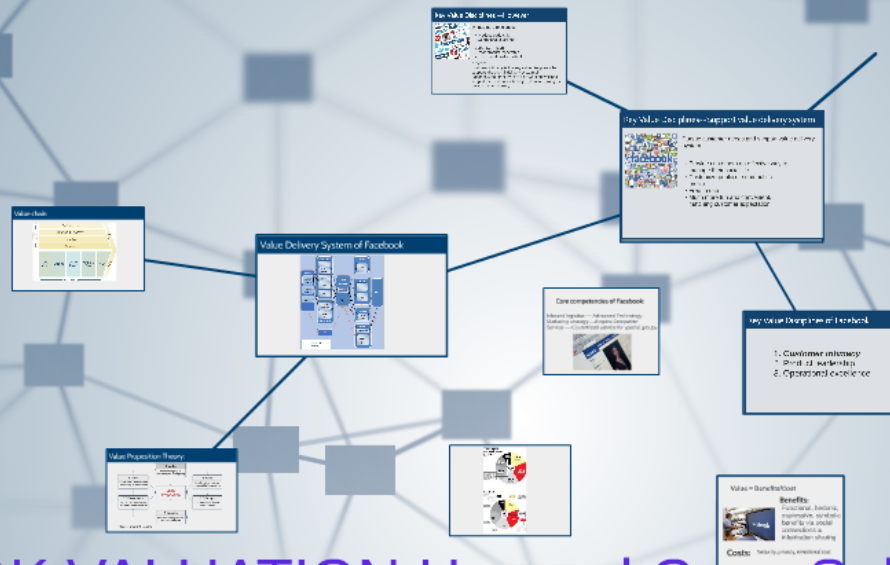# Facebook

FACEBOOK VALUATION Harvard Case Solution & Analysis

TheCaseSolutions.com

"A social utility that connects you with the people around you"
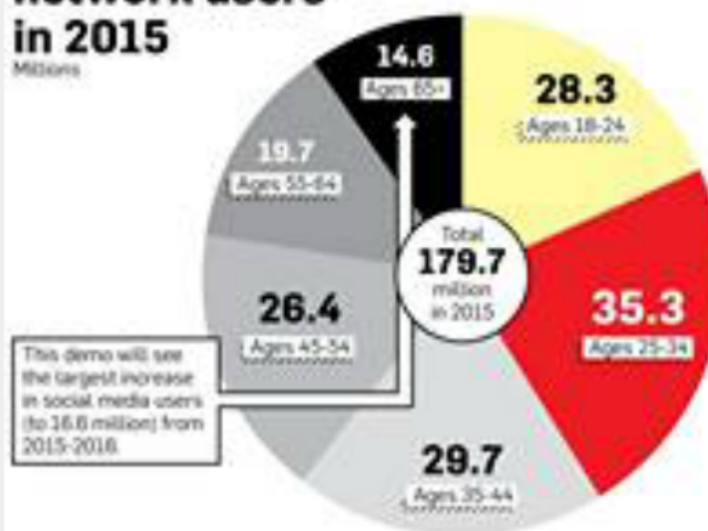
FACEBOOK VALUATION Harvard Case Solution & Analysis

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"A social utility that connects you with the people around you"

Value Propesition Theory:

Source: Greener Consulting

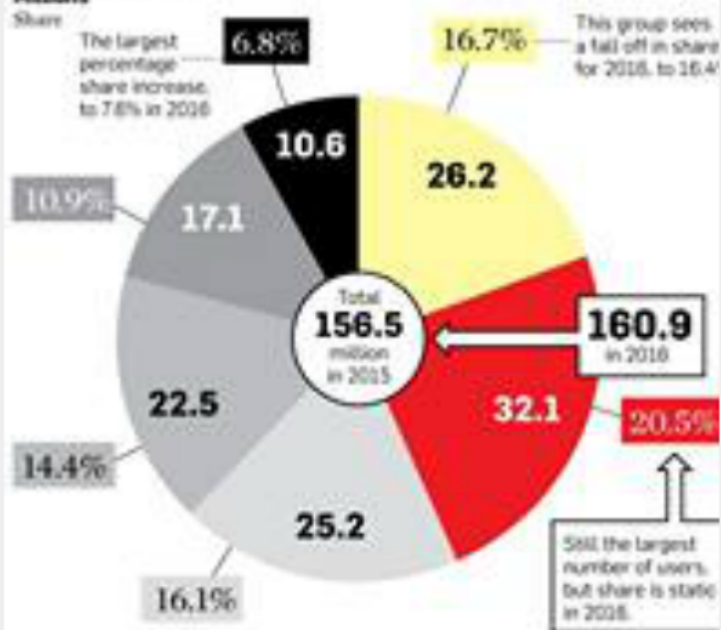## Total social network users in 2015
Millions

