

Rise and fall of YAHOO!: The missteps of the leader and its headwind consequences

L. GANDHI

YAHOO!(Yet Another Hierarchically Officious Oracle)was established in 1994 by Stanford graduates Jerry Yang and David Filo, Yahoo was originally a directory of websites. Latter, it sensed the opportunity in different verticals and forayed into search, email, shopping and news before losing its way to the likes of Google and Facebook.In 1996, Yahoo has issued its IPO, the largest for the tech start-up at the time. Marissa Mayer, a successful google executive joined Yahoo as a president and CEO in the year 2012. Subsequentlyacquired 53 companies but shut down 41 of them. Though there were lucrative offers to take over Yahoo earlier, Yahoo has rejected the proposal and ended up in selling Yahoo for \$4.8 billion to Verizon. In this case study, it is endeavoured to find out the reasons for rise and fall of Yahoo, Marissa's hits and misses at Yahoo, Yahoo's M&A, Verizon's acquisition of Yahoo.

Key words: Yahoo's opportunities, Marissa's Journey with Google and Yahoo, Hits and Misses of Yahoo, Verizon's acquisition of Yahoo

Background History of Yahoo

Yahoo was founded in January 1994 by Jerry Yang and David Filo, who were Electrical Engineering graduate students of Stanford University when they created a website named "Jerry and David's Guide to the World Wide Web". The Guide was a directory of other websites, organized in a hierarchy, as opposed to a searchable index of pages. In April 1994, Jerry and David's Guide to the World Wide Web was renamed "Yahoo!". The yahoo.com domain was created on January 18, 1995.

Yahoo grew rapidly throughout the 1990s and diversified into a web portal, followed by numerous high-profile acquisitions. The company's stock price skyrocketed during the dot-com bubble and closed at an all-time high

L. Gandhi, Asst. Professor (OB/HRM), Shri Dharmasthala Manjunatheshwara Institute for Management Development (SDMIMD), No. 1, Chamundi Hill Road, Siddharthanagar Post, Mysore - 570011, Karnataka, INDIA. Ph: 0821 - 2429722; Extn: 1001 | Mobile: 9916122245. Web Page: <http://sdmimd.ac.in/gandhi/>

of US\$118.75 in 2000. However, after the dot-com bubble burst, it reached an all-time low of US\$8.11 in 2001. Yahoo formally rejected an acquisition bid from the Microsoft Corporation in 2008. In early 2012, the largest layoff in Yahoo's history was completed and 2,000 employees (14 percent of the workforce) lost their jobs.

Carol Bartz replaced co-founder Jerry Yang as CEO in January 2009, but was fired by the board of directors in September 2011; Tim Morse was appointed as interim CEO following Bartz's departure. Former Paypal president Scott Thompson became CEO in January 2012 and after he resigned was replaced by Ross Levinsohn as the company's interim CEO on May 13, 2012. On July 16, former Google executive Marissa Mayer, became the CEO of the company.

Yahoo's Era

Year	Development
1994	Jerry Yang and David Filo started an internet guide on Stanford campus
1995	Yahoo.com domain created, raises over \$2m in VC funding
1996	Gets listed via \$34m IPO (2.6m shares at \$13) share hits high of \$125bn
2000	Market caps hit lifetime high of \$12bn
2001	Dot.com bubble burst hits hard, shares sink to \$8
2002	Tries to buy Google for \$3bn, refused
2006	Fails to acquire facebook and youtube
Since 2007	Had 5 CEOs (7 including interim CEOs)
2008	Microsoft offers to buy co for \$44.6bn, but deal falls through

