

Google android analysis

Business



Google Android Case Analysis 13-5 The Following Questions are Equally Weighted Google purchased Android in 2005 for a small, undisclosed amount of money. Why did Google choose to enter the market this way? In the year 2005 when Google chose to make the Android company as part of its own the outside world of smart phones was overwhelmed by existing giants like iPhone and Microsoft. It was in their acclaimed presence that a noisy inclusion into the market might not have been able to bloom to its fullest. The publicity it would've gained would've involved severe comparisons with tried and tested counterparts. Any lacking on the part of Android would have been severely shunned and may have resulted in the breaking down of the entire launch sequence of it. It was in the light of these thoughts that Android, embedded with, wireless connectivity, social networking service, Google short messaging service, ability to locate the owner's location and preferences silently made its way through to its present strong position. 2. Google saw the mobile phone market as both an opportunity and a threat. Summarize the opportunities and threats from Google's perspective. Opportunities for Google Threats to Google's Business To establish itself as a smart mobile device that was aware of its owner's location and services. Being an open source OS it was not restricted to a single type of handset but had the ability to function on any mobile compatible with its hardware. To establish itself as a 'LEGO' type OS where every system of it could be broken down into bits and pieces from where ever desired and then put back again. Correlation of processes within Android itself was exemplary. Promotion of wireless connectivity's presence. This facility was absent in its competitors at the time of its launch. Market share occupied by existing mobile phones would restrain Android from establishing itself as their

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counterpart. Namely, Apple's iPhone established itself at more than 13% of the market share followed by Symbian, Windows Mobile, BlackBerry, Various Linux and webOS. Presence of wireless connectivity enabled connection to the internet. This led to security concerns due to a chance of possible hacking of the OS and the phone itself via hackers online.

3. Compare Google's business model in the mobile phone market with Apple's. Be sure to address the following three issues: - Who pays the company? - What do they buy from the company? - How does the company make a profit? (Where does most or all of the profits come from?)

Apple's Business Model for Mobile Phones

Google's Business Model for Mobile Phones

Apple has dominated the mobile phone market with the introduction of iPhone. This is a tailor-made phone that has its own software. The company makes profits by propagating their product that is classy and is much acclaimed owing to the established name of Apple. At the backend of this market grab is the popularity of the Macintosh computer. Projections show increasing sales in the market of Apple. Apple earns its profits by the introduction of a large number of iPhones into the market. It has its own advertising platform. Its application store approval policy gives it an edge over Google and poses a severe threat to it. Google differs from iPhone/Apple mainly in its most basic layout. Google gives away its software to handset makers. Google wants to remain in the centre of the business market. The tactic Google pursues in order to compete with other competitors is that it offers its mobile software free of charge. Then later on some services connected to the initial free software such as e-mail, photos, news and other services are provided upon the payment of a specific cost. Most of the revenue at Google is generated by online advertising. This accounts for 90% of the total profit.

4. The Google Android operating system

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is evolving much faster than Symbian (from Nokia), iOS (from Apple), and RIM's QNX (Blackberry). How does Google make this happen? The reason that gives Android an edge over all its mobile phone competitors is definitely its fast evolving nature. This is owing to the flexible and malleable open source temperament. Android offers an optimized Smartphone platform that is compatible with almost all kinds of hardware whether or not the hardware itself is custom-made for it. The ever expanding number and type of applications that Android offers also gives it a popularity edge over the rest of the Smartphones.