

Apple's corporate strategy

Business



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University of West London Corporate Communication Strategy

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everyday lives, communication is very important in human interaction and is a quintessential element in building relationships. Same rules apply in the corporate world. An organisation must be able to communicate effectively to its concerned parties; this is known as corporate communication. Successful companies are known to have good corporate communication strategy. This is because corporate communication is the management tool that upholds the company's values, culture, identity, image and reputation.

Corporate communication is the blood circulation system of any organization. (Nell Minow, 1996). The analysed company in this paper, Apple, clearly knows the importance of corporate communication. In this report, Apple's communication strategy is critically analysed, by applying different academic corporate communication models and frameworks. Apple clearly identifies its stakeholders and uses different communication strategy in both its external and internal communication to command fierce loyalty.

Introduction In simple terms, communication is the imparting or exchanging of information or news (Dictionary. com). In any organisation, communicating effectively is vital in order to carry out the thoughts and visions of the organisation. For an organisation to communicate effectively, the organisation needs to know the importance of corporate communication.

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Corporate communication is “ an instrument of management by means of which all consciously used forms of internal and external communication are harmonised as effectively and efficiently as possible, so as to create a favourable basis for relationships with groups upon which the company is dependent” (Van Riel, 1995).

The process of corporate communication means that the organisations ideals and vision is conveyed efficiently and effectively and that all concerned parties receive and understand the message in effective and efficient manner (Guffey, 2009). For an organisation to build and maintain its brand, the organisation must have a good corporate communication strategy.

Apple's corporate communication is examined in this paper. The resources and knowledge used in this paper comes from University of West London Lectures, Apple's website, books and literatures. Apple was founded in 1976 by Steve Jobs, Steve Wozniak and Ronald Wayne. Apple is headquartered in Cupertino, California, U.

S. A. Apple is best known for its Macintosh computers, iPod, iPhone and iPad. As of June 2011, Apple has 60, 400 employees, 357 retail stores in ten countries in addition to an online store, has revenue of \$108. 24 billion (Apple.

com). According to Reuters, as of September 2011, Apple is the largest publicly traded company in the world by market capitalisation and the largest technology company in the world by revenue and profit. The aim of this report is to analyse Apple's corporate communication strategy by comparing Apple's corporate communication model to academic corporate

communication to gain insight into their corporate values. Also in this report, the communication strategy and methods they use to communicate with their external and internal stakeholders will be assessed. Corporate Communication Strategy Effective communication requires effective strategy. An organisation needs an effective communication strategy plan in order for their visions to come to fruition. communication strategy planning is essential both in the long run and short run as the strategy of an organisation rests on the planning of the communication strategy (E. A. Griffin, 2008). In our everyday lives, when we want to communicate, we have to know who we want to communicate with, what information we want to exchange with that person, why we are communicating with that person and the means of communication we want to use. In the corporate world, organisations follow this same principle when they want to communicate with their concerned parties.

Mathes and Stevenson, 1994) developed a framework of communicating in businesses. The framework they created focuses on role analysis. The generic term for their framework is " Audience Identification and Analysis". Their framework is based on the theory that is to know someone's response, you should try to put yourself in their role. " In an organisation, people function primarily in their assigned capacities" (J. V.

Bovee, 2009). The diagram/table below demonstrates their framework; it identifies the audience, the characteristics of the audience, their communication needs and means of communication. Audience| Characteristics| Communication Needs| Means of Communication| HR product | Responsible for HR policy| Needs regular progress status reports, <https://assignbuster.com/apples-corporate-strategy/>

input to significant decisions| Information session, Print| (Mathes and Stevenson, 1994) Audience Identification and Analysis The key to having an effective communication is to clearly identify your stakeholders (Van Riel, 1995). Apple's communication strategy follows the principles of Mathes and Stevenson's framework. Apple uses different communication channels to communicate with its internal stakeholders and external stakeholders.

External Communication Exchanging information or news between one organisation and another organisation or individuals not employed in the business is known as external communication (Nell Minow, 1996).

A popular channel of external communication in modern businesses is via the internet. Internet is a global medium, and businesses, especially multinational corporations such as Apple use the internet to communicate with their external stakeholders such as customers, media and other concerned institutions. Apple's website allows users to select the country or region they are in, upon the user selecting their country or region, the website then presents its information in that region's language, from there, users can access the company's sustainability report, which provides economic, social and governance performance. Annual report too is accessible which gives in detail the achievements of the company that year and its plans for the future. Their vision and mission statement is found in their corporate sociability report.

Apples external communication handles issues concerning the media. Apple is infamously known for announcing new products such as its iconic iPhone only via press conferences. Other products such as annual updates to its Macintosh computers are announced via press release to media and on its <https://assignbuster.com/apples-corporate-strategy/>

website (wired.com). Apple has created online forums on its website, where customers from around the world can discuss about Apple products. Apple also uses the online forum to get feedback from their customers.

Apple's staffs also directly communicate with users on the online forum, such as giving them technical support on their products. (Grunig, 1992) developed a framework on which he shows four visions of communication. His preferred type of communication is when a company operate in a two-way symmetric communication. In which he stresses on openness, truth and transparency between both parties. Entirely True| PublicInformation| Two-way symmetrical Communication| Complete truth not essential| Press agency Communication (propaganda)| Two-way asymmetrical Communication| | One-way Communication| Two-way Communication| Four visions of communication, (Grunig 1992) Apple is transparent to its external stakeholders especially to potential investors.

