

one, Google Project Loon that aims to provide internet connectivity for people in remote areas throughout the world.

In the further discussion, we will figure out the two important aspects that are possessed by Google in conducting its business. Those two important aspects were summarized into two key questions: How does Google position itself in the global market competitively? And, how does Google create social impact?

2. Competitive Position in Global Markets

2.1 Google the Successful Market Challenger

In a war, keep your friend close, and your enemies closer (Sun Tzu, 2009). That adagio was spoken by Sun Tzu, a well-known Chinese military general who lived in 403 BC – 221 BC. That everlasting wisdom teaches all business practitioners about the importance of knowing and understanding the competitor thoroughly.

Laying Sun Tzu's thought into business-related area, it makes sense that nowadays many companies have to get close to what their competitors do in the market. That approach enables a company to effectively produce good or service that is really demanded, and surely ensures its sustainability in the long run. In the beginning of its appearance, Google did that approach by watching its rivals who have dominated the industry.

In the time when Google was incorporated, it was not only the actor in internet technology industry. There was Yahoo! that had been dominating the search engine market (Lee, 2015). Considering that there was a giant competitor in the industry, Google surely had to position itself in the market. Determining position in the market is really needed to win the competition.

Philip Kotler in his book titled "Principles in Marketing" states that a runner-up enterprise can apply one of two strategies in order to compete with the existing market leader; becoming market challenger or market follower (Kotler *et al.*, 2013). Market challenger tends to fight

hard to increase its market share in an industry. In the other hand, market follower is likely to hold its current position within market without forcing the market leader.

Coming to the industry with a mission “To Organize the World’s Information and Make it Universally Accessible and Useful”, Google Guys positioned Google as the market challenger for its nearest rival Yahoo!. Google succeed in applying what some strategists call a ‘second-mover advantage’ by observing the pioneer in conducting its business and making better products (Tran, *et al.*, 2012). One of obvious example is when Google succeed in developing the well-known “Click-Trough-Rate” (CTR) advertisement system by analysing the conventional “Click-to-Call” (CTC) and “Pay-Per-Click” (PPC) that were massively used in the industry at that time (O’Brien, 2015).

That strategy benefited Google to analyse a lot, make appropriate moves and steal the market domination from the first mover, which was Yahoo! (Blankenhorn, 2012). Actually, the strategy is not that complicated as heard and imagined. Google only captured the market testimonials about Yahoo!’s product, then simply removed the unwanted features and added the desired features on the upcoming products. The strategy has brought Google as the market leader today.

However, as the market leader today Google may be at risk of the upcoming competitors that may replicate what Google did to Yahoo! in order to captivate the market. It can be backfired and very disadvantaged for Google. But, Larry and Sergey seem as if they could predict the future by keeping Google unbeaten (Blystone, 2015). The Google Guys have succeeded developed Google to be very competitive and make it stand out from the good competitors through the years.

2.2 Google in the Resource Based View Analysis: PageRank™, Googlers, and Google’s Brand Equity as Strategic Resources

The resource-based view (RBV) of the organization directs to analyse and identify the resources and capabilities that empower an

organization to attain a level of performance that cannot easily be matched by other competitors (Lioukas *et al.*, 2016). Furthermore, RBV theorizes that an organization's resources are potential source of competitive advantage that ensures the sustainability and productivity (Jensen *et al.*, 2016).

Practically, organizations use various kinds of resource to conduct their business. But, not all those resources will qualify as a source of sustainable competitive advantage. Regarding that matter, Haberberg and Rieple in their book titled "Strategic Management: Theory and Application" state a clear distinction between strategic and threshold resources (Haberberg and Rieple, 2008). A strategic resource is one that gives significant benefit to an organization's strategic position. In the other hand, threshold resource is the one that is not strategic, but still helps the organization to survive in the industry.

Jay Barney, a Strategic Management Professor from Ohio State University conveys four criteria for a resource to be counted as strategic. The resource should make differentiation advantage (valuable), have great difficulty to be copied by other competitors (inimitable), be distinctive or not found in other competitors (rare), and not be replaced through alternative resources (un-substitutable); simply said VRIN Framework (Barney, 1991). Therefore, the resource that really possesses those characteristics is likely considered as organization's strategic resource.

As a multinational company, Google has various resources that make it leading the industry. In his book titled "The Google Way", Bernard Girard implies three chosen resources that are considered as Google's like no other resource. Those three resources are Google PageRank™ (intellectual resource), the Googler (human resource), and Google brand equity (reputational resource) (Girard, 2009). Then, VRIN Framework can be used to assess those three strategic resources.

PageRank™ was founded by Larry Page in 1996 and therefore named after him. This link analysis algorithm assigns an importance value to every page on the web and gives rank to determine which page is most

(Google, 2005). PageRank™ indicates that the more important websites are likely to receive more links from other websites. At the time when PageRank™ was invented, it was recognised as genius invention since other search engines still relied on matching words on web pages like Yahoo! did (Vise, 2005).