Source: Times of India, July 27, 2016 the Wednesday p.no. 13

Background history of Marissa Mayer

Marissa Mayer was born in 1975 in a small Wisconsin town called Wausau. Her father was an engineer and mother was an art teacher. She developed an early talent for math and science, and teachers loved her. Although she was a good presenter, her friends didn't take her as particularly extroverted. In fact, Mayer once described the child version of herself as "painfully shy." Mayer applied to 10 schools and got accepted to all of them, including Harvard, Yale, and Stanford. She ended up going to Stanford, where she first took pre-med courses, in hopes of becoming a doctor. But her life perspective changed when she took an introductory computer science class called CS105. It led

her to major in symbolic systems, a famous major whose alumni include LinkedIn's Reid Hoffman, Apple's Scott Forstall, and Instagram's Mike Krieger. People say she didn't have a very social life in college. By the time she graduated, Mayer already had 12 job offers lined up. The last offer came from Google, a small start-up at the time. Mayer was planning to take a job at management consulting firm McKinsey at the time. Plus, when she did her own analysis, Google only had a 2% chance of surviving. But she was fascinated by the people at Google, and thought she'd learn more there. She took the Google offer — and worked there for the next 13 years.

Marissa's Google journey

When she joined Google in 1999 as employee number 20 and was the company's first female engineer. She started out writing code and overseeing small teams of engineers, developing and designing Google's search offerings. She became known for her attention to detail which helped land her a promotion to product manager, and later became Director of Consumer Web products. She oversaw the layout of Google's well-known, unadorned search homepage. She was also on the three-person team responsible for Google AdWords, which is an algorithm used by advertisers to get insight into the products consumers want. AdWords helped deliver 96% of the company's revenue in the first quarter of 2011.

Mayer loved it at Google. During her first two years at Google, she would work 100-hour weeks regularly. She also continued to teach at Stanford for the first few years at Google. Mayer quickly rose through the ranks. She started out as a part-time member of the UI team, but soon became a product manager, and by 2003 was in charge of Google's consumer products, including its core search. Mayer was named VP of search products and user experience in 2005. By then, she was already setting the agenda for the product meetings that involved Larry Page. She was part of a small group of star executives, called the "secret cabal," according to Steven Levy who wrote a book on Google.

She was great with the press, and the media loved her back too. There were rumours of Google running a separate PR team just for Mayer. That wasn't true, but Google did have a group of PR people devoted to promoting her career. Mayer boosted her public presence by spending her riches conspicuously. She bought the \$5 million penthouse suite at the Four Seasons in San Francisco, and another home closer to Google's Mountain View campus. She's worn dresses by designer Oscar de la Renta.

Latter frustration started to grow internally. One of the most powerful Googlers who didn't get along with Mayer was Amit Singhal, the man behind

the algorithms that power the search engine. He went directly to Larry Page and asked him to remove Mayer from the search team.

Mayer was eventually moved to the team that managed Google Maps and local products. She was still one of the top executives, but some people took it as a “demotion,” because she was no longer in charge of Google’s most important product, its search engine.

By 2011, Mayer’s great run at Google was coming to an end. But another great opportunity came: Yahoo’s board wanted her to be its new CEO. Other people discussed were Nikesh Arora, then the Chief Business Officer at Google, and Eddy Cue, Apple’s Senior Vice President of Internet Software and Services.

Some insiders had reservations about hiring her because Mayer didn’t have a lot of experience managing the finances of a business. She was more of a product person than an operational CEO. Regardless, the board unanimously voted her in as Yahoo’s next CEO.

Marissa’s Yahoo Journey

On July 16, 2012, Mayer was appointed President and CEO of Yahoo!, effective the following day. She is also a member of the company’s board of directors. To simplify the bureaucratic process and “make the culture the best version of itself”, Mayer launched a new online program called PB&J which is designed to rid Yahoo of poisonous processes, useless bureaucracy and jams. It collects employee complaints, as well as their votes on problems in the office; if a problem generates at least 50 votes, online management automatically investigates the matter. In February 2013, Mayer oversaw a major personnel policy change at Yahoo! that required all remote-working employees to convert to in-office roles. Having worked from home toward the end of her pregnancy, Mayer returned to work after giving birth to a boy, and had a nursery built next to her office suite—Mayer was consequently criticized for the telecommuting ban. In April 2013, Mayer changed Yahoo!’s maternity leave policy, lengthening its time allowance and providing a cash bonus to parents. CNN noted this was in line with other Silicon Valley companies, such as Facebook and Google. Mayer has been critiqued for many of her management decisions in pieces by *The New York Times* and *The New Yorker*.

