



General Electric : Comparative Analysis

Group 3: Gaia Research

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Executive Summary

To evaluate why companies like Google and Amazon are able to attract top talent amongst the millennials, we conducted research on GE Digital’s competitors, keeping in mind their goal to be among the top-10 software companies in the world by 2020.

We selected and classified GE’s competitors based on Newman’s taxonomy and constrained our research to the following 9 competitors that could help determine how millennials identify their brand and products.

1, 2		Direct Competitors
3, 4, 5		Partial Competitors
6, 7		Indirect Competitors
8		Parallel Competitor
9		Analogous Competitor

Comparing these companies based on their profile, social media presence, employee experience reviews and their websites, our research led to these key findings and recommendations:

Key Findings

1. Young companies fall in two quadrants in our 2x2 matrix: consumer industry and high revenues, or enterprise industry and low revenues
2. High social media following does not translate to high Glassdoor ratings
3. The quantity of posts on social media may not directly translate to number of followers
4. The content of GE’s website is often technical and uses complex terminology
5. GE’s website is not easy to skim

Recommendations

1. Improve visibility of consumer products on website and social media
2. Conduct further study on why follower count is low despite the number of social media posts
3. Fix website design issues that make it difficult to skim and use terms that the general population will identify with

Introduction

General Electric is in the process of rebranding themselves, to be known as more than an industrial/manufacturing company. Specifically, GE Digital aims to be in the top-10 software companies by year 2020 to compete with the likes of Google, Amazon and Facebook. They are aware that they need to pursue a new direction to connect with the millennial generation and maintain relevance in various areas. They are not emphasizing their digital industrial solutions. So far, they have found it difficult to compete for talent in software development and digital design roles under current strategy.

The purpose of this comparative analysis exercise is to answer the questions as to why certain brands and companies are perceived differently and why their products are more successful than others. Branding, identity, work culture, recruitment process are all areas of great interest to be researched, especially since many of the competitors are highly successful Fortune 500 companies. Based on the strengths and weaknesses of each competitor, our goal is to analyze how GE could orient themselves to satisfy the demand of users, especially millennials and attract talents to help GE Digital transform as a software company.

Methods

Based on our interviews and preliminary research on GE's industries, products and markets, we identified 9 competitors and organized them as per Newman's taxonomy (Pal, 2017) as follows:

- **Direct Competitors:** Similar products, services and target market
 - **Siemens** is the largest manufacturing and electronic company in Europe whose divisions primarily concentrates on automation, building technology, and energy. Like GE, it also has an IoT operating system.
 - **IBM** is an American technology company with operations in over 100 countries. It has a history of successfully redefining itself over the years.
- **Partial Competitors:** Have a few overlapping products and services
 - **Google** is a young American technology company providing Internet-related service and products to users worldwide. Along with its parent company 'Alphabet Inc.', it also has a portfolio of innovative companies spanning various industries.
 - **Amazon** is the biggest retail e-Commerce company in the world. It also has its own range of products and services for consumers as well as enterprises.
 - **Cisco** develops and sells networking and telecommunications equipments, as well as niche tech services and products in the domains of IoT, security and energy management. ("Cisco Systems", 2017)
- **Indirect Competitors:** Provide similar functions/features in a different way or market
 - **SAP** is one of the leading companies in enterprise business application founded in Germany.
 - **SalesForce** is an American technology company specializing in cloud computing. It earns most of its revenue from its Customer Relationship Management product.
- **Parallel Competitors:** Similar products and services, but a different country
 - **TATA** is India's largest multinational conglomerate with businesses in various industries. It is older than GE and has managed to retain its relevance among India's young populace.
- **Analogous Competitors:** No overlap in products and services, but gives insights into the problem as another large conglomerate
 - **P&G** is an international company of consumer goods. Its products focus on personal care and cleansing agents after selling the part producing food and beverage.

