

# Google Inc.

## Corporate Profile

A large, faded version of the Google logo, consisting of the word "Google" in its characteristic multi-colored font, centered on the page.

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# Module 1

## ***Business and Contact Information***

- Business Name: Google Inc.
- Business Head Quarters Address: 1600 Amphitheater Parkway Mountain View, California 94043
- Phone: 650-253-0000
- Fax: 650-253-0001
- Gross Profit as of 12/31/14: \$40,310,000
- Domain Registered: September 15, 1997
- Incorporation Date: September 4, 1998
- Number of Employees: 52,069



## ***Most Well-Known Products and Services***

- Google Search Engine
- Gmail, electronic mail
- Android Smartphone Operating System
- Chrome Web Browser
- YouTube, domain used to upload, share, and watch videos
- Google Maps, easily accessible maps and directions
- Google Drive, online storage and sharing for documents and images

## ***Introduction***

Created in 1995 by two Stanford University students by the names of Sergey Brin and Larry Page what was once a search engine by the name of BackRub has since changed its name to Google and launched over 100 services and products to help people around the world have easier and better access to information on a global level. However, by operating in the ever growing technology industry Google does face a few risks like developing a strong mobile application, social media presence, and electronic payment user base. Google states that their goal is "to make it as easy as possible for you to find the information you need and get the things you need to do done". By working to compete with companies like Apple, Yahoo!, and Facebook they continue to develop better products in order to help their user spend more time with the people and activities they enjoy.

### ***Mission Statement***

**“Google’s mission is to organize the world’s information and make it universally accessible and useful.”**

At the top of Google Inc.’s about page in big, bold print are the words, “Google’s mission is to organize the world’s information and make it universally accessible and useful.” Which, defines what their purpose is and allows for it to expand and grow along with the company. It makes apparent that Google is here to bring information and knowledge to the world to the best of their ability.

### ***Vision Statement***

**“To provide access to the world’s information in one click.”**

### ***Values***

Also known as “Ten things we know to be true”:

1. Focus on the user and all else will follow.
2. It’s best to do one thing really, really well.
3. Fast is better than slow.
4. Democracy on the web works.
5. You don’t need to be at your desk to need an answer.
6. You can make money without doing evil.
7. There’s always more information out there.
8. The need for information crosses all borders.
9. You can be serious without a suit.
10. Great just isn’t good enough.

## ***Corporate and Business Ethics***

Business ethics is defined as "the rules or standards governing the conduct of a person or group" by the Business in Action Seventh Edition book. Google's ethics are stated in their Code of Conduct that is based off of the phrase "don't be evil" and must be followed by all employees and board members, failure to adhere to the code could even result in termination of position. The Code of Conduct contains eight categories, seven of which have sub-categories each of which are listed below along with their corresponding hyperlink.

- I. [Serve Our Users](#)
- II. [Respect Each Other](#)
- III. [Avoid Conflicts of Interest](#)
- IV. [Preserve Confidentiality](#)
- V. [Protect Google's Assets](#)
- VI. [Ensure Financial Integrity and Responsibility](#)
- VII. [Obey the Law](#)
- VIII. [Conclusion](#)

# **Module 2**

## **Social Responsibility**

## ***Corporate Social Responsibility***

The idea behind Corporate Social Responsibility (CSR) is for the company to give back to the community usually through being environmentally friendly, donating money to local or global charities, or through ethical labor practices. CSR not only does good for the planet but also gives the company an edge in drawing customers, potential employees, and shareholders. Google focuses their assets through both defensive and proactive forms of CSR. Defensive meaning that they are responding to something after it occurs and proactive meaning that they are helping a cause before the possibility that something could happen to cause a negative effect.

Google's main focus with CSR is philanthropy and addressing global issues. In order to tackle both of these objectives in a proactive way they started the "Google China Social Innovation Cup for College Students" to involve Chinese youth in proposing social change and boost the confidence and moral by showing them that they can make a difference. Earthquake relief is defensive philanthropic endeavor that Google takes part in by building schools and partnering with other organizations such as MercyCorp, Save the Children, and Doctors without Borders for as many as 2-3 years after an earthquake in order to rehabilitate the land and people affected. Also, Google Grants which offers select charity organizations free AdWords to help increase the traffic to that charity's website to, in turn, increase support offered to that charity.

