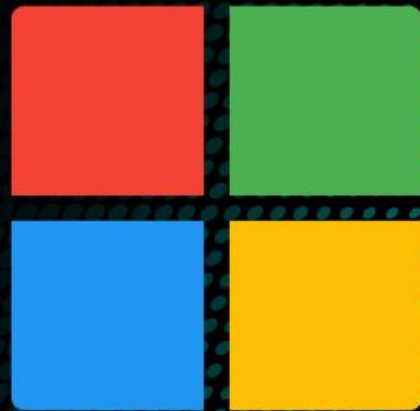


# THE AI WARS



vs



# **Business Case Study of GOOGLE vs MICROSOFT, THE AI WAR**

By  
Oishik Biswas

Source: Think School

# Google Dominance

- Google monopoly in search market
- 91% market share
- 4.2 billion users.

# Google Search



# Emergence of Chatgpt

- Chatgpt has 20 times lesser users than Google.
- The fastest growing internet consumer business in history.
- Took 5 days to have 1 million users.
- Took 60 days to have 100 million users.

# ChatGPT



# Google AI Service

- Google Bard failed to show competency.
- The stock price of Google fell by 10%.
- Lost 100 billion USD in the stock market in a single week.
- Announcement of 3 AI products, Alphabet price rose by 5%, gained 80 billion USD in value in a single day.
- Out of 80% ad revenue of Google, 58% are from search engine market.