We then compared these companies based on their profile, social media presence, employee experience reviews and their websites. Among the key metrics were:

- **Profile**
 - Types of Industry
 - Type of Products
 - No. of Divisions
 - Age of Company
 - Global Presence
 - Profits/Revenues
 - No. of Employees
 - Percentile Rank of Internet Searches in the past month

- **Social Media**
 - Followers
 - Posts (Engagement)

- **Employee satisfaction** based on Glassdoor ratings

- **Website**
 - Site architecture
 - Navigation/interaction
 - Design/aesthetics

Data was collected quantitatively wherever possible, but the analysis of website was done qualitatively. This data was then ranked and tabulated. Any correlation or lack thereof from this data was then analyzed to draw conclusions and come up with good recommendations for General Electric. We then cross-referenced to resources online to verify our findings before formulating each recommendations.

Findings and Recommendations

Key Findings

1. **Young companies fall in two quadrants in our 2x2 matrix: consumer industry and high revenues, or enterprise industry and low revenues**

From our interviews, we found that millennials are aware about consumer-oriented companies, but have little knowledge about enterprise business. The data from our interviews suggested that millennials would like to work for companies that can provide for career growth and stability. Revenue could be one indicator and measure of stability. So, we attempt to find a relationship between revenues, industry type and age of the company.

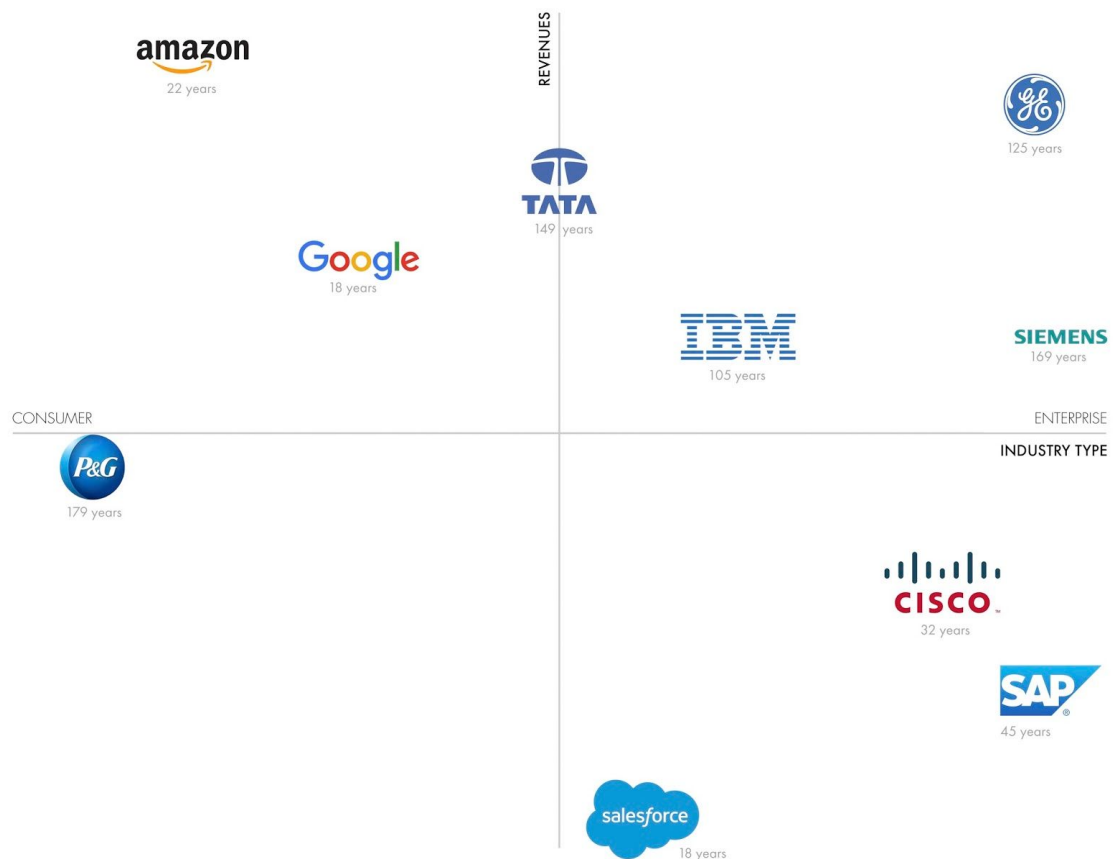


Fig 1: 2x2 Matrix: Revenue v/s Industry Type (showing Company and Age)

We found that the youngest companies: Google and Amazon, have high revenues and serve the consumer industry, whereas other relatively young companies in the enterprise space have much lower revenues.