PageRank™ is the basis of Google search technology. It also empowers Google to develop and expand its advertising segment that becomes the major revenue generator, such as Google AdWords™, Google AdSense™, and Google AdMob™ (Google, 2016). In other words, it can be said that PageRank™ is the original secret weapon that is built and owned by Google in leading the industry.

Therefore, PageRank™ fulfils two criteria as strategic resource, which are being valuable and un-substitutable. PageRank™ is valuable resource because it helps Google sustain the business operational by generating revenue. In the other hand, PageRank™ is also un-substitutable since only PageRank™ that is able to make thorough ranks of websites on the internet (Google, 2016).

PageRank™ has been patented with patent number U.S. Patent 6,285,999 since 1997 (Google, 2016). That patent gives single authority to Google as the only enterprise that enables to utilize PageRank™ and cover this algorithm from being imitated by other parties. Hence, the patent legitimizes PageRank™ as being rare and also inimitable.

Googler is another resource that is considered as strategic. Googler is another name to call an employee who works at Google. Since the beginning of Google was invented, Larry and Sergey have laid the trust in their employees (Vise, 2005). They knew Google would be able to grow bigger because of the Googlers. It reflects on the letter of prospectus for investors that was written by Sergey when Google went public in 2004:

Our employees, who have named themselves Googlers, are everything. Google is organized around the ability to attract and leverage the talent of exceptional technologists and business people. We have been lucky to recruit many creative,

principled and hard working stars. We hope to recruit many more in the future. We will reward and treat them well. (Bock, 2015).

Paying attention thoroughly to Sergey's statement, it is obvious that Google relies so much on Googlers. Google's innovations, creative inventions and flagship products are never established without the presence of Googlers, even though Google possesses the most sophisticated algorithm system PageRank™ (Bock, 2015). Hence, we can conclude that Googler fulfils the requirement for being valuable and un-substitutable.

Googler is not like common employee; Sergey said that Googlers are exceptional technologist and business people (Bock, 2015). Every single Googler has been passed very selective recruitment process in the beginning of their career at Google and is continuously assessed by Objectives and Key Results (OKR) assessment system (Steiber, 2014). Google's human resource is unlikely to be found in other organizations. Considering that aspect, it is not hyperbole conclusion to say that Googler fulfils the criteria for being rare and inimitable.

Indeed, among all the Googlers, the most strategic Googler is surely Larry Page and Sergey Brin, the founder of Google and also the mother of all the Googlers. Their expertise in internet technology fulfils all the criteria for being strategic resource. For Google they are valuable, inimitable, and un-substitutable. For the industry, they are undoubtedly very rare.

The last but not least strategic resource is Google's brand equity. Google as a brand possesses reputation that is built through never-ending innovation in the industry. One of the parameters in assessing brand equity can be done by looking at awards that have been received. There are many official awards for Google, such as Most Valuable Company (Fortune, 2016), The World's Most Valuable Brand (Forbes, 2016) and Best Companies to Work For (Fortune, 2016). Those awards can be used as a proof for saying that Google has distinctive brand equity.

Moreover, Google as a successful brand is more considered by how people react with it in the market. Nowadays, Google has become the generic term for search on the internet, which is the ultimate in branding power (Badenhausen, 2016). As mentioned also in the previous chapter, the word “Google” has been added in Oxford English Dictionary in 2006 for referring the search on the internet by using Google (Anders, 2006). That market recognition also contributes in building Google’s brand equity.

Looking at Google’s official awards and its market recognition, it is obviously clear that Google’s brand equity fulfils all criteria to be considered as strategic resource. It is valuable because brand equity sometimes appeals investors to make an investment and surely will directly expand the business.

Google’s brand equity cannot be imitated since it is a result of long journey of innovation process that is been passed by Google. In other words, it is uniquely embedded in Google. That uniqueness makes Google’s brand equity rare and un-substitutable; it may be impossible to be found in other companies and cannot be replaced with other matters.

2.3 Google in the Resource Based View Analysis: Google’s Culture as the Distinctive Capability

In previous sub-chapter, we have gone through in discussing Google’s three strategic resources that play significant role in Google’s success. But, those strategic resources are pointless without the capability to formulate and synergize them (Haberberg and Rieple. 2008). Generally, company’s capability is required to ensure all of the resources (strategic and threshold) are utilized outstandingly.

Companies with distinctive capabilities have attributes which others cannot replicate (Kay, 1993). In Google, organizational culture is the distinctive capability that is able to utilize all of the resources. Google’s culture has contributed to the construction of its profitable business model (Girard, 2009). Even though the Google Guys never explicitly describes what Google’s culture really is, but it is believed that it

always links to Google's mission: "to Organize the World's Information and Make it Universally Accessible and Useful".