# Google Bard Loss

Atlasiko<sup>Inc</sup>

GOOGLE'S BARD  
**AI BOT**  
**CAUSES \$100B**  
OFF SHARES LOSS DUE TO ERROR

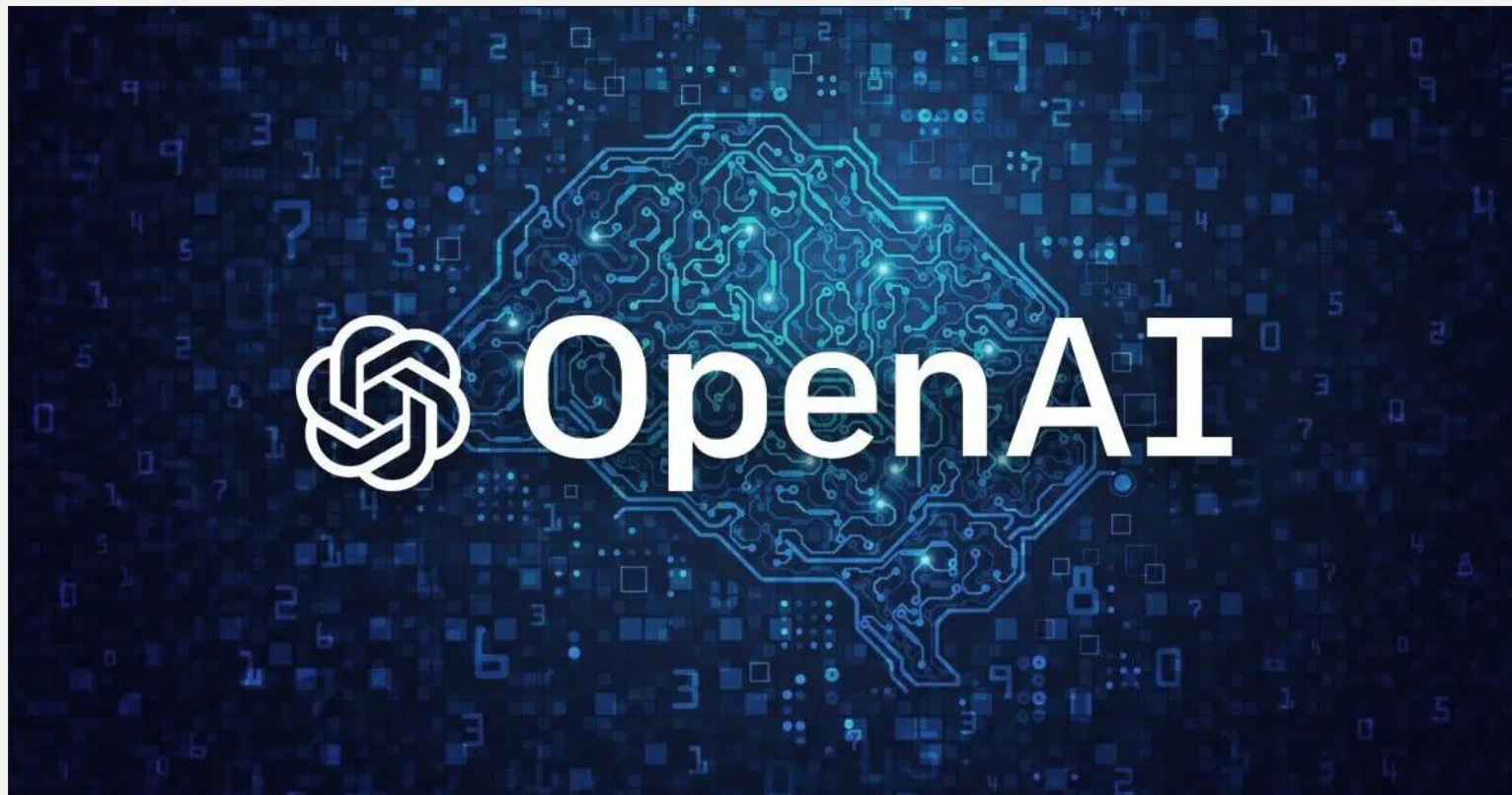




# Microsoft & Google into AI war

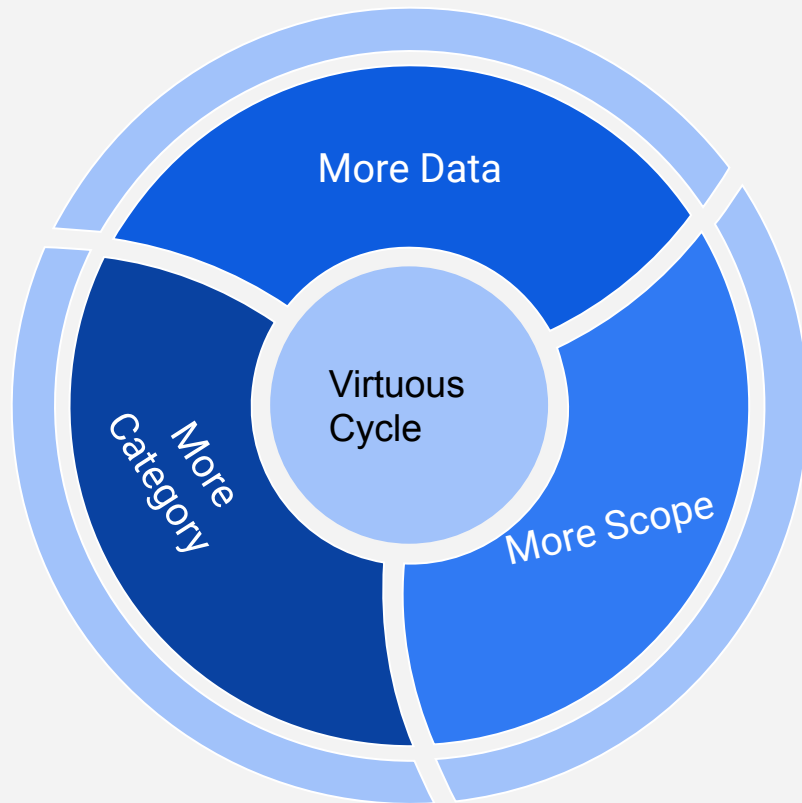
- Microsoft has more diverse revenue sources.
- Google acquires Artificial Intelligence company DeepMind for more than \$500 million.
- In 2021, Google had the most research papers in AI.
- Microsoft invested \$1 billion to OpenAI.
- OpenAI could use MS cloud infrastructure to build its AI, in return Microsoft will use OpenAI technology to earn money.

OpenAI



# Virtuous Cycle

- AI can learn better and faster with more data.
- \$160 billion search engine business at Google in danger.



# Superpowers of Google Gemini

- Natively Multimodal System → Build with intent of handling multiple types of data.
- Multimodal System → Originally designed for a singular dataset, different integration added to it.
- Gemini is a natively multimodal system.
- Chatgpt is a multimodal system.