Despite their revenue levels, younger companies provide much higher compensation & benefits than their older counterparts. This is probably due to them having fewer employees and is a

strategy to initially attract top talent.

2. High social media following does not necessarily translate to high Glassdoor ratings

To find if there is a relationship between brand perception and employee satisfaction, we created a 2x2 matrix of Number of Social Media Followers v/s Overall Glassdoor Average Rating. The social media and networks that are taken into consideration are LinkedIn, Facebook, Twitter, Instagram, YouTube and Instagram.

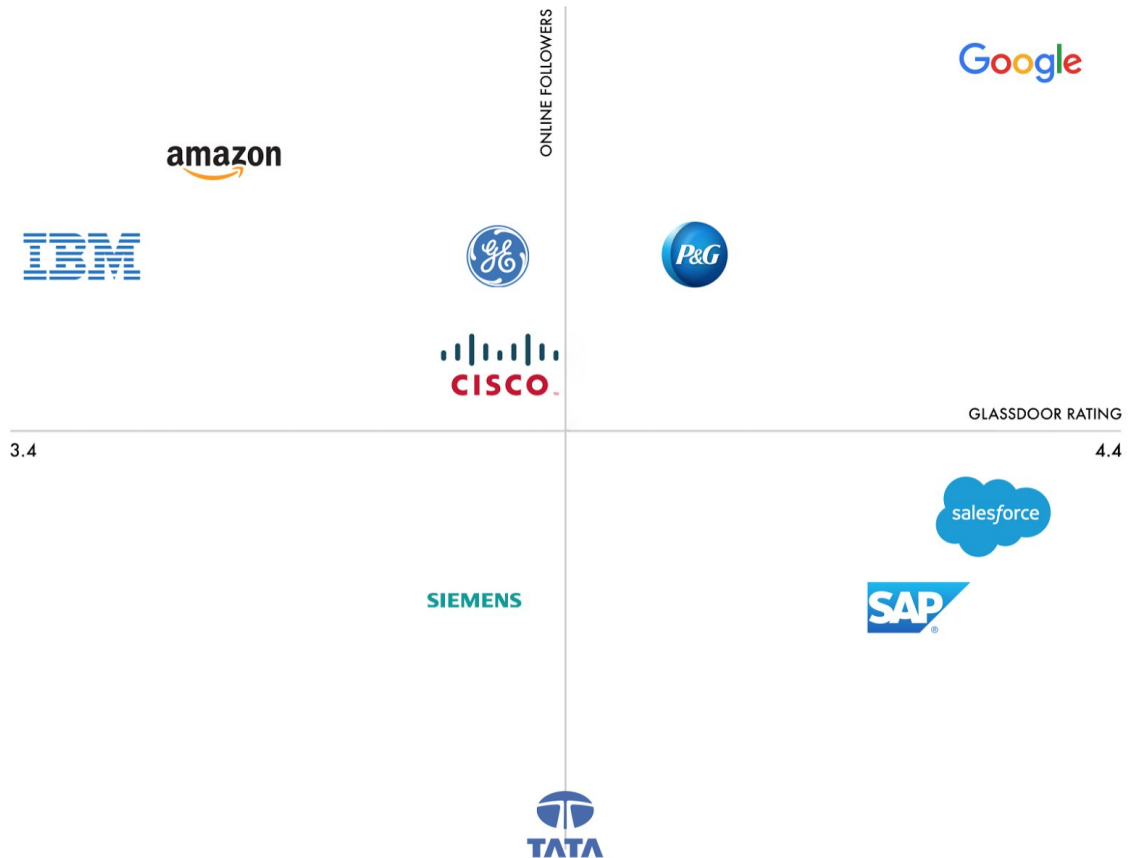


Fig 2: 2x2 Matrix: Social Media Followers v/s Glassdoor Ratings

We find that social media following statistics are independent of Glassdoor ratings. In other words, employees' opinions and perception of the company are not always in parallel to the general population's perception of the company's brand and identity. For example, GE has 1.8 million followings on Facebook but it has 3.8/5 rating and 3.1/5 rating for GE Digital on Glassdoor respectively. On the other hand, SAP has 4.2 rating on Glassdoor but their social media following are smaller in comparison at only 700K followers on Facebook. This is similar again when we compare GE with companies such as Salesforce.

3. Quantity of posts on social media may not directly translate to number of followers

We had initially hypothesized that social media activity will be a big determinant in influencing millennials perception of brands and companies. However, we are proven wrong based on our findings of online followers and online engagements.

