

8 reasons for the collapse of the Yahoo empire

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Yahoo used to be a popular social network once, used by generations of 8X and 9X. However, in July of this year the 'giant' of this era has officially collapsed. And in October, the company launched the Yahoo! Together aims to return but unfortunately does not create a positive effect for users.

So, what is the cause of the collapse of the technology giant "one time", let's find out.

1. Decline the invitation to buy Google and look down on the search

In 1997, Larry Page and Sergei Brin, two Google founders, wanted to focus on research at Stanford, so they wanted to sell their company to Yahoo for \$ 1 million. But Yahoo declined the offer on the grounds that the company did not want its users to break down their concerns.



This is probably one of Yahoo's biggest mistakes. In terms of search engines, it is clear that Google Search provides a better experience for users when they can deliver the fastest results based on keywords related to the keyword. Meanwhile, Yahoo Search when making the results also forced users to view ads, shopping, email checking to keep users on relevant pages, extremely inconvenient.

Five years later, when Yahoo had to use Google's technology to enhance the power of Yahoo Search, the company continued to refuse to buy Google again. At that time, Google's market price reached \$ 5 billion, but Yahoo CEO Tery Semel pointed out the acquisition price of \$ 3 billion. After that, he decided to never buy this company again. Later, Tery Semel had to regret his decision.

Now that Yahoo has collapsed, Google has a market price of \$ 500 billion, one of the world's most valuable companies.

2. Failure to buy Facebook

At the end of the book called "The Facebook Effect" by David Kirkpatrick, Yahoo made a bid to buy Facebook back at an initial price of \$ 1 billion but then dropped it to \$ 850 million. At that price, Facebook was determined to reject the offer from Yahoo in just 10 minutes.



In 2006, with the determination to acquire Facebook, Yahoo was almost convinced the Facebook shareholders sold their shares. But unfortunately this action by Yahoo has caused Facebook's stock price to rise from \$ 857 million to \$ 1 billion. And this makes the company fail in this deal.

3. No suitable CEO

According to a report from the Inquirer, Yahoo has repeatedly made 'immature' decisions because none of its CEOs, including Marissa Mayer, has an appropriate "strategic vision."



Yahoo CEO Marissa Mayer.

Marissa Mayer before becoming CEO of Yahoo had 13 years working for Google with her highest position as Vice President of Product Development and Customer Care. When she became Yahoo's CEO in 2012, Marisa Mayer is expected to help the firm wake up after years of 'sleeplessness'. Unfortunately, Marisa Mayer did not do that.

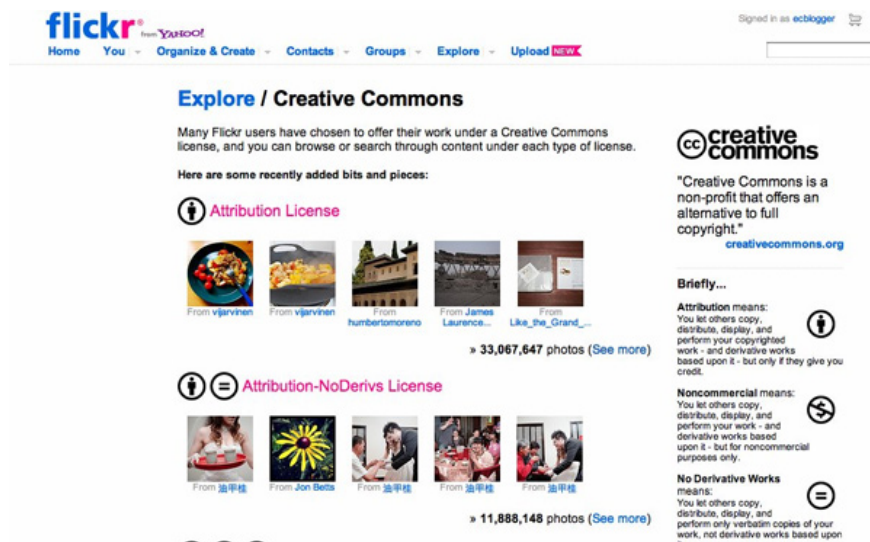
4. Refuse to sell to Microsoft



In 2008, Microsoft CEO Steve Ballmer offered \$ 44 billion to buy Yahoo but was rejected by the company because it was "too low". And by 2017, Verizon only has \$ 4.8 billion to own Yahoo.

5. Don't develop and sell Flickr

Flickr was the exclusive platform for sharing photos before Facebook appeared owned by Yahoo and Oath. But Yahoo does not see Flickr as an independent social network that serves users but only uses it as a data warehouse to commercialize uploaded images.



Flickr's interface is still owned by Yahoo.

This is a big mistake by ignoring the opportunity to develop Flickr on the mobile platform. Yahoo then sold Flickr to SmugMug, creating the world's largest photography community.

6. Mistakes when buying Tumblr



In 2013, Yahoo spent \$ 900 million to buy Tumblr - a social network in the form of a mini-blog. After that, the company continued to add an additional \$ 230 million with the goal of saving this service. Unfortunately, Mayer's CEO's efforts to get up with Tumblr were unsuccessful when Tumblr's proceeds were much smaller than the initial cost.

7. Unable to determine the direction for me

From its inception to its collapse, Yahoo still thinks that it is a media company while in essence being a technology corporation by making money based on advertising rather than selling software. In the early years, Yahoo always feared that if it went towards technology, it would be defeated by Microsoft because it did not own the same startup culture as its rivals.

Yahoo, because of its profitability, skipped the development of technology related to itself. This makes the company lag behind social networks later and gradually collapses.

8. Poor security



In 2013, 3 billion Yahoo user accounts were leaked in the biggest data attack ever, the number previously reported was only 1 billion. This is one of Yahoo's most popular scandals.

But it wasn't until 2016 that Yahoo sent an email to inform users about their account being affected. At the same time to protect users' information, it has asked them to change passwords and block access from accounts with non-encrypted security questions.

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