# Natively Multimodal vs Multimodal System

## NATIVELY MULTI MODAL SYSTEM



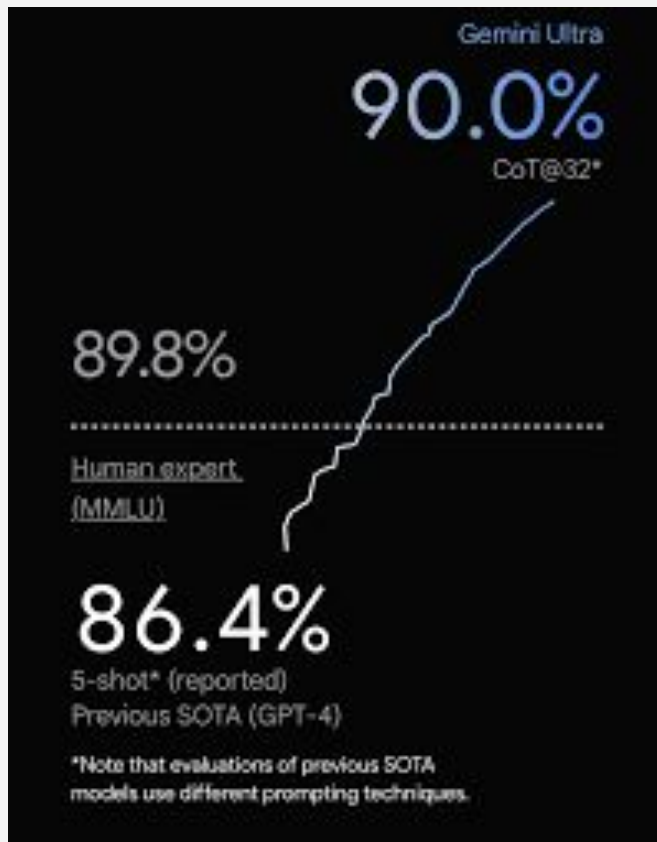
## MULTI MODAL SYSTEM



# Superpowers of Google Gemini

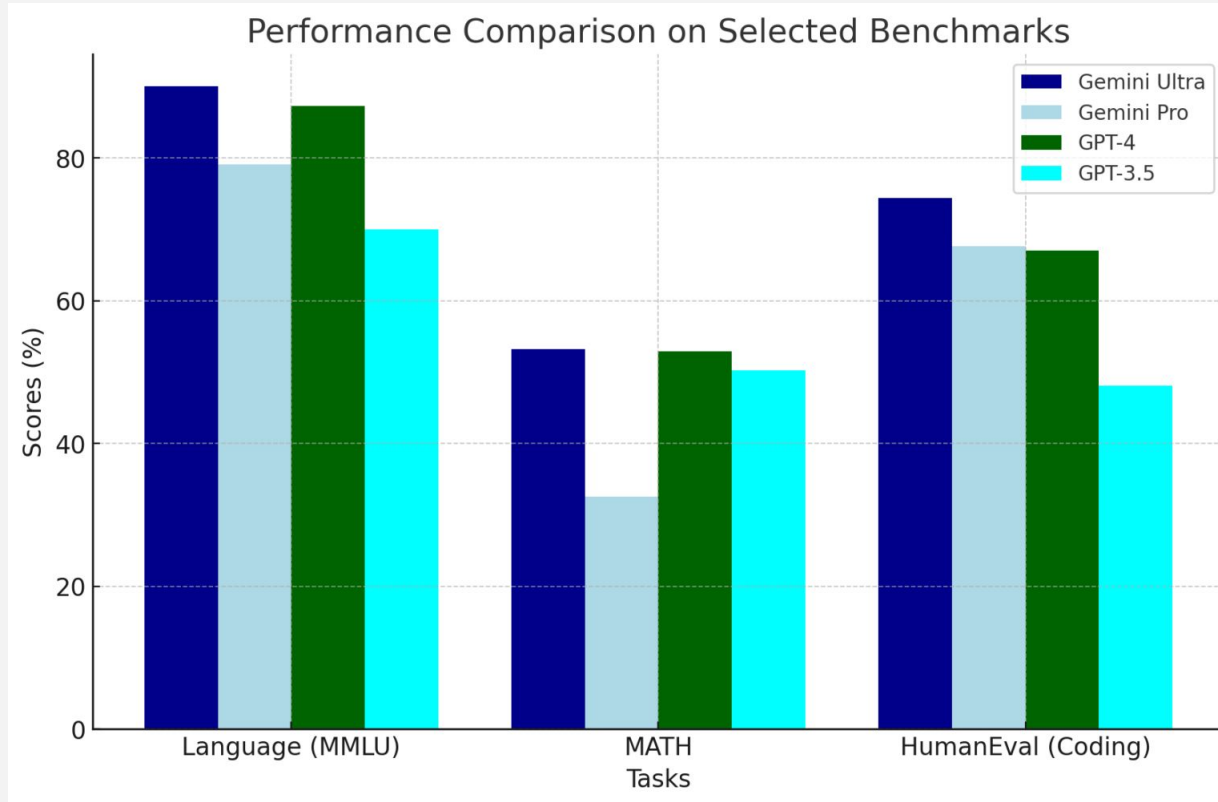
- Versatility of Gemini.
- Extraordinary computing power at Google.
- Tonnes of data from Google, train their AI model without legal issues, has the pool of large and diverse pool of information.
- Google Gemini just don't understand a lot of information. It can also think through problems and understand what it is, even better than humans.