On May 20, 2013, Mayer led Yahoo! to acquire Tumblr in a \$1.1 billion acquisition. In February 2016, Yahoo acknowledged that the value of Tumblr has fallen by \$230 million since it was acquired. In July 2013, Yahoo! reported a fall in revenues, but a rise in profits compared with the same period in the previous year. Reaction on Wall Street was muted, with shares falling

1.7%. In September 2013, it was reported that the stock price of Yahoo! had doubled over the 14 months since Mayer's appointment. However, much of this growth may be attributed to Yahoo's stake in the Chinese e-commerce company Alibaba Group, which was acquired before Mayer's tenure.

In November 2013, Mayer instituted a performance review system based on a bell curve ranking of employees, suggesting that managers rank their employees on a bell curve, with those at the low end being fired. Employees complained that some managers were viewing the process as mandatory. In February 2016, a former Yahoo employee filed a lawsuit against the company claiming that Yahoo's firing practices have violated California law.

In 2014, Mayer was ranked sixth on *Fortune's* 40 under 40 list, and was ranked the 16th most-powerful businesswoman in the world that year according to the same publication. In March 2016 *Fortune* named Mayer as one of the world's most disappointing leaders.

In 2014, Mayer was heavily criticized for many of her management decisions in articles by The New York Times and The New Yorker. Yahoo! stocks continued to fall by more than 30% throughout 2015, while 12 key executives left the company. In December 2015, the New York-based hedge fund SpringOwl, a shareholder in Yahoo Inc., released a statement arguing that Mayer be replaced as CEO. Starboard Value, an activist investing firm that owns a stake in Yahoo, likewise wrote a scathing letter regarding Mayer's performance at Yahoo. By January 2016, it was further estimated that Yahoo's core business has been worth less than zero dollars for the past few quarters. In February 2016, Mayer confirmed that Yahoo is considering the possibility of selling its core business. In July 2016, Verizon has acquired Yahoo for \$4.8bn in all-cash deal

Yahoo- Going great guns with acquisitions

Yahoo! was one of the few surviving companies after the dot-com bubble burst. Nevertheless, on September 26, 2001, Yahoo! stock closed at an all-time low of \$8.11. Yahoo! formed partnerships with telecommunications and Internet providers to create content-rich broadband services to compete with AOL. For example, on June 3, 2002, SBC and Yahoo! launched a national co-branded dialup service. In July 2003, BT Openworld announced an alliance with Yahoo! On August 23, 2005, Yahoo! and Verizon launched an integrated DSL service.

In the late 1990s, Yahoo!, MSN, Lycos, Excite and other web portals were growing rapidly. Web portal providers rushed to acquire companies to expand their range of services, generally with the goal of increasing the time each user stays within the portal.

On March 8, 1997, Yahoo! acquired online communications company Four11. Four11's webmail service, Rocketmail, became Yahoo! Mail. Yahoo! also acquired ClassicGames.com and turned it into Yahoo! Games. Yahoo! then acquired direct marketing company Yoyodyne Entertainment, Inc. on October 12, 1998. In January 1999, Yahoo! acquired web hosting provider GeoCities. Another company Yahoo! took over was eGroups, which became Yahoo! Groups in June 2000. On March 8, 1998, Yahoo! launched Yahoo! Pager, an instant messaging service that was renamed Yahoo! Messenger a year later.

In late 2002, Yahoo! began to bolster its search services by acquiring other search engines. In December 2002, Yahoo! acquired Inktomi. In February 2005, Yahoo! acquired Konfabulator and rebranded it Yahoo! Widgets a desktop application, and in July 2003, it acquired Overture Services, Inc. and its subsidiaries AltaVista and AlltheWeb. On February 18, 2004, Yahoo! dropped Google-powered results and returned to using its own technology to provide search results.

In 2004, in response to Google's release of Gmail, Yahoo! upgraded the storage of all free Yahoo! Mail accounts from 4 MB to 1 GB, and all Yahoo! Mail Plus accounts to 2 GB. On July 9, 2004, Yahoo! acquired e-mail provider Oddpost to add an Ajax interface to Yahoo! Mail Beta. Google also released Google Talk, a voice over IP and instant messaging service, on August 24, 2005. On October 13, 2005, Yahoo! and Microsoft announced that Yahoo! Messenger and MSN Messenger would become interoperable. In 2007, Yahoo! took out the storage meters, thus allowing users unlimited storage.