## ***Stocks***

Google, Inc. is traded through the NASDAQ stock market which trades in just over 50 countries and makes most trades electronically. In April of 2014 Google split its shares into Class A shares (GOOG) and Class C shares (GOOGL) while their Class B shares are held primarily by executives and board members. While there is little difference in price between the two publically traded shares the dividing factor between the two is that owners of Class A shares get one vote per share in how the company is run while Class C owners get zero and the privately held Class B owners get 10 votes per share.

### ***Primary Stakeholders (GOOG Class A Shares):***

- Larry Page; CEO and Co-Founder; 21,733,002 shares
- Ruth Porat; Chief Financial Officer; 46,367 shares
- Omid Kordestani; Chief Business Officer and Senior Vice President; 81,212 shares
- Eric Schmidt; Executive Chairman; 76,880 shares
- L. John Doerr; Board Member; 3,413 shares



### ***Secondary Stakeholders (GOOG Class A Shares)***

- State Street Corporation; 22,196,220 shares
- Vanguard Group, Inc. (The); 16,428,312 shares
- FMR, LLC; 16,173,220 shares
- Price (T.Rowe) Associates Inc; 10,280,360 shares
- Capital Research Global Investors; 8,384,614 shares
- BlackRock Institutional Trust Company, N.A.; 7,493,035 shares
- JP Morgan Chase & Company; 6,584,393 shares
- Bank of New York Mellon Corporation; 4,322,583 shares
- Northern Trust Corporation; 4,058,834 shares
- Baillie Gifford and Company; 3,843,130 shares

### ***Primary Stakeholders (GOOGL Class C Shares)***

- Eric Schmidt; 1,094 shares
- L. John Doerr; 2,522 shares
- Sergey Brin; 75,000 shares
- Patrick Pichette; 331 shares
- Shirley Tilghman; 5,173 shares<sup>1</sup>

### ***Chief Executive Officer***

Larry Page, Chief Executive Officer of Google

In April of 2011 Larry Page reclaimed the title of CEO from former CEO and current board member Eric Schmidt who had taken over for Page in 2001 when Page became President of Products. Page received his bachelor's degree in engineering from the University of Michigan and his master's degree in computer science from Stanford University where he met Google's other co-founder Sergey Brin in the mid-1990s. As a leader Page encourages his employees to think of crazy ideas because they could change the world, to avoid bureaucracy, and recognize the significance in the small moves.

## **Workforce Diversity**

Workforce diversity is described as all of the experiences and characteristics combined that makes each person their own individual. Maintaining diversity is important because the more diverse the workplace the more diverse and innovative the talents and ideas of the employees will be and the more diverse the markets the company could reach would be. Google obtains this through their efforts to be fair and inclusive with many programs to aid their employees in and outside of the office. An example of this is the Unconscious Bias Workshops that teach Googlers how to lessen their biases and be fair to all. Googlers are also provided with tailored benefits so that they receive not only the standard health insurance and retirement benefits but also on-site nurses and health care coverage, travel insurance for Googler and family on work and personal vacations, increased time off and a bonus to help with a new baby, and discounted legal services. They are constantly developing and redeveloping ways to make their interview and promotional processes fair to everyone. Lastly, Google promotes diversity through their various Googler led programs that celebrate being of a different race like the Asian Googler Networks or of a different sexual preference like the Gayglers or from a different generation like the Greyglers or from minority like the Google Women in Engineering.



**Black Googlers  
Network**



**Gayglers**



**Google China Social  
Innovation Cup for  
College Students**

# **Module 3**

## **Globalization**

## Why Engage in International Trade?

The reasons as to why nations trade are the same as the reasons why businesses trade and are shown in the following list.

