

Brief Summary, Article #4

From tech-led to brand-led --- has the internet portal business grown up

ID: 20092039

Name: Bae, Yong-gook

Date: Oct., 9th, 2009

1. Main topic

Although the history of the commercial use of the Internet is short, the major brands, such as Google, emerged. The author focused on the portal website. Based on his analysis, he concluded that the portal websites are approaching maturity. And the strategic implications are showed in Figure 10.

2. Why the article is important for the business

A new technology is always a hot issue in ICT market. However, an innovative technology doesn't guarantee the success of business. For instance, there have been lots of new search engines challenging Google, such as Cuil and Bing. They emphasized the technological superiority, but their performance in the market are not successful. Only Bing achieved some success based on the brand of Microsoft. This article shows the change in the Internet business, and showed what the important things are to success. It would be possible to apply other Internet business though this article focused on the portal websites. In addition, this article may be useful to the owners of portal sites. In Korea, Naver is a dominant player and Nate and Daum follow. They have tried to attract users by new design, technologies and functions. Those components are important, but the other factors described in this article, such as consumer needs, value of each brands, are also very important. Each market player must know, and have to try to get new competitive advantages.

3. What I learned from the article

The Internet business has a short history, but its importance have been growing and growing. There are so many websites emerging and disappearing everyday. The trends are changed a lot, but still many people tries to start their business based on a new innovative technology. Sometimes they succeed, and sometimes they failed. This article shows that the technologies are not everything. Actually, there were some examples outside of the Internet business. Sony's Betamax is better than VHS in terms of technology, but it had to fail. In addition, Windows Vista also failed because of the customer's avoidance. The Internet business was different at early times. New technology ensured the success of business. There were some exceptions, but usually it works. However those trends are changed. When we plan the new business in the Web, we had to approach very carefully.