Unlike the other companies, recruitment is considered as major function, and usually takes long time of consideration in Google (Girard, 2009). It is clearly understood since employee (the googler) is considered as strategic resource. Hence, in the hiring process, Google always makes sure that it always get right person for the right job. It reflects on its statement that is stated on its web page: "Google seeks to hire only the best" (Google, 2016).

Google always maintains casual and democratic atmosphere in its workplace. In the beginning Google's establishment, Larry Page declared that he wanted to be able to go directly to every employee, even those in the lowest level to discuss several problems without going through via complicated hierarchy and bureaucracy (Girard, 2009). In the sake of efficiency and effectiveness, Google is considered to be "flat" company.

In conducting daily operational business, Google also practices transparency and open-door policy (Steiber, 2014). One of examples is Google's Thanks God It's Friday (TGIF) meeting where all Googlers can receive, ask, and even debate several trending topics within the company (Google, 2016). By conducting this policy Google aims to ignite more productive environment since openness can build positive attitudes of the employees.

Google wants all of the Googlers to be more creative every single time. It is why Google applies the "70-20-10 rule". The rule indicates that every Googler should allocate their working time as much as 70% on big core, 20% on areas related to core, and 10% on very different things (Steiber, 2014). By doing that, Google hopes that the Googlers are staying creative and not trapped into work routine.

Google knows that diverse workforce is always a benefit. Hence, Google is passionate about diversity; Google does not only accept it, but also celebrate and encourage it (Google, 2016). In Google, there are more than 20 groups to connect with a network of people who share their values of supporting diversity, such as Black Google Network, Google

Women in Engineering, and Indus Google Network.

For every dedication that is given by the Googlers, Google always treat them well with abundant perks and benefits that may be hard to be found in other companies. Several perks that can be found at every Google office are free meals, gym equipment, flexible time schedule, and even game consoles (Google, 2016). In the other hand, several benefits that are provided by Google are healthcare plan, financial advice, and paid time off (Google, 2016).

Above all, Larry and Sergey develop overall Google's culture as capability to utilize all Google's resources optimally. It empowers Google to be always creative and innovative in running its business. Despite of any thoughts and designation that is addressed, it is always right to call Google's culture as the innovation culture (Steiber, 2013).

2.4 Google in the Resource Based View Analysis: Google's Core Competence = Strategic Resources + Distinctive Capability

The idea of core competence came from C.K. Prahalad and Gary Hamel in 1990. In their writing titled "The Core Competence of the Corporation", they convey that core competence is the ability to coordinate diverse production skills and integrate multiple streams of technologies (Prahalad and Hamel, 1990). Unlike physical assets, which will be deteriorated over time, core competence is always enhancing as it is applied and shared.

Furthermore, core competence should fulfil three criteria: provides potential access to a wide variety of markets, makes a significant contribution to customer at the end of products, and must unable for competitors to imitate (Prahalad and Hamel, 1990). Hence, core competence conveys the authenticity of a company to stand out from other competitors.

Laying the theory of core competence on Google, we can obviously conclude and figure out why this company is leading the industry today. Google has three strategic resources, which are PageRank™, the Googlers,

and Google's brand equity. Those three strategic resources—along with other threshold resources indeed—are utilized by Google's distinctive capability that reflects on its culture. In the end, that formulation generates Google's core competence that is valuable, rare, inimitable, and non-substitutable: "Innovative Internet Technology Development".

3. Creating Social Impact

3.1 Creating Global Social Impact through a Search Engine

If it isn't on Google, it doesn't exist. (Jimmy Wales)

Google is my best friend and my worst enemy. It's fabulous for research, but then it becomes addictive. (Liane Moriarty)

There's no first impressions anymore. You go to a job interview, and they'll probably Google you. (Patrick Stump)

Search without Google is like social networking without Facebook: unimaginable (Evgeny Morozov)

Google is where we go for answers. (James Gleick)

Google has just celebrated its 17th birthday in September 2015. In its "teenager" age, Google has succeeded in shaping internet technology industry, especially with its masterpiece Google Search. It does not only generate so much profit. Furthermore, Google has established what many experts say social impact.

Social impact theory was firstly introduced as an equation by Bibb Latané in 1981. It uses mathematical equations to predict the level of social impact created by specific social situations (Steven and Kipling, 1995). Specifically, social impact (SI) is affected by strength (S), immediacy (I), and number of people (N). It generates an equation conveys $SI = f(SIN)$ that describes multiplicative function. In general, the greater the number of sources of social impact in a social situation, the greater the impact would be (Latané, 1981).

The presence of Google fulfils all criteria that should be existed as the source of global social impact. First, Google has an excellent product,