



Stanford eCorner

Sharpening Focus in the Face of Market Turmoil

Robin Li, *Baidu*

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Focusing on technology, operations, and the user experience, Robin Li, CEO of Chinese search engine Baidu, took a pragmatic approach and recalls how he took on the role of project manager for the company for nearly a year. Focusing on nothing but search services, the company avoided the market crash of 2000/2001 and resisted the trends in online development, and instead continued to play to the company's best strengths.



Transcript

But in any case, I thought I had no choice. So I put my head down and focused on operation technology, focused on the user's experience, and I delivered. At the time of the IPO, Baidu had about 40% of the traffic share in China for Chinese search. Four years later, as of today, I think we have about 76% of the Chinese search traffic. In fact, I think Baidu answers more queries in China today than Google does in the U.S. because China is the largest Internet economy by population. At the end of last June, we had 336 million Internet users. That's larger than the total U.S. population. So U.S.

will never be able to catch up. And you know we have a very dominant traffic share over there, so it's really a very good spot to be in. So in retrospect, I think the way to deal with crisis, deal with challenge, deal with difficult times, is like this: First, you need to be realistic. You need to take a pragmatic approach, because in the beginning, we saw the portal companies, well, feed us. They would pay us enough money, but that's not the reality. When the difficult time comes, they will try to survive by themselves. They will try to control cost. You have to be on your own. And then we figured that what we're really good at was Chinese search. We decided to come up with better search service, better product, better user experience.

We started to innovate, come up with all kinds of features that attract the Chinese Internet users. So the second step is you really need to innovating and evolving. When I talk about I give up the CEO job and functioned as the project manager, we actually named that project as "Project Blitz". We wanted to quickly catch up and surpass everyone in terms of search quality for Chinese users. Once you find out what you should do, then you need to stay focused. That's what we did during the difficult times back in year 2000, 2001, 2002. Many people think search was a done deal. It's boring. Everyone has figured that out in terms of technology and product, but we thought we could do a better job. We resisted all kinds of temptations from being a portal, being an SMS player, do online game, developing all kinds of things that could make money in the short term.

We really, really focused on Chinese search. That's how we got here.