

Google's Competitive Advantage

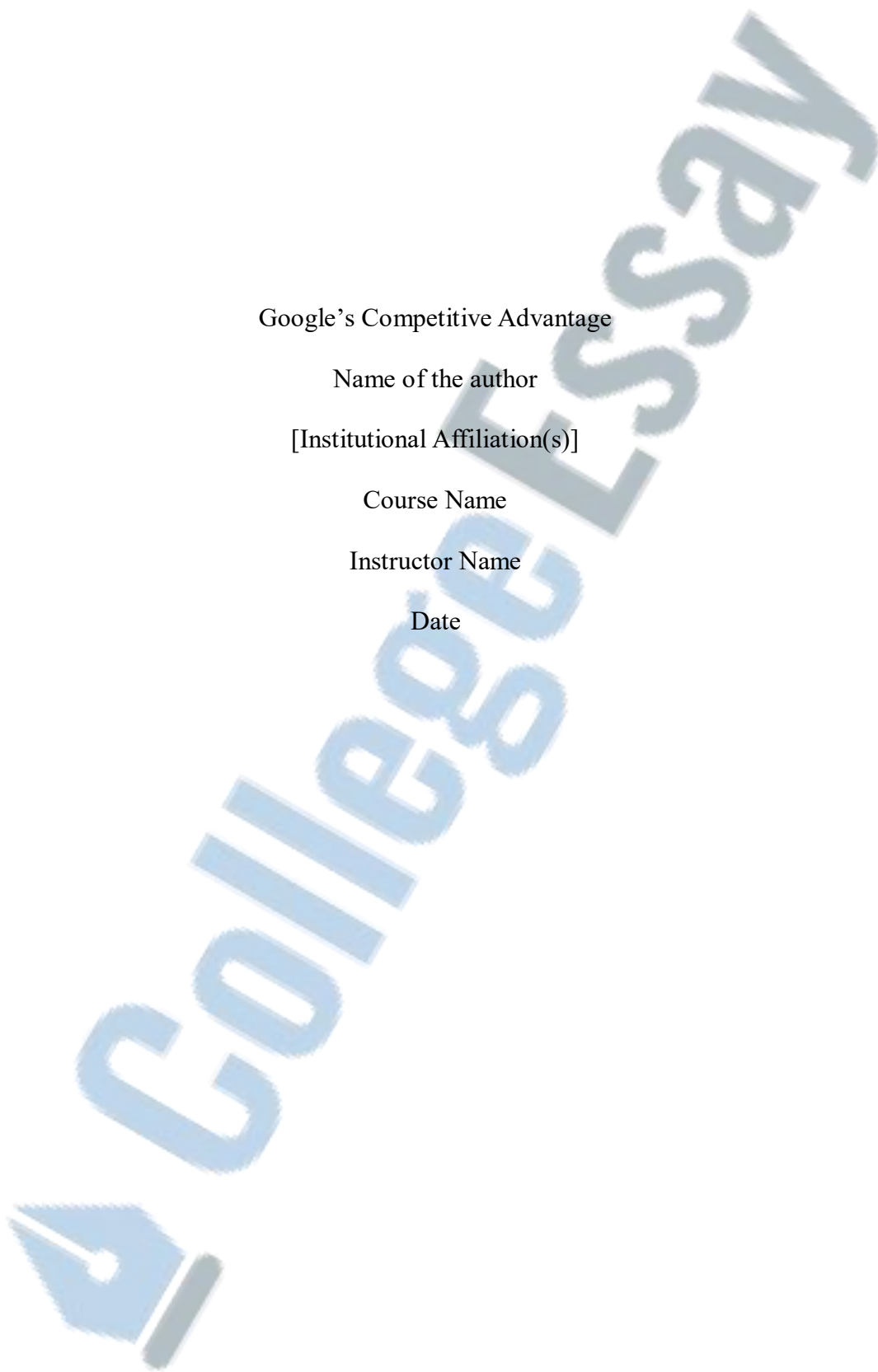
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## Google's Competitive Advantage

Google's continual focus on innovation and the development of strategic resources has enabled them to stay ahead of the competition in the ever-evolving digital landscape. This paper examines the strategic use of rare and difficult-to-imitate resources, combined with an effective marketing mix and expansive patent portfolio, employed by Google to sustain a long-term competitive advantage in the industry.

### Part 1

The resource-based theory has long been used to explain how an organization can create and sustain a competitive advantage within its industry. Google employs rare and difficult-to-imitate strategic resources to gain a competitive advantage in the ever-changing technological world.

