

## 5.10: Case Study

### Online Competitors and Risk Management for Digital Entrepreneurship

#### Company Overview: Zoom Video Communications

**Introduction:** Zoom Video Communications, founded in 2011 by Eric Yuan, has become one of the leading video conferencing platforms globally. This case study examines how Zoom navigates the competitive landscape, manages online risks, and ensures cybersecurity and privacy, providing valuable lessons for digital entrepreneurs.

#### Knowing Your Competitors

**1. Competitive Analysis:** Zoom operates in a highly competitive market with major players like Microsoft Teams, Google Meet, Cisco WebEx, and Skype. Understanding the strengths and weaknesses of these competitors is crucial for Zoom. They analyze features, pricing models, user experience, and market positioning to stay ahead. For instance, Zoom's focus on ease of use and reliability helped it stand out initially, while Microsoft Teams and Google Meet leveraged their integration with other office productivity tools.

**2. Unique Selling Proposition (USP):** Zoom's USP is its user-friendly interface and high-quality video and audio, which made it a popular choice for both business and personal use. They also offer innovative features like virtual backgrounds, breakout rooms, and webinar capabilities that cater to diverse user needs.

#### Managing Online Reputations

**1. Customer Feedback and Reviews:** Zoom actively monitors customer feedback on social media, app stores, and review sites. Positive reviews and high ratings are essential for building trust and attracting new users. They also respond promptly to negative feedback to resolve issues and improve their service.

**2. Public Relations:** During the COVID-19 pandemic, Zoom became a household name. However, it faced scrutiny over security and privacy concerns. The company launched PR campaigns to address these issues, communicated transparently with users, and implemented rapid changes to enhance security features. This proactive approach helped manage their online reputation and restore user confidence.

#### Cybersecurity and Privacy

**1. Enhancing Security Features:** Zoom faced significant backlash in 2020 over "Zoom-bombing" incidents and privacy concerns. In response, they introduced several security measures, such as end-to-end encryption, stronger meeting controls, and mandatory passwords for meetings. They also acquired Keybase, a company specializing in encrypted communications, to bolster their security capabilities ([TrainingHub](#)) ([Harvard Business School Online](#)).

**2. Compliance and Regulations:** Zoom adheres to various international data protection regulations, including the General Data Protection Regulation (GDPR) in Europe and the California Consumer Privacy Act (CCPA) in the US. Compliance with these regulations is critical to maintaining user trust and avoiding legal penalties.

**3. User Education:** Zoom launched a comprehensive security guide and regular webinars to educate users on best practices for securing their meetings. By empowering users with knowledge, Zoom mitigates potential risks and enhances overall security.

#### Online Risk Management

**1. Risk Assessment:** Regular risk assessments help Zoom identify potential vulnerabilities in their system. They employ both internal and external audits to ensure comprehensive evaluations of their security posture.

**2. Incident Response Plan:** Having a robust incident response plan is crucial. Zoom's plan includes immediate steps to isolate and mitigate any security breach, communicate transparently with affected users, and work on long-term solutions to prevent future incidents.

**3. Continuous Improvement:** Cyber threats are constantly evolving. Zoom invests in ongoing research and development to stay ahead of potential threats. They also participate in bug bounty programs, encouraging ethical hackers to identify and report security vulnerabilities ([Grand View Research](#)) ([Emerald](#)).

## Conclusion

Zoom's success in the digital marketplace is a testament to the importance of understanding competitors, managing online reputations, and prioritizing cybersecurity and privacy. By analyzing their strategies, digital entrepreneurs can learn the significance of maintaining a competitive edge, addressing user concerns promptly, and continuously improving security measures to build a trusted and robust digital presence.

Sources:

- [Zoom](#)
- The Knowledge Academy: Design Thinking Case Studies
- Emerald Insight: Social Media and Entrepreneurship
- [Grand View Research: Enterprise Networking Market Report](#)

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## Attributions

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