While GE has posted a significant number of posts on their Facebook page (one of the most active poster in our comparative analysis, with 2,933 posts) compared to their competitors, their followers count are lagging behind competitors such as Google and Amazon. GE has 1.8 million Facebook followers whereas Google and Amazon has 21.5 million and 26.1 million followers respectively. This informs us that posting content does not necessarily translate into more followers, or directly improving popularity of a brand on social media.

More research is required to ascertain the factors that could drive up number of followers, but it may be due to one or more of the following:

- i. Understanding the audience by posting more relatable content
- ii. Network effect, where we see an increase in 'likes' and 'follows' when friends or a trusted person on these social networks endorse the said companies or brands.
- iii. Social engagement or interaction analytics may be a better indicator of online presence than number of followers, because they represent the online population that regularly returns and interacts with the posted content.

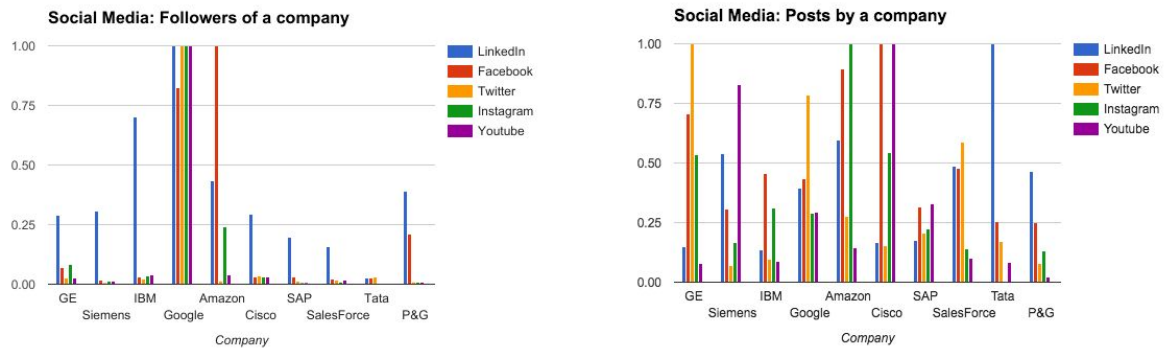


Fig 3: Social Media: Followers and Posts

4. The content of GE's website is often technical and uses complex terminology

GE frequently uses industry jargons and technical terms on its website & social media descriptions as opposed to its competitors. Some examples that comes to mind are Predix, HMI, IIOT and Scada. It may be alienating to audiences who are not aware of these terms. Salesforce is a great counter-example of this: while they are also involved in the enterprise business and work with highly complex systems, they have minimized the use of jargon and simplified their site's content.

5. GE's website is not easy to skim

Millennials are used to quick interactions and prefer to spend less time on each task, often multi-tasking and skimming through content. Although GE's website has a well-defined structure, it is not as easy to skim compared to its competitor's websites.