1. Focusing on strengths
  - Businesses should focus on the areas they specialize and excel in and trade for goods and services that can be completed more quickly and economically than they can.
2. Expanding markets
  - Embracing the opportunity to expand business outside of their country while also allowing companies that would be beneficial to their business and country access to expand within their country in hopes of benefitting everyone.
3. Pursuing *economies of scale*
  - Expanding markets allows for more networking that can lead to economies of scale. Economies of scale allow companies to produce lower costing goods and services by purchasing in larger quantities which, makes the individual price lower.
4. Acquiring materials, goods, and services
  - Purchasing products and services to meet its needs in a way that it cannot do itself. This Reason goes hand-in-hand with Reason 1.
5. Keeping up with customers
  - Attracting and maintaining customers acquired through globalization of a company.
6. Keeping up with competitors
  - Expanding in order to reduce the possibility of a competitor becoming a greater threat and increasing revenue in the process.<sup>1</sup>



## ***Cultural and Legal Differences Faced by a Global Business***

In order to operate as a global business Google must face many cultural and legal challenges to be successful. An example is the recent accusation by the European Union that Google has abused Article 102 of the EU's antitrust laws. Article 102 states:

### **Article 102**

(ex Article 82 TEC)

Any abuse by one or more undertakings of a dominant position within the internal market or in a substantial part of it shall be prohibited as incompatible with the internal market in so far as it may affect trade between Member States.

Such abuse may, in particular, consist in:

(a) directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions;

(b) limiting production, markets or technical development to the prejudice of consumers;

(c) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;

(d) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

The provisions highlighted in green are what European officials claim the company is violating by favorably directing customers using their search engine to Google Shopping more and before other competitors therefore, putting companies such as eBay and Amazon at a disadvantage.

Adjusting to cultural differences is just as important to any company as making sure they are aware of the laws in those places. Before this matter can be addressed it must be defined. Culture is "a shared system of symbols, beliefs, attitudes, values, expectations, and norms for behavior. There are several important factors to look into when it comes to the appropriate behavior in an area unfamiliar to the business but two major key factors to look into are attire and signs of respect. While holding eye contact with an elder in the United States is considered to be positive and one of the highest forms of respect, making eye contact with an elder in China is seen as defiance towards the other person.

### ***Forms of International Business Activity***

Google manages to be involved in every form of international business activity. It engages in importing and exporting, franchising, and licensing with its line of Nexus smartphones and its Android smartphone software. Through international strategic alliances and joint ventures like the cross-licensing agreement signed with Sony in 2014 to prevent any possible future litigations between the companies and their expansion into smartphone market. Lastly, by using foreign direct investment which is defined as the investment of money by foreign companies in domestic business enterprises. They accomplished this by developing a Data Center in Finland that benefited not only the company but the community by creating jobs for the locals.

### ***Strategic Approaches***

Of the myriad of strategic approaches to the globalization of a company, Google uses over half of them. The transnational strategy is "a hybrid approach that attempts to reap the benefits of international scale while being responsive to local market dynamics." This means that while Google's headquarters may be in California the location in Columbia can make its own centralized decisions. Under most circumstances that location will know what is best for that location because someone in California may not know the culture and surroundings of the Columbian office as well as the people who work there every day do. Google uses the strategies for their products and pricing such as making adjustments to their smartphones in order to make them cheaper and have access to more of the apps that would be applicable to consumers in India or various African countries. Customer support and advertisement are also tweaked to be the most appealing and respectful of that country's culture. Culture is the most crucial aspect in the survival of a company going global.

Google has done a wonderful job at taking their company and their many products and services global. The strategies they have selected and put into action are working out quite well for them. If I were to suggest one thing that they could do to benefit themselves and the lives of others would be to try and create more jobs in developing countries.

# **Module 4**

## **Marketing**

## **Marketing Concept**

The marketing concept is defined as, "an approach to business management that stresses customer needs and wants, seeks long-term profitability, and integrates marketing with other functional units within the organization." This idea is incredibly important to a business if they ever plan to create a relationship with their customer and want them to remain loyal to their business or brand. Once they have made a connection with the customer it will not only cost the company less to keep that customer but they also become an asset to the company as free promotion.

## **External Environment Factors**

### **1. Economic conditions**

- Google has put itself in a very strong economic position. The products that Google offers are things that most people need to use on a daily basis because the use of the internet and the need to have information at your fingertips has become a first-world necessity. Other economic factors Google may face is the economic state of a country in which they are planning to expand to and whether or not their product would or could sell.

### **2. Social and cultural trends**

- Google designs products and markets them to *everyone*. While a few tweaks may be necessary in order to translate across borders their fundamental marketing strategy and values stay the same.

