

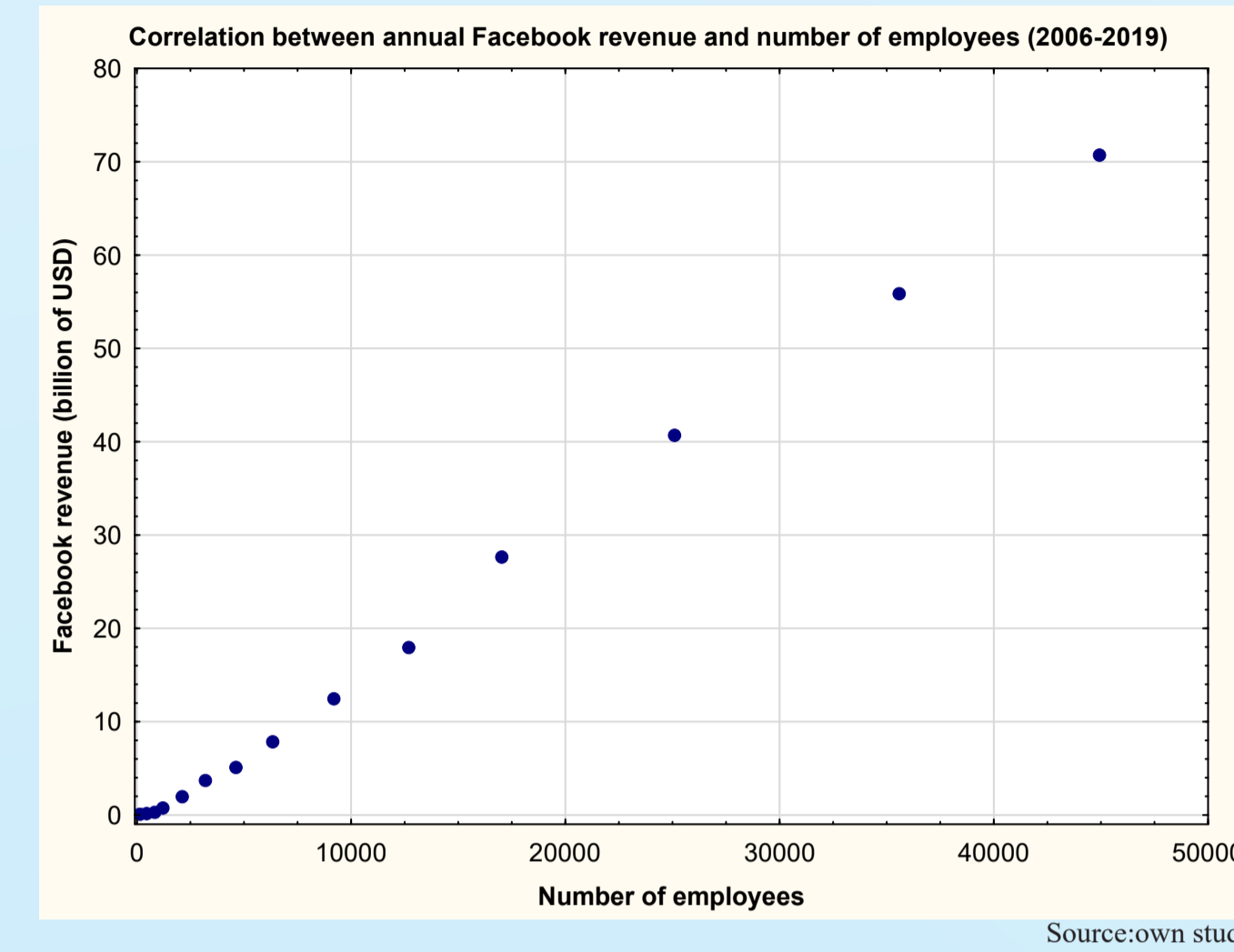
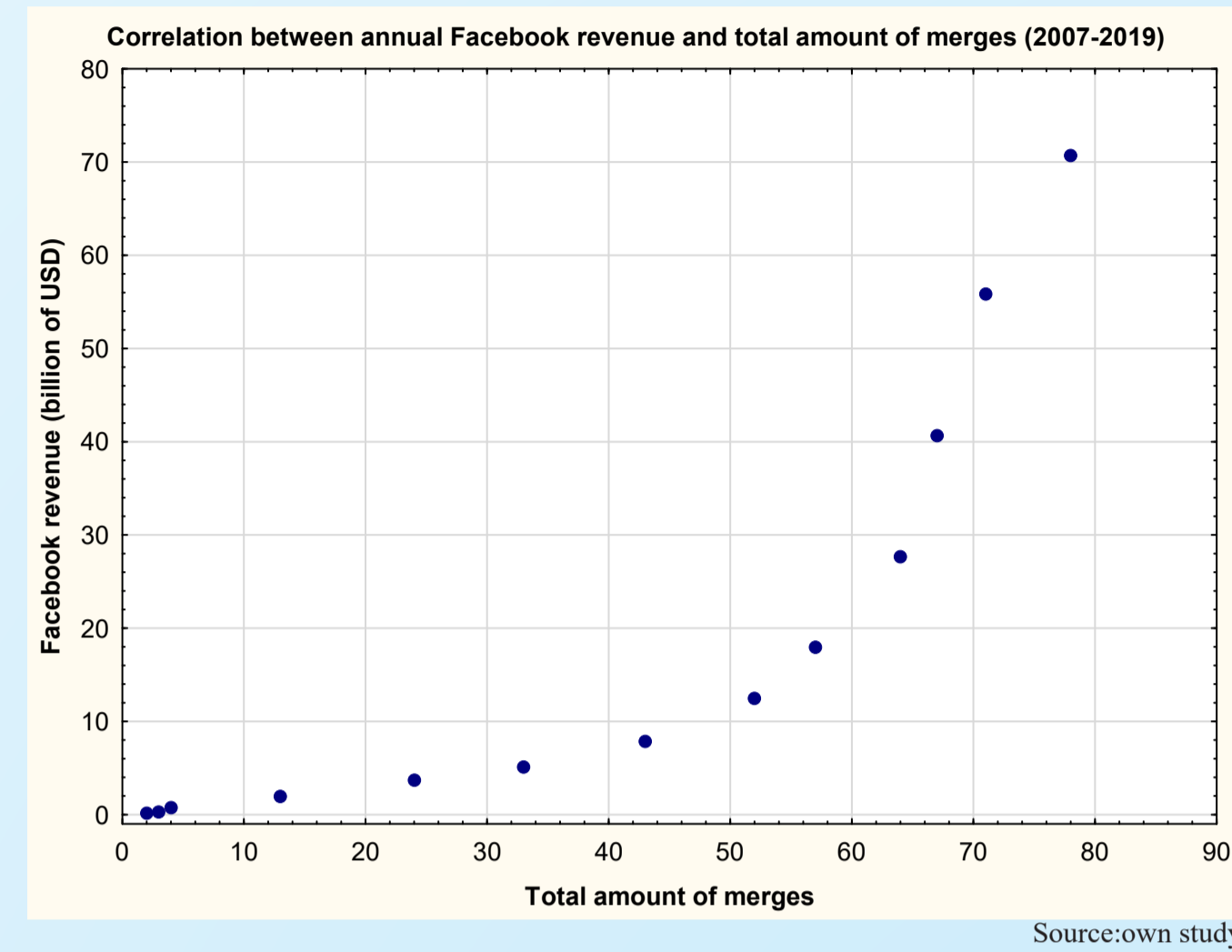


