

Apple branding essay



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The Apple brand experienced a creative, marketing, and competitive edge under the leadership of Steve Jobs. From the iPod and iTunes to the iPhone and the iPad, Apple used creative marketing techniques to create a counter internet culture. While the internet focused on bringing everyone together, Apple successfully marketed towards the concepts of personal empowerment and centrality (Pedersen). By doing so, Apple created a participatory culture where Apple products became cultural icons thereby boosting sales and building a loyal customer base.

Since the death of Steve Jobs in 2012, many are asking if Apple's brand is in jeopardy. Will Apple be able to continue its tremendous growth or will the company experience a declining status in the years to come? The answers to both questions likely lies in Apple's ability to be technologically innovative and marketing savvy. Also of importance, is the question of what metrics should be used to measure Apple's success in the future? This paper addresses these questions and looks at expectations for Apple's future. In 2012, Apple won a lawsuit versus Samsung over patent infringement.

Historically, Apple defends their technology patents with an army of lawyers. Having shown a ruthless nature under the leadership of Steve Jobs, Apple has created major roadblocks for its competition. While Apple has every right to defend their technology there is a major danger in keeping other companies out of the spoils of technological innovation. UBS analyst, Milunovich (2012) recently argued that “ the likelihood of Apple being leapfrogged or a rival creating a new category is greater if they have to think out of the box. By keeping the competition away from Apple technology, Apple motivates the competition to be more innovative. Until recently, Apple

has proven worthy of out innovating the competition but historical odds favor the evolution of even greater technology. By keeping the competition at bay via lawsuits, the chances of a competitor creating a different game changing technology increase (MaryAnne, 2012). In 2003, Apple launched an advertising campaign using iPod Silhouettes.

Jones (2005) wrote that, “ Unlike every other aspect of the computer world, the iPod had little to do with togetherness, had little to do with community spirit. The iPod was all about individuality and personal space. (p. 67) Apple used centrality to give the iPod user a sense of control or governance over their own space. In 2007, Apple piggybacked off the iPod marketing to introduce the iPhone. According to Pederson (2008), iPhone marketing focused on the features and usage of the new device rather than on the technical aspects.

From browsing the internet, to taking pictures, to talking with friends the iPhone was uniquely different from the iPad but still contained all the functionality that iPad users grew to love. Apple marketing of the iPod and iPhone created a cultural icon that most consumers of mobile technology can relate to. Marketing management at Apple is now tasked with continuing the cultural status of Apple. This is a more difficult task without a product that is new and innovative. Peter Burrows (2012) highlights a shift in Apple advertising by noting the use of high priced celebrities to promote Apple products.

During the 2013 NFL football playoffs, Apple kicked off a commercial campaign featuring the Williams sisters in a sexually charged advertisement.

Is the shift in marketing strategy a product of not having new, innovative product or is the shift an attempt to further penetrate existing markets?

While the silhouette advertising strategy was a generic strategy (Finch, 2012), targeted at a broad audience, the use of celebrities shows more of a segmented marketing approach where Apple is trying to appeal to fans of the various celebrities.

The question of whether Apple can be successful going forward is hotly debated. They are on the top of the mountain like Microsoft in the 1990s. Many other companies are gunning for Apple and they are unlikely to enjoy the same successes going forward; but like Microsoft, Apple has built a cult following and a must use product for years to come. As a stock trader, I tend to measure company success by the growth of their stock price. In regards to the most recent 15% pullback in share price, UBS analyst Milonovich stated, “ I think we’re in the fourth or fifth inning of the Apple story.

I don’t think it’s over, and we do think ‘ the stock price will’ rebound next year. ” (Milunovich, 2013). The story of Apple being an innovative growth engine many have come to a close with the death of Steve Jobs but the legacy and products that Apple built will drive substantial profits for the years to come. With \$13 billion in annual revenue expected for the iTunes store alone, Apple is the quintessential cash cow (Whitney, 2011).