- 14.6 — Ages 65+
- 19.7 — Ages 55-64
- 28.3 — Ages 18-24
- 35.3 — Ages 25-34
- 26.4 — Ages 45-54
- 29.7 — Ages 35-44

Total 179.7 million in 2015

This demo will see the largest increase in social media users (to 16.6 million) from 2015-2016.

Facebook
Millions
Share

- 6.8%
- 10.6
- 16.7% — This group sees a fall off in share for 2016, to 16.4%
- 10.9% — 17.1
- 26.2
- 22.5
- 14.4%
- 25.2
- 16.1%
- 32.1
- 20.5%
- 160.9 in 2016

The largest percentage share increase, to 7.8% in 2016

Total 156.5 million in 2015

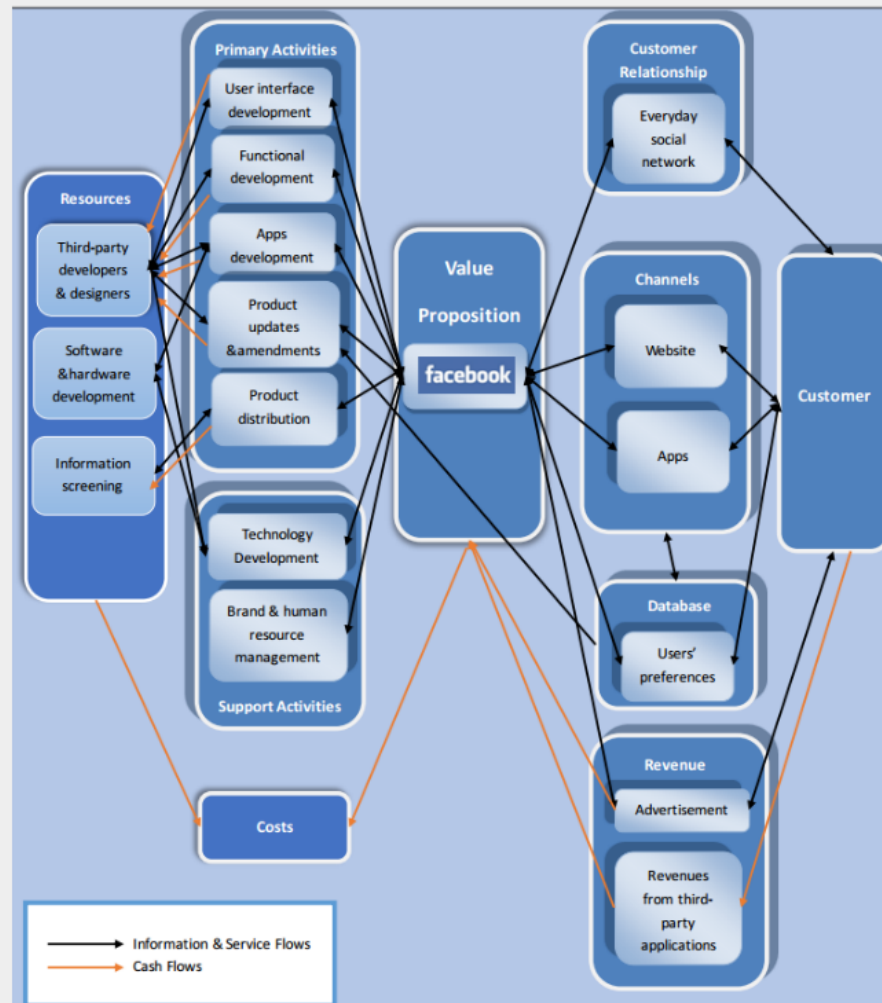Still the largest number of users, but share is static in 2016.

Value = Benefits/Cost

Benefits:
Functional, hedonic, espressive, symbolic benefits via social connections & information sharing

Costs: Security, privacy, emotional cost

Value Delivery System of Facebook

Value chain

Core competencies of Facebook:

Inbound logistics-----Advanced Technology
Marketing strategy----Acquire Competitor
Service-----Customized service for special groups