

The marketing environment

[Business](#), [Marketing](#)



Apple operate on a global level with 200 stores in 5 countries. Nowadays Apple is more commonly know for the iPod. The iPod has dominated digital music player sales in the United States and United Kingdom with many companies struggling to find a product to challenge the iPod. Due to the ever-changing market, businesses like Apple need to monitor the ever-changing business environment and make sure they are going in the right direction. A business can then only plan where it is going if it knows where it is starting from.

Finding out where a business is at the moment involves looking at its micro and macro environment. Micro-Environment Porter's Five Forces The microenvironment consists of those factors that affect the firm directly. This model helps to contrast the micro environment of a firm. (Refer to Appendix A) What we know is that competition in the market is very intense A wrong move could have a harmful affect with your competitors moving ahead of you due to the intensity of the competition in the market.

In relation to that, customers are in a strong position as they have more bargaining power and due to the fact there are many substitutes. With the Microsoft Zune 8 it makes it really difficult for new consumers to make a decision between the two. Often customers will pay due to the iPod reputation and its important Apple keep this high. Macro-environment Pest analysis To further analyse the external marketing environment, the macro environment we conduct a PEST analysis.

Such external factors usually are beyond the firm's control and sometimes present themselves as threats. PEST is the abbreviation for political,

economic, social and technological. (Refer to Appendix B for full PEST analysis) The Competition In the PC market Apple face intense competition from the likes of Dell, Toshiba and HP. Whilst in operating system, Microsoft are the biggest rivals. In both these Apple do not have a great hold. However in the Mp3 market, which is more relevant, Apple have dominated the Market since the release of the iPod.

With the competition current coming from SanDisk and Samsung. [12] Its safe to say that although Apple is diversified more than most of its competitors, their differentiation is a biggest strength because they spend so much on R&D, which is what separates them from their competition. SWOT Analysis A summary of Apples SWOT analysis is that Apple are in a very strong position because it has a powerful brand name and is recognised globally, coupled with its huge fan base of consumers gives them many strengths within the market.

The fact that they are so popular in the mp3 market gets them a lot of attention within the media. Only Microsoft due to being Apples biggest competitor will get a large amount of media coverage. The iPod itself in terms of ease of use and innovative technology means that it is very difficult to match. Only the Microsoft Zune 8 can compare to the design and usability. Although may have been released to late in order to make real challenge against the iPod. For Apple to overcome the potential threats, they must continue to be inventive and explore opportunities globally.

R + D and product innovation are of the utmost importance. Apple must continue to improve and be innovative to remain market leaders, otherwise

other companies may capitalise on any kind of drop in standards. Although one of the largest digital music sellers in the world, iTunes face a bit of competition from Amazon as well as Myspace, Apple have a target on their backs and only takes a company with good resources to challenge them. (for full SWOT analysis refer to Appendix C)