

# CASE STUDIES

## UNIT 2 LESSON 1

**Sources:** <https://www.forbes.com/sites/jasonnazar/2013/10/08/14-famous-business-pivots/#7179de735797>

### 1. Twitter

The most legendary pivot in social media history is the transformation of Odeo into Twitter. Odeo began as a network where people could find and subscribe to podcasts, but the founders feared the company's demise when iTunes began taking over the podcast niche. After giving the employees two weeks to come up with new ideas, the company decided to make a drastic change and run with the idea of a status-updating micro-blogging platform conceived by Jack Dorsey and Biz Stone.

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### 2. Starbucks

The coffee shop which now inhabits every street corner (and sometimes two on each street corner) did not always sell fresh-brewed coffee to customers. They started off in 1971 selling espresso makers and coffee beans, which Howard Schultz (current chairman, president and CEO) fell in love with on first taste. After his visit to Italy in 1983, Schultz was determined to actually brew and sell Starbucks coffee in a European-style coffeehouse, and transformed Starbucks into the nationwide java sensation it has become today.

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### 3. Nintendo

We all know Nintendo for innovating and inspiring an era of mass-produced video games, such as Super Mario and Donkey Kong. However, the company existed several centuries before that, and dabbled in producing everything from playing cards to vacuum cleaners, instant rice, a taxi company and even a short-stay hotel chain (also called a "love hotel," I'll leave it up to you to figure out what that is). It was in 1966 that Nintendo started producing electronic games and consoles, which gained wide popularity over the following 30 years.

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### 4. Instagram

Instagram is the most widely used photo app for iPhone, but many don't know its origins. Instagram began as Burbn, a check-in app that included gaming elements from Mafia Wars, and a photo element as well. The creators worried Burbn had too much clutter and potential actions, and would never gain traction. So they took a

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risk and stripped all the features but one: photos. They rebuilt a version of the app that focused solely on photography—it was clean and simple, and clearly it paid off.

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### **Pinterest**

This incredibly popular “pinning” social network pivoted from “Tote” which allowed people to browse and shop their favorite retailers, and sent them updates when their favorite items were available and on sale. The creators realized that the users of Tote were mostly interested in building “collections” of their favorite items, and sharing these collections with friends. Since its repositioning, Pinterest now has over 70 million users with approximately 80% of its users being women. While its pivot has been wildly successful in terms of user growth, Pinterest is trying to figure out how to get back to Tote’s ecommerce and revenue roots.