Yahoo! continued acquiring companies to expand its range of services, particularly Web 2.0 services. Yahoo! Launch became Yahoo! Music in February 2005. On March 20, 2005, Yahoo! purchased photo sharing service Flickr. That same month, the company launched its blogging and social networking service Yahoo! 360°. Yahoo! then bought online social event calendar Upcoming.org, in October 2005. Yahoo! acquired social bookmark site del.icio.us in December 2005 and then playlist sharing community webjay in January 2009.

When acquiring companies, Yahoo! often changed the relevant terms of service. For example, they claimed intellectual property rights for content on their servers, unlike the previous policies of the companies they acquired. As a result, many of the acquisitions were controversial and unpopular with users of the existing services.

Yahoo! Losing ground

Terry Semel brings a strong media perspective to the company, but comes under growing pressure from shareholders for failure to keep pace

with Google has web search becomes more popular and companies begin to buy more search ads. Key deals: In 2002, Semel offers \$1bn to buy Google, but Larry page and Sergey Brin wanted \$3bn. In 2005, Yahoo paid \$1bn for 40% stake in Alibaba. Years later it would be the most important piece of Yahoo's overall value and the only thing keeping its stock price up.

Paid inclusion program: In March 2004, Yahoo! launched a paid inclusion program whereby commercial websites were guaranteed listings on the Yahoo! search engine after payment. This scheme was lucrative, but proved unpopular both with website marketers (who were reluctant to pay), and the public (who were unhappy about the paid-for listings being indistinguishable from other search results). As of October 2006, Paid Inclusion ceased to guarantee any commercial listing and only helped the paid inclusion customers, by crawling their site more often and by providing some statistics on the searches that led to the page and some additional smart links (provided by customers as feeds) below the actual url.

Ms. Mayer instantly became one of the most prominent chief executives when Yahoo hired her in 2012 to revive its fortunes. Now, the 41-year-old finds herself in an unusual situation as a relatively young veteran CEO with hard-won experience running one of the best-known names in technology, but also with a string of managerial missteps that critics say ultimately worsened Yahoo's fate.

Opportunities knocked the doors and Missteps of Yahoo

But some of that success was due to Yahoo's partial ownership in Alibaba. Until Alibaba went public in 2014, Mayer was in a safe spot because Yahoo stock was one of the only few ways to invest in the Chinese e-commerce giant. After Alibaba went public, Mayer and the company came up with a plan to sell Yahoo's remaining stake, and hoped to avoid having to pay taxes on the sale.

Even so, Mayer is credited for drastically improving some of Yahoo's product designs and traffic to its core apps. Some people say she changed the internal culture at Yahoo and brought back some excitement.

But revenue in Yahoo's core business has stubbornly refused to pick up, and for the last few months, Mayer has been under fire.

A NEW ERA

What this does

- Combined entity will have one of the largest portfolios of owned/partnered global brands
- Yahoo will be integrated with AOL, which Verizon acquired last year for \$4.4 billion to boost its media and advertising businesses
- Yahoo's stakes in Alibaba and Yahoo Japan will not be a part of this deal
- Verizon fought off bids from AT&T Inc, a group led by Quicken Loans founder Dan Gilbert and backed by billionaire Warren Buffett, PE firm TPG Capital Management, and a consortium of buyout firms Vector Capital and Sycamore Partners

verizon^v **YAHOO!**

Yahoo's mis-steps

- In 2008, it rejected Microsoft's \$44-billion offer to buy it out
- In 2006, Yahoo missed an opportunity to buy out Facebook for \$1 billion, whose revenue last year was almost \$18 billion
- In 1997, Yahoo failed to buy Google (now valued at over \$500 billion) for \$1 million, and wasted a chance again in 2002
- Recently, Yahoo CEO Marissa Mayer acquired 53 companies but shut down 41 of them, including Tumblr, a popular blogging website

Source: *Business Line*, July 27, 2016 the Wednesday, P.No.1

In 1997, Yahoo failed to buy Google (now valued at over \$500bn) for \$1m and wasted a chance again in 2002

In 2006, Yahoo missed an opportunity to buyout an opportunity to buyout facebook for \$1bn, whose revenue last year was \$18bn.