It uses a lot of images, but the light weight of the text on top of images makes it very difficult to read. In contrast, IBM.com separates text from images in most cases. GE also uses long sentences as headings. The use of web-sliders calls for interaction, which works when the sliders are part of the first section, but prevents the user from skimming through if used in subsequent sections. In contrast, websites of Google, IBM and Salesforce use short titles, sections, images and structure to form a narrative that can be scrolled through and read very quickly.

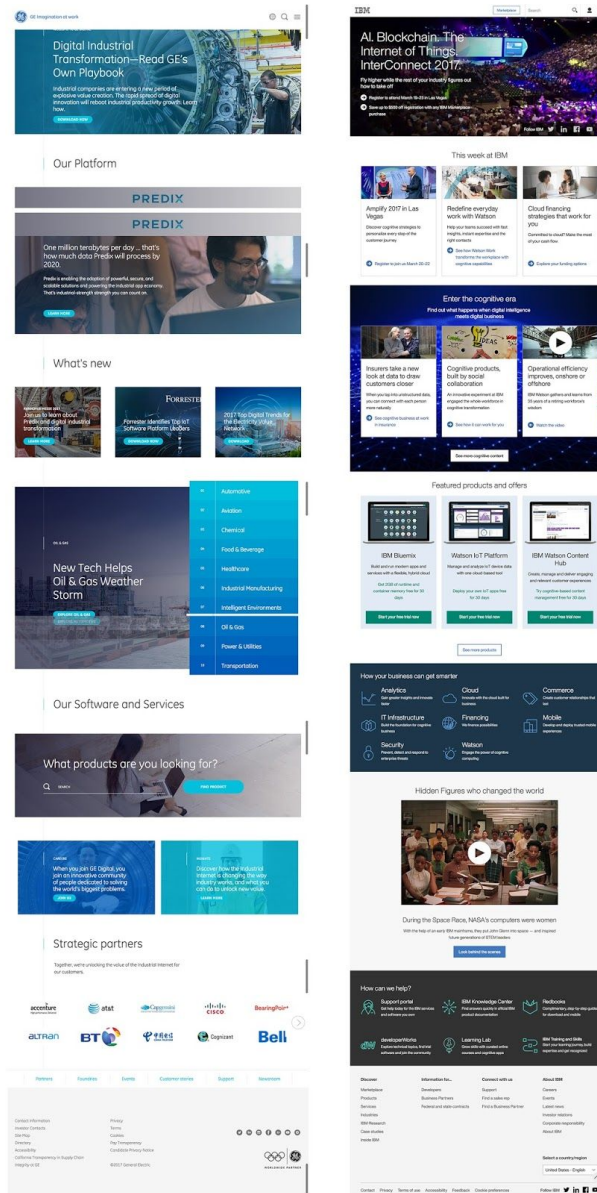


Fig 6: Skimmability—GE Digital vs IBM

Recommendations

1. Improve visibility of consumer products on website and social media

GE should leverage their online presence by showcasing their consumer products on their web page and highlight their consumer-oriented products on social media. It would be prudent for them to focus on creating user-focused content, and aim for engagement through stories (Davey, 2016). Making full use of their online presence is an effective strategy to reach the millennial population and resonate with this untapped population. Traditional advertisements that directly promote the brand or product are no longer deemed as an effective way to advertise to millennials. Instead, millennials are affected by stories or experiences that resonate with them.

2. Conduct further study on why follower count is low despite the number of social media posts

“Millennials are also interested to in what’s happening right now (Davey, 2016).” Social media posts needs to be unfiltered and authentic. The posts need to tell a story, make a connection with the user and provide value they wouldn’t get otherwise. According to a couple of interviewees from our previous report, millennials are bombarded with content that is constantly seeking for their attention on the Internet and other forms of media. Consequently, they have adapted to filter out superficial promises and hard-sells. However, they are open to meaningful engagement.

A few posts that are relevant, engaging and add value to their lives could catalyze engagement and increase the online following which GE lacks, when compared to Google and Amazon. If something is valuable and resonates with them, they are incentivized to share the content with their friends, leading to a network effect. We thought it is important for GE to figure out the reasons why some posts generate higher interaction and user engagement, in terms of the numbers of reactions, comments and shares versus posts that did not do as well.

