

# Apple inc

Technology, Information Technology



Apple Inc. Apple Inc. (Apple Computer) was founded in 1976 by Steven Wozniak and Steven Jobs. The first product of the company was a mass-produced personal computer Apple I. Today the mission statement of the firm points out that “ Apple designs Macs, the best personal computers in the world, along with OS X, iLife, iWork, and professional software” (Apple Inc., 2011). In addition, Apple’s goal is to lead the digital music revolution with the help of iPods and iTunes, as well as reinvent the mobile phone with iPhone and iPad. The company’s vision and strategy are in providing the world with innovative products. Apple Inc. sees innovation and products with superior ease of use as its major competitive advantages. The second quarter of 2008 has shown Apple’s growth rate to be 31. 8% since the previous year. At that time Apple becomes the third largest PC manufacturer in the US, coming after Dell Inc. and Hewlett-Packard – the greatest competitors of Apple Inc. As for the personal media player industry, Apple’s iPod was a great entry into the market of consumer electronics, where Apple became a leader. Furthermore, the iPod/iTunes combination is still holding Apple at the top of the industry, which is continuously growing and developing. Similarly, the iPhone industry of the US, and especially its smartphone and low-cost handset markets, are also growing. Since among the Apple’s competitive advantages are mass-produced innovation and high-quality electronics, their industry is not likely to be taken over by a competitor. It is especially true considering the fact that Apple keeps its technologies totally secret. In addition, it is rather expensive to enter and compete in the particular market for new companies. Though Apple has competitors in its markets, the innovations of Apple Inc. lower the intensity

of competitive rivalry. However, the rivals are starting to offer a number of substitute products and services. At the same time, Apple has the advantage of relatively high bargaining power of both customers and suppliers. So, the greatest strength of Apple Inc. is the innovations they introduce into the market. However, as Marino et al (2008) outline, the success of the company is very dependant on its management. While Apple is still having the advantage of being innovative, its competitors are also working on developing and launching similar or even more innovative products. The revenue of the company cannot be said to be lowering. Nevertheless, the gross-margin for the third quarter of 2008, as well as stock price, decreased. Still, Apple continues to invest great sums into research and development in order to be able to continuously offer its customers new and innovative products and services. The latest information shows that after 2008 Apple Inc. has become even more successful. Their products are being waited for and purchased. For instance, almost 21 million iPhones were sold in 2009 only, and the sales increased 100% in the first quarter of 2010 (iSellMac.com, 2010). Therefore, though the company does have certain weakness and experiences technical problems form time to time, their strategy of innovation is still effective and successful. References: Apple Inc. (2011). " Q: What is Apple's mission statement?" Investor Relations. FAQ. Retrieved from <http://phx.corporate-ir.net/phoenix.zhtml?c=107357&p=irol-faq#corpinfo2> iSellMac.com (2010). Future of Apple Inc and Apple's Market Domination. Retrieved from <http://isellmac.wordpress.com/2010/04/07/future-of-apple-inc-and-apples-market-domination/> Marino,

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