



Business Case Study of MICROSOFT

By
Oishik Biswas

Microsoft Background

- MS DOS 1.0 operating systems, revenue through licensing.
- By 1985, revenue of \$140 million USD.
- 1989 → Introduces the earlier version of office suite applications.
- 1990 → Launches Windows 3.0, graphical user interface.
- 1993 → Selling 1 million per month.
- 90% of all PCs in the world ran on MS operating systems.
- Browsers becoming more important than OS.

Business Strategy of Embrace, Extend, Exterminate

- Set default browser Internet Explorer with every PC sold.
- No choice to remove Internet Explorer, available at free cost.



Business Strategy of Embrace, Extend, Exterminate

- ActiveX controls, make impossible to download MS office files easily.
- Extended products with features that do not support the competing products.
- Used their dominance over the platform to promote their own product to exterminate the need to use rival product.
- Launching MSN messenger.
- Extend the standard.

Business Strategy of Embrace, Extend, Exterminate

- Added new features.
- Broke the compatibility of other software.
- Microsoft will build insanely user friendly file sharing system for MS office files in MS teams.

Microsoft Office Suites



Microsoft Office Tools

What's Included?



Word

For simple word processing.



PowerPoint

For stunning presentations.



Excel

For analyzing data.



Publisher*

For creating assets.



OneNote

For efficient note-taking.



Teams

For keeping in touch.



Outlook

For an organized inbox.



Access*

For complex databases.

**Indicates Apps Only Available on Windows*

Microsoft Office Tools

G Suite     

Connect with your teammates
wherever they are



Gmail



Calendar



Hangouts Chat



Hangouts Meet



Voice



Google+

Create everything you need to
bring your project to life



Docs



Sheets



Slides



Forms



Sites



Keep



Jamboard



App Maker

Control and access files and
data more securely and easily



Drive



Cloud Search



Admin



Vault



Mobile



Security Center

Microsoft SWOT Analysis

SWOT ANALYSIS OF Microsoft

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Strengths

- Significant Stock Capitalization
- Significant Market Presence
- Strong Distribution Routes
- Brands Allegiance
- Simple-to-use Software
- Global leader

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Weaknesses

- Overexposure to the PC Market
- Cybercrime Vulnerability
- Unfair Business Practices
- Lack of innovation
- No market leadership in the Internet browser segment
- Unsuccessful acquisitions

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Opportunities

- Cloud Business Growth
- Innovation and Artificial Intelligence
- Partnerships and Acquisitions
- Smartphone Industry
- Gaming Industry
- Remote Work Solutions

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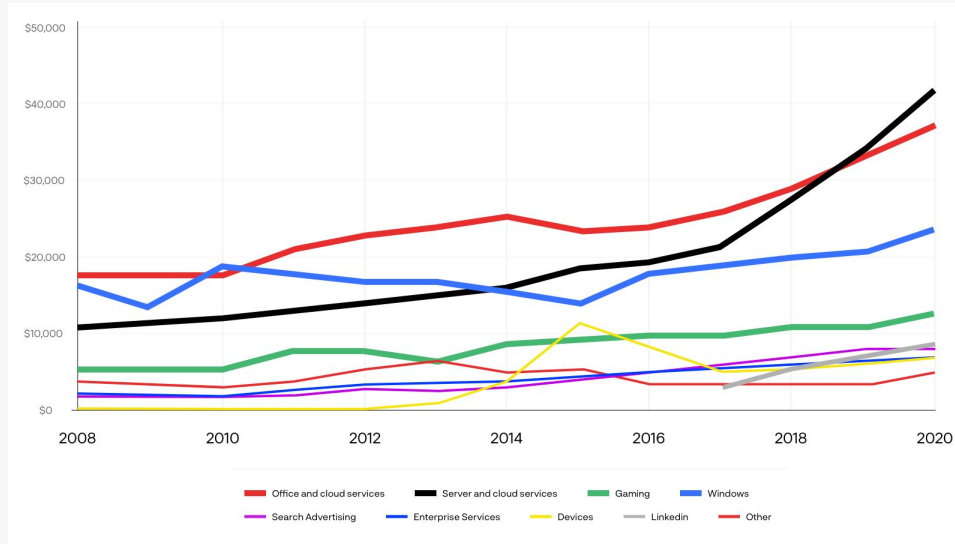


Threats

- High Competition
- Changing consumer needs and habits
- Open Source Projects
- Potential lawsuits
- Criticisms
- Anti-Encryption drive

Microsoft Revenue

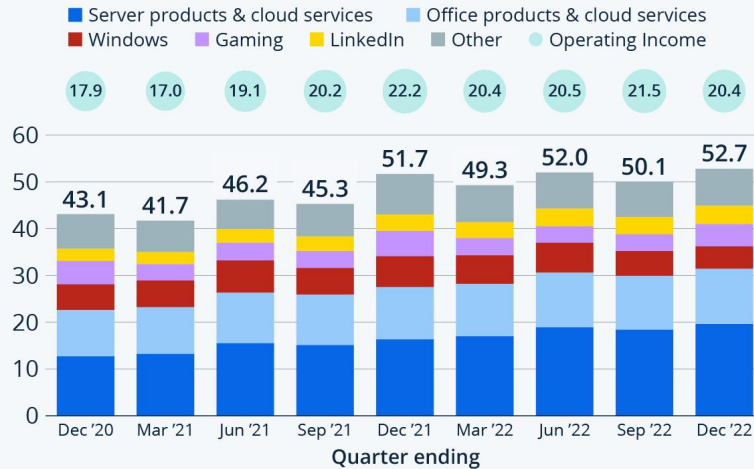
Microsoft revenue by major product line



Microsoft Revenue

Microsoft's Cloud Business Keeps Growing

Quarterly revenue of Microsoft by selected segments (in \$B)*



Source: Microsoft



Business Lessons

- Good companies focus on the competition, great companies focus on the market/customers.
- How powerful you are, if you don't build great products, the success you're going to achieve is always going to be short lived.
- Build a platform for developers to empower them, build wealth for a large number of people may make up more money.