3. Fix website design issues that make it difficult to skim and use terms that the general population will identify with

GE’s home page can be improved by placing updated content, stories and events that tells audience about GE as a company, instead of it just being a gateway to GE’s sub-sites. Sub-sites like GE Digital should be designed such that it is easy to skim, making sure the titles are short and readable.

However, the most important change required is to use simpler, relevant language on their website. If there are technical or industry jargons used, make sure that there are accompanying texts or subheadings that succinctly explains the terminologies in plain language. By making the content accessible to everyone, it stands a better chance of connecting with young minds and pique their future interest for working with GE.

Discussion

There are some shortcomings in this comparative analysis exercise in which we do not have access to all the data we need to make for an accurate analysis, such as web analytics, social media engagement and stats, analytics for video ads and sales data as well. We also do not have access to their employees

demographics and we do not hear from them in person of their own personal opinions.

Our next step is to conduct surveys that focuses on our target audience to understanding their specific preferences for branding and marketing. We will also conduct heuristic evaluation and a series of usability testings on the website to determine what are the elements that are problematic and needed tweaks..

Conclusion

In summary, GE is at an interesting vantage point. They are doing well in domains they have traditionally have a presence in, but as they are venturing into a new and unfamiliar territory, they are facing tremendous competition for talent and an identity dilemma. There needs to be changes internally in their organization strategy and also the way they have traditionally market to the public. The millennials want an authentic voice and they are finicky about the way big conglomerates such as GE market to them. They do not want to be sold to, but rather prefer to hear about the brand or company from their friends or experience the products first-hand. The strategy to attract talents is again no different. The millennials want to hear the authentic voice from the company and find a good fit with the work culture, career growth opportunities and find a strong sense of purpose by working with the said company.