#### Rare Resources

Google creates and maintains a competitive edge through its rare resources. These include proprietary algorithms, exclusive partnerships with other companies, and unique approaches to product design. For example, its proprietary algorithm ensures that search results are tailored specifically to the user's needs while also ensuring that spammy websites do not take over the top spots on the search engine results pages (SERPs) (Morawska et al., 2018). Additionally, its exclusive partnerships with companies such as Apple allow it to gain access to more customers than it would have had on its own (Zhu, 2019). Finally, its unique approach to product design has allowed it to stand out from competitors by creating products with features and capabilities that nobody else has been able to replicate.

## **Difficult to Imitate**

Another way that Google creates a competitive advantage is through resources that are difficult to imitate or replicate by competitors. This includes patents on certain technologies such as artificial intelligence, cloud computing etc., protecting the company against competitors using them without permission (Walton, 2021). Additionally, Google's brand recognition makes it almost impossible for others to compete against them head-on, since Google has developed powerful proprietary algorithms and technologies that differentiate it from others in the market. This includes search engine algorithms, machine learning models, cloud computing tools, and artificial intelligence capabilities (Walton, 2021). Finally, Google's strong research and development capabilities ensure that any new products or services they offer are always ahead of their competitors in terms of innovation and quality.

By leveraging these resources strategically, organizations like Google can stay ahead of the competition and remain dominant players within their respective markets for many years after initial entry into said markets.

## **Part 2**

Google's success can be attributed to its ability to effectively use elements of the marketing mix. This discussion explores how Google utilizes price and product business strategy to entice customers to purchase its product and services.

### **Price**

Google has a few different pricing models for its products and services. The company has adopted an aggressive growth strategy that allows it to offer low upfront costs for users. For example, the cost of using Google Ads is determined by an auction-based bidding system that allows advertisers to set their own budgets and bid on keywords related to their target audiences

(Tang & Yu, 2022). This competitive bidding ensures that advertisers pay a fair price for advertising space on Google's platform while allowing them to control their spending. Additionally, many of Google's other products, such as Gmail and Drive, are free or have very low subscription costs. This pricing model encourages users to make full use of Google's features, providing an affordable and cost-effective solution.

### **Product**

Google's products are some of the most innovative in the world and are highly sought after by people from all walks of life. The company has established itself as a leader in technology with products like Maps, Chrome, Android OS, YouTube, and, more recently Stadia gaming platform (Chen et al., 2020). Each product offers unique features that make life easier for users by providing simple solutions for everyday tasks like staying organized or connecting with friends online. Google also regularly updates these products with new features that keep users engaged and coming back for more. For example, Maps now includes Street View images that allow users to virtually "walk down" streets around the world or explore interesting places (Rzotkiewicz et al., 2018).

Overall, Google has mastered two key elements in the marketing mix, price and product, to help it become one of the world's most successful companies. Google differentiates itself from competitors in a crowded marketplace by offering free or low-cost access to its innovative products and continually developing new features, providing customers with simple solutions for everyday needs.

### **Part 3**

Google is leveraging its patents to maintain a long-term competitive advantage to reduce or eliminate the risk associated with its products and services. This discussion will delve into

how these patents have enabled Google to gain an edge in its market and why they are important for maintaining a competitive advantage.

Google has filed hundreds of thousands of patent applications over the years. Their current patent portfolio includes nearly 60,000 active patents in mobile device hardware, e-commerce technology, artificial intelligence (AI), cloud computing, data center infrastructure, and more (Gassmann et al., 2021). These patents protect the company's innovations from being copied by competitors. The expansive nature of Google's patent portfolio allows them to use patents defensively if needed.

Patents also give Google exclusive rights to certain technologies and processes that allow them to remain one step ahead of the competition. For example, many of their AI-related patents involve identifying patterns in data sets that are then used to predict future outcomes or behaviors (Pan & Froese, 2022). This type of predictive analysis gives Google an edge when it comes to developing new products or services before anyone else does. In addition to using patents for defensive purposes, they also use them offensively, as seen with their acquisition of Motorola Mobility in 2011 (Dubiansky, 2018). With this acquisition came thousands of additional patents related to mobile devices, which gave Google a leg up in the smartphone industry.

By staying one step ahead of its competitors through innovative technologies and processes covered by its numerous patents, Google is able to remain at the forefront of technological progress while protecting itself from potential legal battles over intellectual property rights violations.

In conclusion, Google's use of rare and difficult to imitate resources such as its proprietary algorithms, exclusive partnerships with other companies and unique approaches to

product design has enabled them to maintain a long-term competitive advantage. By focusing on innovation and protecting its intellectual property rights, Google has cemented itself as a leader in the industry and an organization that will continue to shape the future of technology.



College Essay

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