In 2008, one of the lucrative offers from Microsoft to buy Yahoo for \$44bn was rejected by Yahoo, on the contrary 8 years later, Yahoo will be sold off to Verizon for just \$4.8bn.

Latter, Marissa Mayer Acquired 53 companies but shut down 41 of them, including Tumblr, a popular blogging website.

Top lieutenants have departed, like CMO Kathy Savitt and CDO Jackie Reses. Some have questioned her acquisition strategy too, where she spent roughly \$3 billion to buy startups, none of which translated to meaningful growth.

A hedge fund manager, Eric Jackson, sent a 99-page slide explaining why Yahoo needs new management. He suggested dramatically cutting the company's size and jettisoning businesses like search. In January, activist investor Starboard sent a letter demanding "significant changes" over Yahoo's management, board, and strategy.

Reports say some Yahoo employees are losing their trust in Mayer's ability to turn the company around. Sources told Business Insider that it plans to lay off more than 10% of its workforce in the coming weeks.

Now, Yahoo is rumoured to be considering a sale of its core business, which includes its online content and advertising units, as a way to unlock

the value of the Alibaba stake. Pressure was mounting for Mayer, and the clock is ticking for her to save Yahoo.

Yahoo Inc.'s planned sale to Verizon Communications Inc. ended months of speculation about the internet company's future

Yahoo - sold off to Verizon

Yahoo, in July 2016, one of the biggest internet service companies of yesteryears, has been acquired by US telecom major Verizon for \$4.83bn in an all-cash deal. While the acquisition is being seen by many analysts as the end of the road for the Internet pioneer, users and fans are hoping for a magical revival of its glorious past. In India, the deal could signal the entry of Verizon in a bigger way. Verizon currently offers communication services to large MNCs. With Yahoo, the telecom major will get a larger play in the retail consumer space. If that happens, Yahoo would probably re-start its development centre in India. "As Verizon doesn't have a consumer brand in India, the Indian digital market and customers may not be a high priority initially. But in the medium term Verizon will not be able to ignore a growing market such as India," said Pareekh Jain, Research VP, Engineering Services, HfS Research.

While India-specific numbers are not available, analysts reckon that a significant percentage of both Yahoo's one billion monthly active users and 225 million Yahoo Mail users are from India. But when it comes to digital ad revenue, Verizon, after combining Yahoo with AOL will still come up distant third after Google and Facebook. "Yahoo has been very weak in India and so are Verizon and AOL. So, the revenue impact of the acquisition will be negligible," said Sanchit Vir Gogia, Chief Analyst and CEO, Greyhound Research.

Marissa's letter to Employees

Verizon to acquire Yahoo's operating business

Today is a big day for Yahoo! This is the email that I sent to Yahoos around the world today. Given the interest around our journey to this point, I wanted to share more about today's announcement. – Marissa

Dear Yahoos,

Moments ago, we announced an agreement with Verizon to acquire Yahoo's operating business. This culminates a rigorous, thorough process over many months, and yields a great outcome for the company. Today's announcement not only brings us an important step toward separating Yahoo's operating business from our Asian asset equity stakes, it also presents exciting opportunities to accelerate

