Each strategy could potentially be utilized by FMI; however, after much discussion on the subject between the group members, it was decided that the diversification strategy would be utilized to achieve growth. Vertical integration would be the next option; however, it requires high amounts of capital which FMI does not have at the moment. It was agreed that vertical integration needs to be achieved; therefore, the overall consensus was to utilize the diversification strategy and establish growth (market share, customers, and profits) for the short term and vertical integration for the long term. This will allow FMI to acquire a strong customer base and market share which would generate profits and capital which would then allow FMI to achieve vertical integration. Vertical integration will allow FMI to have ownership and control over all of the services rendered to customers, thus allowing FMI to be able to customize its products and services to a targeted audience. During the group discussions, diversification was a unanimous decision; however, vertical integration and global strategy were initially discarded. Vertical integration was deemed too expensive and global strategy was too large to conquer at the initial start up of FMI. After more discussions, it was determined that FMI could create a short term and long term plan, whereas, the short term plan would be to start with diversification and long term move into vertical integration.

Executing the Business Strategy will require strong marketing in order to create ‘brand recognition’. It is recommended that initial marketing be tied to existing products/services in order to create visibility for the company. Recommendations for creating visibility and interest include creating links on other sites potentially visited by our target market, i.e. retail, e-commerce, gaming, IM, and competitor sites. Trying to get linked up with cell phone providers, particularly those who have i-Phone type applications will create exposure. Finally, associating our site’s services and products with brick and mortar purchasing, specifically integrating advertising of our site onto packaging of products geared to our target market, will create interest and enhance visibility of our differentiation.

In order to execute the short and long term corporate strategies, this group recommends using the short term strategy of Diversification to build financial capital (liquid cash) which will be used to execute the long term strategy of Vertical Integration to acquire ownership of service and provider assets in order to own the Supply Chain. Diversification will give the site an expanded opportunity to reach our market with many choices for services and products thereby increasing the customer base and membership. Offering of e-commerce features will contribute to financial growth of liquid capital. This can be achieved by collaborating with existing service providers to offer features on our site for which we have expended little, if any, cost. Little cash investment combined with memberships and e-commerce will generate the liquid cash necessary, within three years, to move into execution of the long term strategy. Vertical integration can be quickly achieved using the bank of liquid capital (cash) to begin acquisitions of companies offering the services currently on the site. Over time growth of the site’s features and customization can be achieved through additional acquisitions of services and products currently not offered. This will result in additional membership and will facilitate long term sustainability.

In consideration of the dynamically changing social networking industry, this group strongly recommends a combined strategic approach to financial stability and sustainability through execution of short term and long term strategy planning. This will enable FMI to constantly monitor the market and determine if changes to the long term strategy are necessary. FMI must remain flexible to at any time implement a different strategy in order to remain competitive. By researching and understanding each strategy presented here today, FMI is armed with the knowledge to remain dynamic and flexible as the industry will require.