# Gemini Performance

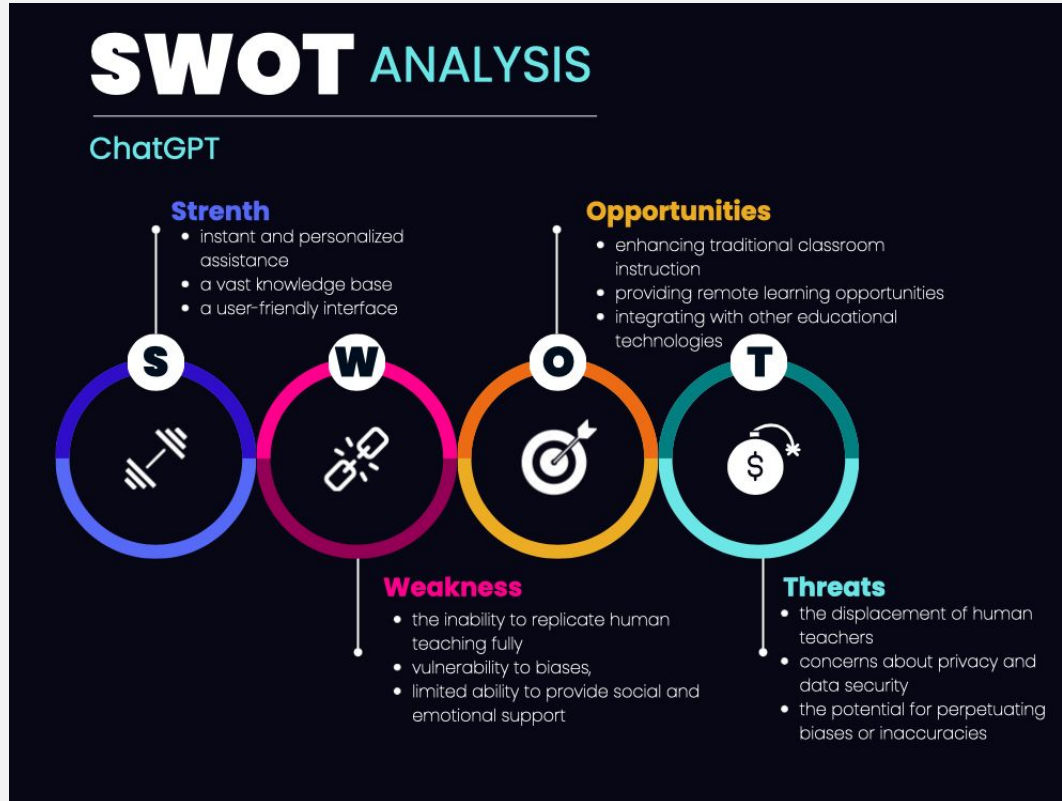




# Gemini and Chatgpt Performance Comparison



# Chatgpt SWOT Analysis



# Google SWOT Analysis

## SWOT ANALYSIS OF Google

S



### Strengths

- A Large User Base/ Large Market Share
- A Strong Brand Awareness/ Recognition
- Position as Market Leader in Search Engines
- Google Has a Culture of Innovation and New Product Development
- Google Developer Versions of Android OS Used by Billions Worldwide

W



### Weaknesses

- Over-dependence on Ad Revenue
- Concerns About its Privacy Policies
- Low Control on Consumer Electronics Using Android OS
- Spammers and Bots Manipulating Google's Search Algorithms

