

EMGT 358 – Global Technology Development

Assignment 1- Study of 2 Technology Tycoons

Social media is a platform that enables users to connect each other all around the globe and exchange information. Social media is booming day by day and the organizations in this domain are generating tremendous amount of profits. Two such tycoons that have social media and its tools as their primary product are Facebook and Apple. Facebook is an American online social media and social networking service company founded by Mark Zuckerberg in 2004. Facebook makes money a number of ways however advertising is the company's revenue channel. With self-serve ads becoming a booming business for Facebook and with the growth of Engagement Ads, Facebook generates up to \$40 billion in revenue worldwide. Their primary product is their social media platform, facebook.com, but Facebook has made a number of key acquisitions that have helped Facebook to increase its business at an exponential rate. Instagram is a great example of one of the major acquisitions of Facebook. Instagram is a mobile and desktop based photo sharing application and one of the most popular social media tool having a user base of more than 2 billion users worldwide and a total worth of more than \$100 billion today. When it comes to mobile devices and social media tools, Apple is one of the largest producer of these tools and devices. Apple Inc. is an American multinational technology company that designs, develops, and sells consumer electronics, computer software and online services. It was founded by Steve Jobs and Steve Wozniak in 1974 and its worth a trillion dollars today. In order to access

the social media platform, we need a hardware tool that we can use to access it. Apple is a mass producer of such hardware which includes the Apple iPhone smartphone, Apple iPad tablet computers, and the Mac personal computer to name a few. Besides this, apple also has its own social media platform, reserved for iPhone users, such as Face Time – video chat, Apple maps, iMessage and iTunes. Both Facebook and Apple are considered among the big fours of technology, including Google and Amazon.

Technology to be used is the most important pillar for any business on the internet. At the scale that Facebook operates, a lot of traditional approaches to serving web content break down or simply aren't practical. The challenge for Facebook's engineers has been to keep the site up and running smoothly in spite of handling close to half a billion active users. Facebook uses a wide variety of technology stack such as PHP, Memcached, HipHop, Haystack, BigPipe, Cassandra, Scribe, Hadoop & Hive, Thrift and Varnish. Facebook is thriving hard to move into augmented reality. They acquired oculus rift in 2014 for \$3 billion and they have a prediction of increasing the revenue from 2 billion in 2018 to 6 billion in 2019. Apple on the other hand is known for their enormous pool of cash-on-hand to lock up cutting-edge tech years before the competition has even heard of it. Apple is known for its reputation of delivering the best quality product. In order to do so they use the finest technology possible. Apple has access to new component technology months or years before its rivals. This allows it to release

groundbreaking products that are actually impossible to duplicate. One extraordinary example of this is the aluminum machining technology used to make Apple's laptops – this remains a trade secret that Apple continues to have exclusive access to and allows them to make laptops with (for now) unsurpassed strength and lightness. Apple is trying to expand its business in the augmented reality domain in the upcoming years. Apple is starting with something already very familiar: the iPhone and a new way for developers to build AR apps for the phone. That won't be a game changer right away of course, and it certainly won't deliver the kind of jaw-dropping experience being developed by companies like Magic Leap. AR-enabled iPhones will mostly mean some cool games and entertainment apps at first.

Facebook is a good causal platform to meet new people worldwide on the internet and make virtual friends. Sometimes it's a good tool to be used in order to distract yourself during some stressful situation. Besides this, Facebook also allows its users to buy and sell their old products online at Facebook marketplace and it's totally free of cost. Facebook also allows users to create their own pages and brand names thereby allowing users to market their brand. Besides this, the Facebook live feature has allowed users all around the globe to attend seminars and conferences taking place in different parts of the world. But, overuse of anything has its side effects as well. The National Safety Council reports that cell phone use while driving leads to 1.6 million crashes each year. Nearly 390,000 injuries occur each year from

accidents caused by texting while driving. 1 out of every 4 car accidents in the United States is caused by texting and driving. There were many cases of accidents where the driver was using social media while driving and that caused the accident. Other than that, Facebook has a bad reputation in data security. Many cases of data breaching have been filled against Facebook. Besides this people are also using Facebook as a platform to spread violence and fake news, trying to play with the emotions of others.

Apple products are considered as the most luxurious products. They have an excellent interface that allows data security and ease of access for users. The apple watch can be used as a body tracking system to analyze the heartrate, pulse, sleep etc. that helps users to track their fitness and improve it. Apple is having a great customer base which helps its business and thereby helping it to gain tremendous amount of profits every year. The major drawback of apple products is their price. Apple products are expensive so it's not affordable to many users. Other than that Apple products are not open source unlike android which reduces their scope of usage.

In my opinion, Facebook and Apple would have a great impact in the field of augmented reality and artificial intelligence in the coming years which will possibly be beneficial for their business. Besides this, Facebook is creating an artificial intelligence tool for the blind community to help them see the world with closed eyes. Facebook also has plans to move into the connectivity field and cover the

planet with a blanket of internet with a vision of providing internet access in each and corner of the world.

The major risks which Facebook is currently facing which is affecting their business is the threat from ad blockers. Facebook's major source of income is advertising and the ad blockers are affecting their business by a huge percentage. Another risk with Facebook is the threat of PRs. People are using Facebook as a platform to spread negativity in the world which is causing a lot of problems for Facebook. Facebook is a controlled company. Zuckerberg has the majority voting power of 58.5%, with Class B stock, which has 10 votes per share, and directs the company's course, which has so far only been beneficial. The risk is that Zuckerberg is stuck in the current situation with the company. If he wants to maintain control of the company, he can only sell approximately 13.5 percent of his shares, which would preclude him from doing much charity work. On the other hand, According to Apple, one risk factor for their company is that global markets for the company's products and services are highly competitive and subject to rapid technological change, and the company may be unable to compete effectively in these markets. Apple is dependent on others for its product distribution and this is a potential risk for their organization. According to Apple, a risk that arises from this is that there is no assurance that such subsidies will be continued at all or in the same amounts upon renewal of Apple's agreements with these carriers or in agreements [Apple] enters into with new carriers. Finally, Apple states that it

currently obtains components from single or limited sources. This, the company says, means that it's subject to significantly supply and pricing risks.

To try to mitigate those risks, it has entered into agreements for the supply of many components.

Social media tools thus have a great impact on us and our society. After studying these two tycoons of business closely, I am assured that there is a lot more than just a social media platform that needs to be considered if you need to develop a business worldwide.

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