FACEBOOK MASTER OF STARTUPS

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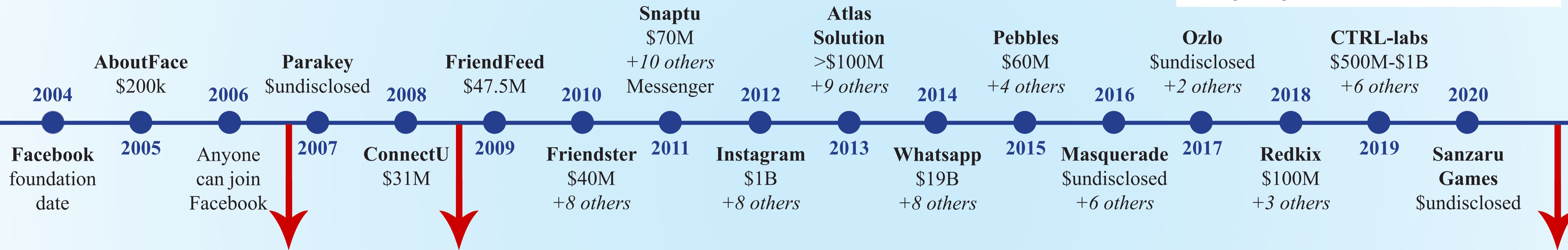
ABSTRACT

Undoubtful, Facebook is one of the most successful startups of all-time. By analyzing the history, we intended to explore its path of becoming the social network empire, and if the strategy of numerous mergers and acquisitions had a significant impact on it. Moreover, using the example of Facebook, we would like to encourage the audience to express their own opinion and discuss the moment when start-up become a company. As there are multiple versions of startup definition, it is hard to decide whether a company is still a startup. We chose definitions, confronted them with Facebook actions and placed possible moments of becoming a Corporation on Facebook timeline below.



