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Stakeholder analysis and development strategy

Executive summary

Facebook is the leading social media company that was started by Mark Zuckerberg and his friends. He remains the CEO of the company ever since it was started. In this paper, a lot of focus will be put on the manner in which different stakeholders affects the decisions made by the company. It will look at the general information of the company before proceeding to looking at what each of the chosen stakeholders do for the company. The report will look at what stakeholders within the major stakeholders that have been chosen. The importance of such stakeholders will also be put on focus in the last part of the paper.

Introduction to Facebook

Facebook is a social media company that has the largest number of users all over the world. The site is said to be having about 1.6billions users with about 1.4 active users on a daily basis. This makes it the best marketing platform that any person can opt for when they need to market their products or services. The mission statement of the company is to give people the power to share and make the world more open and connected. Both the mission and visions statements are put into one because they give the company a direction in terms of what they want to achieve in the long run. The mission statement can be derived from the statement as it has what the company intends to get with the resources they have.

The vision and mission statement also gives the employees the motivation they need to be able to achieve a tangible result in the long run. The employees in this case have the intention of ensuring that they open up the world such that people are able to connect even when they are at different parts of the globe. The intention of empowering people is also put in the mission statement and this proves to the community that they are at central point of focus for the company (Jovanov, 2014, P 176).

The recent developments that were made by Facebook is data protection. Over the years, people have always complained that they are not sure whether they can trust their data to be safe in the hands of the company. This is after many people reported that their social media accounts were hacked and data used for other intentions. This has seen the company lose a lot of money in compensating the people. A lot of security measures have now been taken by the company to reduce any chances of hacking. The company keeps informing the users of the site of the things that they should always do to avoid falling into the tricks used by the hackers to access their data.

The recent developments in the industry is the focus on engagement marketing for the companies. The industry is no longer one that provides with sites where they can socialize and get information that they need from other people. Facebook is on the forefront to turn the site to a marketing platform with the intention of getting more subscribers and income as the ultimate goal. Most companies are using the platforms to ensure that they are able to reach their clients and convince prospects to buy the products they have. With the high number of subscribers, many people believe that it can always provide them with the traffic they need to be able to get the customers they need for their products and services.

The industry has also faced challenges over the years that have always slowed down the development rate. Data theft is one of the challenges that have affected the industry. There are people who go ahead to use the data of other people for malicious intentions. This is a problem that has seen many social media companies go to court with their clients.

**Stakeholder view**

To illustrate the relationship between the company and four of its major stakeholders, here is chart with all the information

For each of the stakeholder in the diagram, there are other stakeholders that make up the general term that has been used to refer to them. For Facebook, the six categories of classifications contain different groups of people that in one way or the other have interest in the company or are directly affected by the any action taken by the company.

Users

For the user, they can be further subdivided into the following stakeholders:

* Social interactors on the platform with the main intention of making friends
* Clients looking for products to buy from the platform
* People who come together in a group to learn a specific art or get knowledge about a certain field of study without necessarily paying for the learning services

Government

The government contains mainly of bodies that are related with the company:

* The legislature which makes laws that govern the social media industry
* The tax collection department that ensures all companies within the country pay taxes according to their income
* The special body that is tasked with governing social media just like they do to the normal media stations that pass information from one part of the world to the others

Shareholders

This is a group of people that are made up of the owners of the company. It is mainly comprised of two groups of people.

* Those who buy shares directly from the company
* Third parties that buy the shares from other first-hand buyers of the shares

Community

The people around the world, especially in countries where people use Facebook, are affected by the operations of the company in one way or the other. Whether the actions are aimed at promoting corporate social responsibility or increasing subscribers, the community is affected. The community consists of all the other groups of people who may be categorized in other groups but also have a direct link to the company.

Employees

This is a group of people who directly or indirectly are employees by the company. Anyone who makes their income by working for the company can be classified as an employee of the company. From those who work in the headquarter of the company to the major branches that the company has across the world, they form the group that can be defined as employees (Singal, 2013, P250).

Advertisers

This is a group of people that focus on the content that they can use to convince other people to buy their products and services. Whether they major on making income from the sales or even if they are non-profit organizations that aim at informing people about certain things, they can be classified as advertisers. They include the following stakeholders:

* Non-profit organization carrying out a certain campaign through the platform
* Business people who want to market their goods and services through the platform
* Affiliate marketers that want to convince clients to buy products from a given website.

**Stakeholder analysis for four selector stakeholder groups**

For this part, the focus will be on the advertisers, the employees, users and the government. They are four groups of stakeholders that are very important to the company and determine a lot of things that happen in the company. Complains from any of the stakeholders must be taken seriously by the company because majority of the operations carried out the company always affect them directly.

The advertisers

The behavior of the advertisers is such that they will swing to the companies that offer the best services. Their main intention is to get a platform that can enable them to get as many clients as possible. Talking of the competitive threat, the advertisers can easily be swayed by competitors who have better services. In case they notice that a certain company has better services, they will opt for it. For Facebook, they have a high corporate potential because the platform provides them with the best services. Their actual behavior is that they will be greatly affected by improvements made by the competitors. The only way to keep them is to ensure that they enjoy the best experience on the platform.

The advertiser’s stakeholders include Facebook, the users or possible clients to the products that they wish to sell as well as the government. Facebook is a stakeholder because it provides them with the platform they need to be able to market their products. The users are the people who consume the information and decide to either buy their products or not. This is majorly based on their ability to convince them that their products are the best. The motive of the advertisers is to increase sales through the platform. They always want information to reach as many people as possible.

The employees

The employees are the people tasked with the duty of defending the company. The competitive threat in this case exists in situation where the employees offer the best services. The employee’s stakeholders include the government, the clients and the community. They interact with such stakeholders regularly and affect the manner in which they discharge their duties. The competitors will opt to offer them the best pay in the industry and as a result they will shift to the competitor’s side. The corporative potential is high because they have the ability to improve the performance of the company. They interact with the clients on a daily basis and therefore have the ability to make important changes. Their actual behavior is that they will follow the guidelines that have been set by the company. The motive of the employees is to perform their duties diligently as they get to learn more about the industry.

The users

The users are those that use the platform to get information. The stakeholder of this group include the employees and the advertisers. They tell the employees the things that they need done to safeguard their interest. The competitive threat in this case exist. They are also willing to go to the sites that will safeguard their interest in the best way. The corporative potential exists because the more of the users the site has, the more income they are likely to get. The motive of this group is to get the information they need.

The government

This is the group that controls the operations in the industry. The stakeholders of this group are the users, shareholders and employees. They always want to safeguard the interest of every person in this case because they take a neutral point. Corporative potential does not exist to a large extent but the laws and taxes can affect the operations of the company. Their motive is to create a good environment.

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