Yahoo's transformation. Among the many entities that showed interest in Yahoo, Verizon believed most in the immense value we've created, and in what a combination could bring our users, our advertisers, and our partners. This is a good moment to reflect on Yahoo's journey to date. Yahoo is a company that changed the world. Before Yahoo, the Internet was a government research project. Yahoo humanized and popularized the web, email, search, real-time media, and more. What really sets Yahoo apart is the shared passion to create great products for our 1B+ users, and in doing so, transforming the world for the better. You can clearly see that spirit, that commitment that fight in the work we've done together over the past few years. We set out to transform this company – and we've made incredible progress. We counteracted many of the tectonic shifts of declining legacy businesses, and built a Yahoo that is unequivocally stronger, nimbler, and more modern. We tripled our mobile base to over 600 million monthly users, we invested in and built Mavens from basically zero in 2011 into \$1.6B of GAAP Revenue in 2015, we streamlined and modernized every aspect of our consumer products, and, with Gemini and BrightRoll, we dramatically improved our advertiser products. This only scratches the surface of what we've achieved ... and we all know how much hard work it took to get here. It's because of that hard work and resilience, that Yahoo will realize amazing opportunities in its next chapter. This sale is not only an important step in our plan to unlock shareholder value for Yahoo, it is also a great opportunity for Yahoo to build further distribution and accelerate our work in mobile, video, native advertising, and social. As one of the largest wireless and cable companies in the world, Verizon opens the door to extensive distribution opportunities. With more than 100 million wireless customers, a shared view of the importance of mobile and video ad tech, a deep content focus through AOL, Verizon brings clear synergies to the table. And with their aggressive aims to grow global audience to 2B users and \$20B in revenue within the mobile-media business by 2020, Yahoo's products and brand will be central to achieving these goals. Joining forces with AOL and Verizon will help us achieve tremendous scale on mobile. Imagine the distribution challenges we will solve, the scale we will achieve, the products we will build, and the advertisers we will reach now with Mavens – it's incredibly compelling. The strategic process has created a lot of uncertainty, but our incredibly loyal and dedicated employee base has stepped up to every challenge along the way. Through the first half of the year, we met our operational goals and overachieved on plan. But, further, there are things that you cannot measure, like the passion of the people behind the products. The teams here have not only built incredible products and technologies, but have built Yahoo into one of the most iconic, and universally well-liked companies in the world. One that continues to impact the lives of more than a billion people. I'm incredibly proud of everything that we've achieved, and I'm incredibly proud of our team. For me personally, I'm planning to stay. I love Yahoo, and I believe in all of you. It's important to me to see Yahoo into its next chapter. As we work to close this agreement in Q1 2017, it's more important than ever that we come together as one global team to continue executing on our strategic plan through

the remainder of the year. We have delivered the first half of the year with pride, achieving our goals. Now, it is up to us to make Yahoo's final quarters as an independent company count. Yahoo is a company that changed the world. Now, we will continue to, with even greater scale, in combination with Verizon and AOL.

Thanks,

Marissa

Source: <http://www.recode.net/2016/7/25/12269944/last-yahoo-ceo-standing-here-s-marissa-mayer-s-letter-to-employees-on-sale>

Lessons from Marissa Mayer's Missteps

As expected, Yahoo pulled down the curtain on a six-month sale process with the finale, with Verizon emerging from the scrum clutching a broken toy it had badly wanted. Shira Ovide, in her article to Bloomberg and subsequently published in The Hindu Business Line on July 27, 2016 narrated the lessons from missteps of Marissa Mayer as mentioned below,

Crucial to manage down expectations: About a year after Meg Whitman took the helm at another disastrous tech company, Hewlett-Packard, she did something weird. The new CEO told investors that her company was a disaster and that she would need years to fix it. The company's shares face-planted to a ten year low but a move was genius, Whitman set herself a very low bar, reset the company's valuation and bought herself time to right the ship. Mayer couldn't or wouldn't do the same at Yahoo. Instead, she trumpeted the company's increase in web traffic, with the help of some fibs.

Beware the saviour CEO: Try to think of a technology company that had phoenix-like rebirth, Steve Jobs did it at Apple, IBM came back from neat death and is trying another makeover. It's tough to come up with more examples because, it's unimaginably hard to turn around any company, especially a tech company, once it starts to nose-dive. Mayer was hired for exactly this mission impossible of a tech renaissance, so is it any wonder the core parts of Yahoo are selling for 1/25th of the company's peak stock market value? That doesn't mean a tech company should file for chapter 11 once sales stop growing, but it does mean tech company boards might need decide more quickly when to sell a company, or start milking it for cash rather than hoping to grow again.