RESULTS

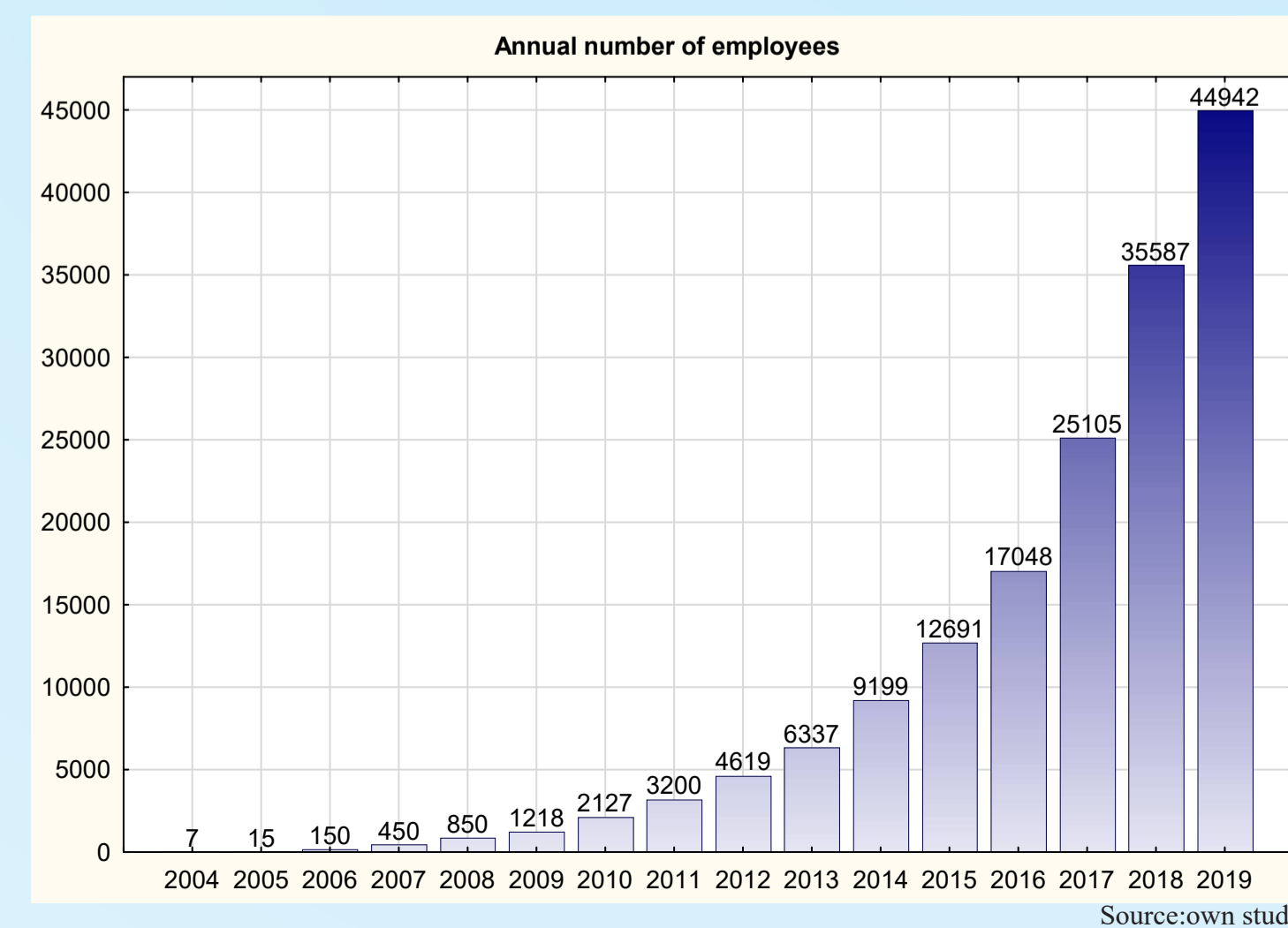
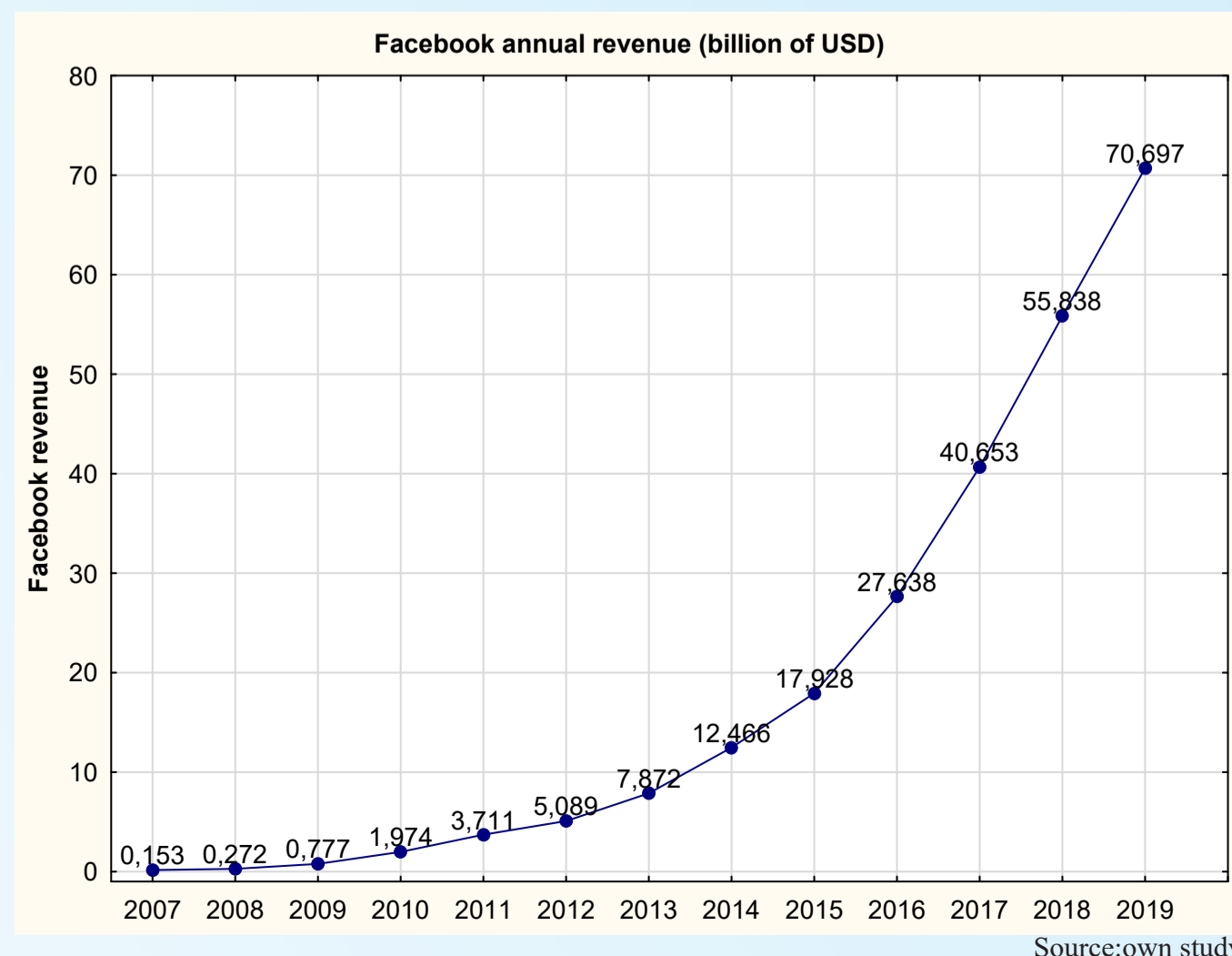
From the very beginning, Facebook strategy was based on acquisitions and mergers. As the diagrams show Facebook policy resulted in the rapid growth of the company. Why? Because of acqui-hiring. Mark Zuckerberg is achieving various goals by acquiring the best specialists who effectively fulfill his ideas. The great example is Parakey company which was bought in 2007 to design Facebook mobile application. Now Facebook not only acquires companies for people but also for technology. It is an ingenious strategy to remove the danger of competitors. Instagram was becoming one of them so in 2012 Facebook decided to buy it. Nowadays that strategy still works. Even though Facebook has been on the market for 16 years it is still considered as a pioneer of progression among the digital world.



50-100-500 rule – „\$50 million revenue run rate (forward 12 months), 100 or more employees, Worth more than \$500 million” - Alex Wilhelm from TechCrunch. By 2006 Facebook had \$48M revenue, 150 employees and was worth \$525M.

„A startup is a human institution designed to create a new product or service under conditions of extreme uncertainty.” – Eric Ries. In 2008 Facebook had 100 million registered users and a monthly growth rate of 178,38%, so the conditions were no longer uncertain.

“Economic entity functioning in technological entrepreneurship area, on the digital market” – European commission. Considering this definition Facebook is still a startup (e.g. in June 2019 Facebook introduced The Calibra wallet app).



CONCLUSION

Although Facebook still has features of a typical startup - like innovation and scalability, we cannot consider it as one of them. It is caused by the number of employees and mergers, enormous incomes, unmeasurable resources, and possibilities. Even after analyzing timeline of Facebook, we cannot decide the moment of becoming full-grown company because of the immediate success.