

perspective, its acquisition represents another phase in a long e-commerce journey, and illustrates the difficulty of developing just the right business model for your company.

Sources: Glenn Collins, "Google to Use Zag to Refine Local Search," *The New York Times*, May 30, 2012; Michael Liedtke, "Google's Giving Away Free Zag Ratings in Search Results," Associated Press, May 31, 2012; Samantha Murphy, "Google Plus Local Unlocks the Power of Zag," *Mashable.com*, May 30, 2012; Tim Carmody, "Google Buys Zagat to Reinvent Mobile Search Engine," *Wired*, September 10, 2011; Adam Clark Estes, "Google Buying Zagat Makes Instant Sense," *Atlantic Wire*, September 8, 2011; Leena Rao, "Zagat.com Relaunches With More Free Content, Including Maps, Lists, Third-Party Reviews," *TechCrunch.com*, February 21, 2011; Erik Berte, "As Online Competition Grows, Zagat.com Relaunches With More Free Features," *FoxBusiness.com*, February 21, 2011; Ben Parr, "Yelp's Growth is Accelerating, Despite Increased Competition From Groupon & Google," *Mashable.com*, February 17, 2011; "ZAGAT

for Android Features Foodspotting Photos, Foursquare Tips and In-App Review Capabilities," PR Newswire, February 7, 2011; and Ron Lieber, "Zagat Survey Aims to Regain Its Online Balance," *The New York Times*, November 13, 2010.

CASE STUDY QUESTIONS

1. Evaluate Zagat using the competitive forces and value chain models.
2. Compare Zagat's and Yelp's e-commerce business models. How have those models affected each company's Web strategy?
3. Why was Zagat's content well suited for the Web and for the mobile digital platform?
4. Do you think Zagat's decision to use a pay wall for its Web site was a mistake? Why or why not?
5. Will Zagat's acquisition by Google make it more competitive? Explain your answer.