### **3. Laws and regulations**

- As a global business Google faces a multitude of legal issues and the responsibility of making sure they adhere to the laws by which they are subject. I have mentioned previously about the European Union accusing them of violating antitrust laws. Google also faces censorship regulations in many conservative countries such as China.

### **4. Technology**

- Google has many competitors as far as technology goes considering the ever growing product lines of phones, computers, apps, and developments in software and programming. Seeing as they operate only within the field of technology they must always be sure to be one step ahead of their competitors. One of their most notable competitors is Apple and their frequent product launches and mobile updates.

### ***Target Market***

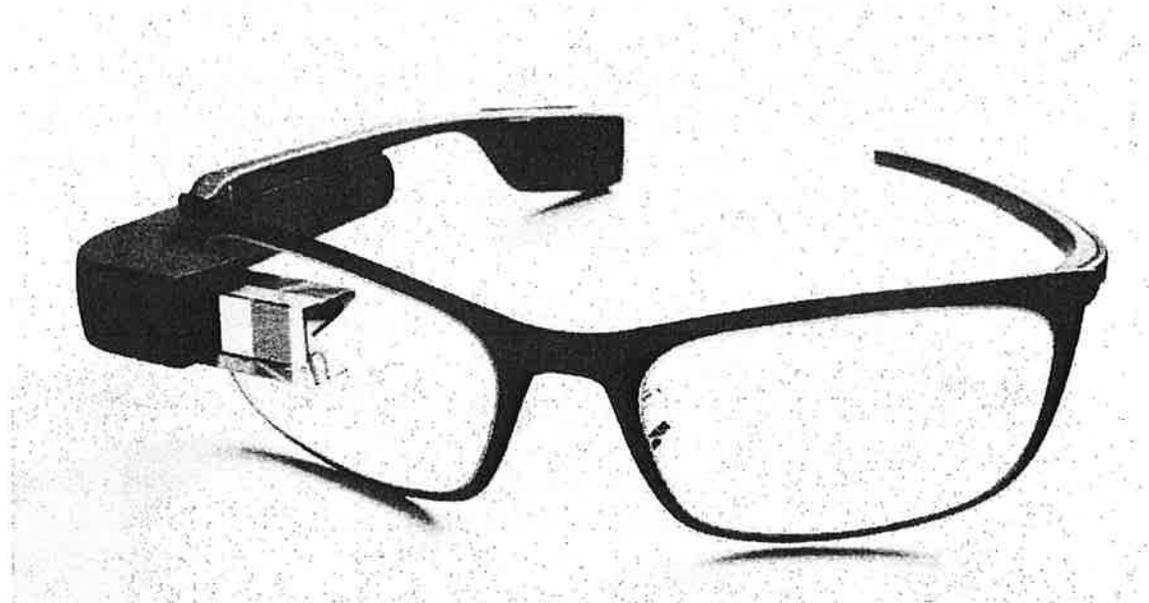
Google's Joshua Spanier, Marketing Director at Google, claims that "everyone is our target market." However, if I were to choose a target market for Google it would be males and females aged 18-28 who are a part of the technology generation and old enough to make purchasing decisions for themselves. This market can easily adapt to new technologies and is more likely to embrace change than people of a larger age.

### ***Current Economy***

Google is faring very well in the current economy, some even claim they are monopolizing. Stocks in both GOOG and GOOGL have risen steadily over the last 5 years and continue to rise. As of November 11, 2015 they are worth \$735.40 and \$765.25 respectfully.

### ***Google's Position for the Future***

I believe that Google has a bright future ahead of them due to their strong values, mission statement, and position in international trade. With the advancements made in the creation of new technologies and the cheaper production of current technologies they have a whole world to market to that they can adjust to each demographic.



Google Glass (pictured above) is just one example of technological advancement in place for Google.

# Summary

### ***Summary***

After completing this project I have come to see Google in a more positive light. Not to say that I had seen any aspect of their company, products or brand in a negatively before. I really respect that they have so many values and they have a sense of Corporate Social Responsibility and give back to not only the United States but all of the countries they have an office in. Overall, I believed this project, while the longest paper I have ever written, to be enjoyable and enlightening!

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