You can't have a dessert if you don't eat your vegetables: When executives invest in projects with long-term payoff, they need to win permission from investors by reducing costs drastically. Mayer talked eloquently about trying to replace Yahoo's fading revenue from old-guard web advertising such as

banner ads with more *en vogue* ad techniques on smart phones and automated ad buying. She had spent billions of dollars on acquisitions and struck pricey deals with partners such as Mozilla to find new ways to make money. But, until recently she didn't cut to compensate for the risky bets. In 2011, Yahoo had \$4.1bn in main operating expenses plus cost of revenue and \$4.38bn dollars sales excluding commissions paid to partners. Before the start of investor-forced cost-cutting, Yahoo's expenses in 2015 were 22% higher at more than \$5bn even though revenue had shrunk to \$4.09 billion.

Don't forget about the people paying the bills: Yahoo, Google parent company Alphabet, Facebook and Twitter are new-fangled tech companies that make nearly all their money the same way William Randolph Hearst did, by selling ads. And the successful ad-dependent tech companies know who pays the bills.

Yahoo and Marissa- Looking ahead

"Marissa Mayer is a Silicon Valley star, with a background at Google, Yahoo has high hopes that she'll help turn the company around. While she made many acquisitions and invested in new products, she did little to stem market share losses or attract more advertising dollars" mentioned by Nicole piper in his Business Line article.

Mayer asserted that she would stay on to help integrate Yahoo with Verizon's AOL and shepherd the sale of its stake in Alibaba Group Holding Ltd. The Verizon-Yahoo deal is expected to close in early 2017. "For the next six to nine months, I'm the CEO of Yahoo," she said in an interview Monday. "I certainly plan to stay." Few executive recruiters and Silicon Valley investors expect her to stick around after the sale is completed. And while Mayer is certainly young enough to lead another company, experts say it is tough to rebound from a rookie reign many observers see as pocked by mistakes that complicated an already-difficult turnaround.

Investors roundly criticized Mayer for failing to curtail costs when it was clear that revenue had stalled. Under Mayer, Yahoo spent over \$2 billion to acquire more than 50 start-ups and hundreds of millions more on forays into mobile software, online video and search. But revenue never recovered, falling 19% in the latest quarter. Dozens of executives left Yahoo as Mayer repeatedly shifted strategies. After Yahoo, Mayer could take a role as an investor or adviser to fledgling companies, or Mayer could bring her product expertise to an operational role at another company. "There will be no shortage of tech startups that would love to talk to her about having her be their CEO," said Iain Grant, partner at executive search firm Riviera Partners. He added that venture-capital firms in Silicon Valley also would covet Mayer's experience. Yahoo

board members hailed her as one of the most promising Silicon Valley executives. She had immediate star power, appearing on the cover of Fortune and in Vogue magazine.

REFERENCES

1. Nicole Piper (2016, July 28), From the Leader to Laggard: Yahoo through the years, Business Line, pp. 12
2. The identity crisis that led to Yahoo's downfall (2016, July 27), Times of India. pp.13
3. Verizon acquires Yahoo for \$4.8 bn in all-cash deal (2016, July 26), Business Line, pp. 1, 7
4. Shira Ovide (2016, July 27), Four Lessons from Marissa Mayer's Mistakes, Business Line, pp. 8
5. Eugene Kim, (2016, January 15) the rise and fall of Marissa Mayer the once beloved CEO of Yahoo Retrieved from <http://www.businessinsider.in/>
6. Seth Fiegerman, (2016, July 25), Why Marissa Mayer couldn't save Yahoo, Retrieved from <http://money.cnn.com/>
7. KaraSwisher(2016, July 25), Last Yahoo CEO standing: Here's Marissa Mayer's letter to employees on the sale, Retrieved from <http://www.recode.net>
8. Julia Carrie Wong and Sam Thielmanin (2016, July 26), What's the future for Yahoo CEO Marissa Mayer?, Retrieved from <https://www.theguardian.com/>
9. Deepa Seetharaman (2016, July 26), After Yahoo, Marissa Mayer May Have to Wait for Another CEO Chance, Retrieved from <http://www.wsj.com/>
10. By Steven J. Vaughan-Nichols, (2016, July 25) The Rise and Fall of Yahoo, Retrieved from <http://www.zdnet.com/>