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Appendix

Complete Comparative Matrix

Dimension	Client	Direct		Partial			Indirect		Parallel	Analogous
	GE	Siemens	IBM	Google	Amazon	Cisco	SAP	SalesForce	Tata	P&G
Logo										
Company Information										
Website	ge.com	siemens.com	ibm.com	google.com	amazon.com	cisco.com	sap.com	salesforce.com	tata.com	pg.com
Headquarters	Boston, U.S.	Berlin, Germany	New York, U.S.	Mountain View, U.S.	Seattle, U.S.	San José, U.S.	Walldorf, Germany	San Fransico, U.S.	Mumbai, India	Cincinnati, U.S.
Industry	Conglomerate	Conglomerate	Cloud computing; Cognitive Computing; Information Technology	Internet Computer Software Computer Hardware	Internet	Networking Equipments	Enterprise Software	Cloud Computing Social Enterprise Solutions	Conglomerate	Consumer Goods
No. of Countries	170+	99	210	42	37	84	196	27	53	88
No. of Years	125	169	105	18	22	32	45	18	149	179
No. of Divisions	10	10	15	8	6	13	5	2	25	6
No. of Employees	333,000	351,000	377,757	57,100	341,000	71,883	84,183	19,000	660,800	105,000
Type of Products	Enterprise	Enterprise	Enterprise (mixed)	Consumer	Consumer (mixed)	Enterprise	Enterprise	Enterprise	Enterprise	Consumer
Profits (B)	\$8.83	\$7.82	\$10.69	\$19.47	\$2.37	\$10.73	\$3.81	\$0.47	N/A	\$10.50
Revenues	\$123.70	\$84.11	\$79.91	\$90.27	\$135.98	\$49.24	\$23.30	\$6.67	\$103.50	\$65.29
Internet Search Ranking (past 30 days)	4	6	7	1	2	5	3	8	9	10
Social Media										
LinkedIn (F: Followers, P:Posts)	F: 1,365,429 P: 53	F: 1,448,375 P: 193	F: 3,300,867 P: 49	F: 4,702,671 P: 142	F: 2,036,680 P: 214	F: 1,389,516 P: 59	F: 920,810 P: 63	F: 751,992 P: 174	F: 118,216 P: 358	F: 1,830,409 P: 167
Facebook	F: 1,861,173 P: 2933	F: 422,747 P: 1307	F: 857,512 P: 1,945	F: 21,568,292 P: 1,846	F: 26,152,995 P: 3,805	F: 814, 034 P: 4246	F: 754, 693 P: 1344	F: 609, 512 P: 2030	F: 740, 994 P: 1084	F: 555, 7767 P: 1064
Twitter	F: 434000 P: 84000	F: 109,000 P: 5722	F: 344,000 P: 7,944	F: 17,000,000 P: 65,900	F: 254,000 P: 23,200	F: 592,000 P: 12800	F: 207,000 P: 17200	F: 326,000 P: 48300	F: 551,000 P: 14500	F: 162,000 P: 6559
Instagram	F: 274,000 P: 802	F: 44,300 P: 251	F: 117,000 P: 465	F: 3,300,000 P: 438	F: 802,000 P: 1,502	F: 102,000 P: 819	F: 19,500 P: 335	F: 28,800 P: 214	F: 77 P: 0	F: 27,700 P: 195
Youtube	F: 123,451 P: 476	F: 66,397 P: 5084	F: 178,813 P: 550	F: 4,793,410 P: 1,798	F: 193,587 P: 899	F: 153,003 P: 6148	F: 30,200 P: 2031	F: 77,233 P: 625	F: 3,560 P: 504	F: 34,179 P: 130
Snapchat	Y	X	Y	Y	Y	X	X	X	X	X
Job Reviews										
Glassdoor Rating	3.8 (GE Digital 3.1)	3.7 (Info Systems 3.4)	3.4	4.4	3.2	3.8	4.2	4.3	3.8	4
Culture & Values	3.8	3.5	3.4	4.4	3.4	3.8	4.1	4.4	3.8	4.2
Work/Life Balance	3.4	3.7	3.5	4.1	2.9	3.9	4	3.9	3.4	3.6
Senior Management	3.3	3	2.9	3.9	3	3.2	3.7	3.9	2.9	3.4
Compensation & Benefits	3.5	3.6	3.1	4.4	3.6	3.8	4.1	4.3	3	3.9
Career Opportunities	3.7	3.4	3.3	4.1	3.5	3.5	3.8	4.1	3.3	3.7
Recommend to a friend?	80%	78%	63%	92%	66%	79%	88%	86%	77%	86%
CEO Approval	87%	91%	63%	97%	82%	87%	96%	98%	100%	96%
Positive Business Outlook	57%	57%	42%	84%	67%	55%	81%	86%	67%	52%
Positive Interview Experience	69%	66%	69%	59%	56%	69%	74%	70%	66%	72%
Interview Difficulty (0=Easy, 5=Hard)	2.9	2.9	2.8	3.4	3.1	3	3	3.2	2.6	3.4
Website										
Site Architecture										
Information redundancy (0=Low, 4=High)	•	••••				••	•••	••	•	
Information categorization (0=Low, 4=High)	••••	••••	••••	•	••••	••••	••••	••••	•••	•••
Complexity of Language (0=Simple, 4=Complex)	•••	•••	••		••	••••	••••	•	•••	
Navigation and Interaction										
Easy of use for search (0=Difficult, 4=Easy)	••••	•••	•••	••••	•••	•••	•••	••	••	
Skimmability (0=Not Skimmable, 4=Very Skimmable)		•	•••	••••	•••	••	•••	•••		•••
Filtering capabilities within search results		Yes	Yes	Yes	Yes	Yes	Yes		Yes	
Design/Aesthetics										
Color scheme (0=Simple, 4=Complex)		••	••••	••••	••••	••	•	••		•
Consistency across pages (0=Low, 4=High)	•••	••	•	••••	••••	••••	•••	••••	••	••••
Use of images (0=Few, 4=Many)	•••	••	•••	••••	•••	••••	••	••••	••	•••
Balance of text use	••		•••		•••	•••	•••	••		•••