

Transformational Gaming: Zynga's Social Strategy (B)

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Jump!

About zynga*

- · Founded in 2007 by Marc Pincus
- · Social Game Service
- mission to connect the world through games

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- mission to connect the world through games
- Created popular games such as Farmville, Words with Friends, Zynga Poker

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Start

Company Mission

"We founded Zynga with a simple premise that we could help people put play back in their lives. We believe that play can become one of

Company Mission

"We founded Zynga with a simple premise that we could help people put play back in their lives. We believe that play can become one of the most important ways we make new friends and enhance relationships" Mark Pincus, founder and CEO

Mission/ Accomplishments Con't

- Zynga strives to create the best games for people everywhere to play together
- The world's leading provider of social game services
- 292 million average monthly active users in 175 countries
- Five of the top 10 games on Facebook
- Zynga game players spent more time in Zynga games than the next five game companies combined

Porter's 5 Forces

Threat of New Entrants: Very High

Threat of Substitute Products: Very High

Competitive Rivalry

Very High

Bargaining Power of Competitors:

High

Bargaining Power of Suppliers:

High

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Core Competency

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- Its capability to produce accessible
 & fun games through social media networks
- Accessibility with support of cloud computing & Facebook
- Zynga customers experience a smooth game interface with without interruption
- Quick access to game portals that connect people on a global level

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· Uses game

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Approach to Cloud Computing

- Companies typically use cloud computing as:
 - -An extension of their data center
- Data sources are kept in-house until they reach full capacity
- Zynga's strategy is contrary
 - -Uses cloud computing first and only reverts to in-house data centers when it establishes a regular demand pattern

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Acquisitions & Global Expansion

- Uses its brand equity to buy-out successful game start ups
 - -Alleviates competition and increases market share
- Established global presence
 - -Games available in up to 17 languages
 - -Available in over 175 countries
 - -Gains mass market share on global scale
 - -\$121.5 million in 2009
 - -\$1.4 billion in 2011