

YAHOO!- From Boom to Bust

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"IT IS NOT THE STRONGEST OF THE SPECIES THAT SURVIVE, NOR THE MOST INTELLIGENT, BUT THE ONE MOST RESPONSIVE TO CHANGE." — CHARLES DARWIN

Once the unrivalled titan of the internet, Yahoo's tragic fall after its meteoric rise is still widely discussed in today's world. This is a powerful narrative of unutilised opportunities, strategic blunders, leadership struggles and the relentless pace of technological change. While at its zenith in the 2000s, Yahoo was the gateway to the internet for millions, attracting them with its search engine, email service and news portal. It was valued over \$125 billion, making it one of the most valuable companies in the world. Yet what was once the crown jewel of the web is now just a shadow of its former self, reminding how swiftly fortune changes in the world of business.

In the year 2002, Yahoo had the massive opportunity to acquire Google for a mere amount of \$5 billion, a sum that in hindsight is nothing for the world's most dominating search engine today. But they failed to do so. A similar scenario took place again in 2006 when Yahoo could not take over Facebook (now called Meta) just for \$1 billion. Yahoo failed to act in these pivotal moments, allowing its competitors to move ahead, transforming Google and Meta into the tech giants they are today. From these instances we get to learn that the ability to recognize and seize strategic opportunities is very crucial in the fast-moving world of technology and development.

In an industry where evolution is the key to survival, Yahoo remained largely static. Its competitors like Google continuously pushed its boundaries and expanded into new domains like mobile and cloud computing whereas Yahoo relied on its established products without any significant upgrade or innovation. This proved disastrous and became the death knell. Thus, continuous innovation is just not beneficial but an essential for long term success in the tech world.

Between 2007 and 2012, the company cycled through five different CEOs but none could steer the ship back on track. All of them had different visions and this led to strategic confusion, misaligned goals and an overall loss of direction. Finally, by 2017 Yahoo was sold to Verizon for a mere value of \$4.48 billion, a fraction of its former value. It is evident from this that a strong and consistent leadership is very much necessary to navigate a company through challenges and make it successful in the long run.

Yahoo's story is more than just a tale of a company that lost its way— it is a cautionary lesson for today's entrepreneurs and business leaders. In the end, this downfall of the former tech giant is a poignant reminder for all that even the greatest players can fall if they fail to adapt and evolve.