-

20-20 while maintaining focus on existing products. To begin this recommendation, Google should select a percentage of employees to test this out. Of 48,000 employees, they cannot have everyone working on personal projects ruling Tontine out.

It might lead to laziness and a lack of focus across the board. Would select maybe 5% of the workforce and allow them to allocate additional time towards personal projects. Google can then compare it to prior months focus on core business and see if they still maintained focus. If this was successful, then little by little introduce the workforce to this new concept. Another part of this implementation would be to have different shifts. Everyone cannot work on personal projects at the same time.

Setting aside different shifts for the personal time could prove pivotal to the success of this idea. Google likes the idea of these creative concepts and have used them before.

Gmail is an example of the "personal project" and now that has flourished into a leading email in the industry. Google has no problem investing in long shots and extending to 20% would do just that. Another part of the recommendation was to put focus on existing products and tweak or perfect them. To begin implementation, analysts at Google need to perform an industry analysis and provide some data on the competitors that exist with similar products.

Google needs to have numbers and data comparisons so that they know how their products are doing in comparison to possible substitutes.

After analyzing the industry, Google would send out customer surveys. All customers are in a database and have their emails, addresses, phone numbers, etc. On file. Google will find a way to reach the customer, send them a short survey on what they like, what they don't like, what needs improvement and other beneficial questions.

To figure out what needs improvement, you MUST talk to the users of the product. Upon finding out what is liked, what needs fixing, Google must assign a task force to tackle the job. This can now be intertwined with the 60-20-20 change stated above.

While it may be a core business task, the idea of how to fix a problem or tweak a product can be completed during the 20% personal time. Once the task force has been assigned, the product will be evaluated by everyone on the task force. They will be encouraged to give blunt honest opinions on the product as well.

These employees are more knowledgeable than the everyday user so they might have different ideas that could be acknowledged as well. Once the survey period has ended for both customers and employees, brainstorming must begin.

Individualism is encouraged but working in teams can help brainstorming run more smoothly. Ideas will be bounced around and once they can settle on what needs to be done, the "how" part takes place. Strategies on changing, marketing, and promoting the new product need to be derived and approved by managers.

Once the strategies are derived, products will begin to go through the makeover process. Throughout this makeover process, Google will begin marketing and promoting the changes that are coming. The public will become aware, arousing curiosity as to what Google did to make this amazing product even better.

This will lead to some hype and Google, like usual, will please the customers and the public. Google's mission is to organize the world's information and make it universally accessible and useful.

They have been doing this since 1999 and have a long way to go. Focusing on existing products by fine-tuning them will help change the world forever. Allowing new and great ideas to develop internally and then possibly taking a roll is what makes Google great. Google is an innovative company, cannibalizing many segments of many industries ever since Day 1. Just as the article says, everyone fears Google..

. As they should.