

Apple's strategies since 1990

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Apple Evaluate Apple's strategies since 1990 and explain why Apple has been through difficult times. What made the "Apple turnaround" possible? After firing Steve Jobs, Apple has been trying to fit into many different markets. They started diversifying into many different areas and ended up with half a dozen products suitable for each area. But this was not what made Apple famous. In 1986 they were seen as a rebellious company trying to be different to IBM and Microsoft. Steve Jobs had the idea not to anticipate the same path as other companies in the computer industry but to create a company which is unique.

Unfortunately the CEO of Apple at that time didn't share the same perspective and forced Jobs out of the company. Apple was not able to keep up with IBM and Microsoft who had a far greater market share. In the period of 1990-1997 Apple had 3 different CEOs, which is a statement for itself. The era of Sculley, Spindler and Amelio was not a successful one. A company as big as Apple shouldn't have had the necessity to change the CEO every 2 years. In this period Apple was seen as one of the worst managed companies in the industry.

Apple's image of being a simplistic company was hurt through different product lines varying only a little in the technical specifications. John Sculley, Apple's CEO from 1985 to 1993, attempted to gain market share through lower priced products, alliances with IBM and outsourcing most of the manufacturing in order to cut costs. When Spindler became CEO he decided to withdraw all alliances that Sculley has anticipated and started out licensing Apple's OS to companies who would then be working on Mac clones.

Amelio replaced Spindler due to the flat performance of Apple. Further restructurings were undertaken but unfortunately they all lead to nothing. Probably one of the best decisions that Apple pursued was the acquisition of Next and the return of Steve Jobs. One of the first measures, which were undertaken, is bringing back the development in house. Jobs believed that it would be of far more benefit if Apple would develop Software, Hardware and Design all under one roof. The advantage was that everyone had a holistic idea of product development.

This worked out very well and turned out to be one of the competitive advantages. Another important step, which made the 'turnaround' possible, was that Apple stopped outsourcing their Operating System. Steve Jobs was back, and Apple was in much greater shape than in any of the years without him. He demonstrated that he has learned from his mistakes through his willingness to co-operate with Microsoft allowing them to develop MS Office software for Macs. The first product, which was released after Steve Jobs' arrival was the iMac in 1997.

Many people at the company didn't believe that this was going to be a success, but Steve Jobs proved everyone wrong. The iMac was a huge success and brought some market share back to Apple, but more importantly Apple gained the confidence and got back on the right track. During the development of the iMac, Steve Jobs decided to hang up the pirate flag. In one of his interviews he stated that 'Apple forgot who Apple was', and this marked the return of the rebellious company.