



Stanford eCorner

Surviving the Bubble

Marissa Mayer, *Google*

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Video URL: <http://ecorner.stanford.edu/videos/1533/Surviving-the-Bubble>

Marissa Mayer, Google's Vice President of Search Products & User Experience, says that when people visit their corporate offices, they feel as if the dotcom bubble never burst. But what differentiates Google from all of the other defunct dotcom's? Profitability. This critical differentiation is the obvious and most basic capability of the company's success.



Transcript

Is the culture that Google perpetuates one that resembles those of the bubble years? And I think the answer is in some ways, yes, like people who walk into Google say, "Wow, it looks like the bubble never burst here." But there's one key difference, which is that Google makes money. So, right, like I think that there's, you know, that's a key thing that people forget about, because I know you guys were all really young when the bubble happened, and maybe you didn't experience this, but there were a lot of weird things like, you know, we're selling pet food on the Internet at, you know, wholesale prices, but it turns out like pet food is just really heavy, and it really shouldn't be shipped, and that doesn't make a lot of economical sense. You really should buy it at the grocery store right down the street. You know, there's things like that that just didn't make sense as business models, and I think that we've been really committed to having a business model that works from the very beginning. You know, Sergey used to joke that, you know, he needed dates in 2000, and he had to do something to differentiate himself from every other losing money dotcom's, you know, president. So we were very focused on becoming profitable from a very early time, which was not true of most of the companies in the bubble. And I think - you know, when I think about the bubble bursting, I've often compared it to a forest fire, which is, you know, forest fires are, in fact, healthy, right? They clean out a lot of the brush and the overgrowth and all that, and the trees that ultimately survive the forest fire and repopulate are, in fact, healthier because there was something that was healthier about them, and I think that that's ultimately what you see at Google. I think a lot of the good things that happened in all the small companies and start-ups of the bubble persists, but there are a few key differences that caused it to actually survive the forest fire.