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### Opportunities

- AI, Machine Learning, and Other Emerging Technologies
- Cloud Computing
- Virtual Reality
- Autonomous Vehicles
- The Wearables Market

T



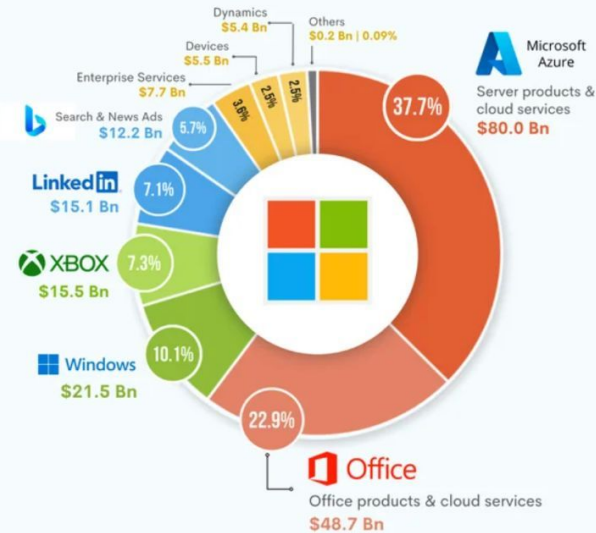
### Threats

- Emerging Technologies
- Intense Competition
- Never-Ending Lawsuits and Privacy Issues
- Cybersecurity Threats



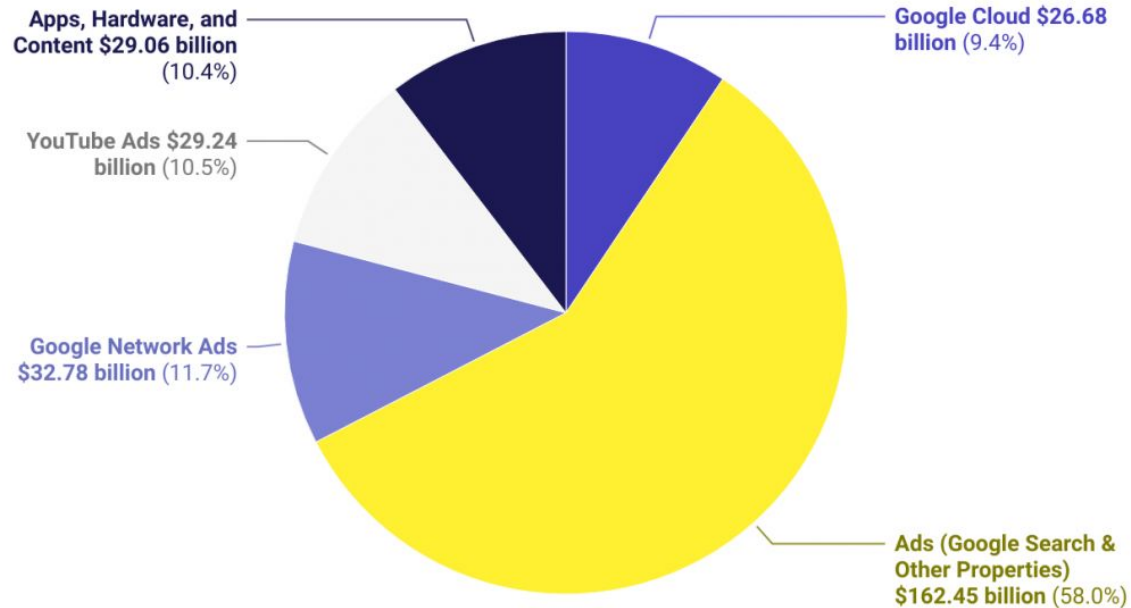
# Microsoft Revenue Source

## HOW MICROSOFT MAKES MONEY



# Google Revenue Source

## Google Revenue Breakdown (2023)



Source: Enterprise Apps Today

# Different Perspectives

- Google's bread and butter is in question with search market.
- For Microsoft capturing the search market is just another diversification segment.

# Business Lessons

- No company how dominant or monopolized is safe from disruption.
- As AI is getting better and better, even you need to upscale yourself and keep on learning.
- Timing is the most underrated variable that can build or destroy a business.