In September 2011, Financial Times wrote that Apple has become the largest publicly traded company in the world due to its transparency. They said Apple's vision and mission statement is clear and it attracts both individual and institutional shareholders. Apple's external communication strategy follows Grunig's preferred type of communication. Internal Communication Exchanging information or news between individuals who are employed in the organisation is known as internal communication (Nell Minow, 1996). Apple being a technology company uses modern technologies to communicate internally. Most of the technologies used in Apple's internal communication are made by Apple themselves.

Apple applies a strict code of conduct which dictates that all its employees use Apple products (Apple Corporate Governance Report, 2010). Apple uses intranet to keep its employees up to date with the latest news and company policies. Employees' handbooks and specific tasks assigned to employees can be accessed via the intranet. Apple has developed an iPhone application exclusively for its employees. The application keeps their global workforce informed about the company's latest news.

Podcasts (audio messages) can be access and listened to via the iPhone application, these audio messages contain recordings from top executives informing staff about recent developments in the business, and employees can also share ideas with themselves via the application (wired. com). Apple also has employees' only ' town hall' style meetings, where employees have the opportunity to have face to face communication with top executives (cbsnews. com) In an interview with wired. com 2009, an ex Apple employee said that there is a communication gap in Apple's internal communication. He said that Apple keeps all its employees on a need to know basis routine and some employees know more about the company latest development before others, he said this is due to Apple's obsession to ensure that there are no information leaks within the organisation, so that its rivals and competitors won't know about Apple's yet-to-be released products.

This type of communication strategy goes against Grunig's 1992 preferred type of communication, in which Grunig's preferred type of communication is openness and transparent. Apple's internal communication strategy is opaque. Human Resource Management Human Resource Management (HRM) is n organisation's team focusing on recruiting, managing, and <https://assignbuster.com/apples-corporate-strategy/>

directing employees. In HRM, communication is a management tool used for recruiting and retaining valuable employees (Van Riel 1995). One of the important reasons why organisations are successful is because they manage their employees effectively and this when HRM comes into play. Apple demands that their HR Managers enable their employees to exceed their potential.

Apple's HRM focuses on core skills, such coaching, influencing, communication and critical thinking. Apple's HRM focal point are five elements; Organisational Development, which is to consult and influence managers to maximize organisational effectiveness. Talent and Performance management, this involves identifying performance improvement and identifying talent. Employees Relations, that is to handle staff issues and investigations. Training and Development means to deliver appropriate training to the organisation and last but not least, Compensation and Benefits, which deals with offering incentives and rewarding employees.

French and Raven ' Motivation Factor Model' 1992 Even though the model above shows how motivation depends on different organisational and individual factors (French and Raven 1992) and also in HRM, motivating the employees of an organisation ensures that they work efficiently and effectively, Apple ensures that their employees are motivated, by offering various incentives such as Apple's fellow program, awarding individuals who contributed greatly to the company. Also other incentives such product discounts, insurances, free gifts are given to their employees as part of Apple motivation strategy (Businessweek, 2009). Corporate Image, Identity and Reputation Corporate identity is the way the organisation identifies and <https://assignbuster.com/apples-corporate-strategy/>

brands themselves (Selame 1975), corporate image is the impression people have of an organisation (Bernstein 1984) and corporate reputation is the recognition that the stakeholders give to the organisation's performance (Marguiles 1977). All three elements are part of an organisation's corporate communication and an organisation must be good at all three to have an effective communication strategy in order to achieve a presence. Effective corporate identity management is the tool used to maintain and protect an organisation's corporate image, identity and reputation. (Nell Minow, 1996).

Corporate governance is used to direct and manage an organisation (Robert 1996) and in Apple's corporate governance 2010 report, shows some of the strategies Apple uses for its corporate culture. The report shows also refers to Apple's code of conduct, and in which it states Apple's employees should use Apple products in the workplace (apple.com) and even goes as far as trying to make them use only Apple products at home (eweek.com). Apple is applying the theory that "no matter the music, as long as you hear it every day, you will eventually like it". In the long run, Apple's employees will grow to love Apple and its vision and what the company stands for (eweek.com) and which turn; the employees will uphold and defend Apple's image, identity and reputation. Argenti and Forman, 2002) The image above shows how external parties' perception of an organisation effects their reputation. Apple knows is very aware of this principle and ensures that high standards of social responsibility are always met before they do business with any company (apple sustainability report 2010). Apple also makes sure that their products are environmental friendly; they do this focusing on when they make them and when their customers take them home to use them (Apple.

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com). Conclusion Apple's communication strategy can be applied to Grunig's model, in its external communication, Apples uses a two-way symmetric communication and in its internal communication, Apple uses a one-way flow of information.

Apple is one of the few companies that make people to queue for up to a week in front their store to get a product as soon as it launches, and they did by effective and efficient corporate communication strategy. Co-founder of Apple, Steve Jobs, said that he always communicate effectively with customers before he designs a product (bbc. co. uk). Apple design products based on consumers needs, Apple knows exactly what consumers, this is evidently correct based on the feedback they receive when they launch a product, it is always successful and unlike lots of organisations, Apple is one of the few corporations that owns and manages its advertising firm (engadget. com) The proof is in the pudding, Apple's customers believe and follow the company religiously, a feat that many organisations envy and hope to achieve and Apple has done this with effective and efficient corporate communication strategy and planning.

References