

# [Strategies by apple for successful change](https://assignbuster.com/strategies-by-apple-for-successful-change/)

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Apple’s CEO Steve Jobs recently described apple as a mobile device company. Apple once considered a desktop computer company is slowly moving towards mobile devices. This statement shows how apple’s strategy has changed significantly in past few years. Challenges faced in the past – The major challenge Apple faced in the past was the isolation it has created from other products and companies in the market. Apple users had very limited options. The other challenge faced by the Apple was the compatibility of its product with the other products available in the market.

Core Competency – Apple’s core competency is to provide exceptional experience through superb user interface. Apple provide this experience along with very large ecosystem of various online distribution system (App stores) where user can find almost every application they need. Strategy – Apple’s strategy is to provide superior product in the market through innovation. Apple also charges premium price for these product and keeps high margins. Strategy Execution –

Moving towards mobile products -Apple identified the customer behavior of moving away from desktop computers towards mobile products at the very early stage. Apple realized it much earlier then any other computer manufacture or software company. In last few years Apple created two superior mobile products, iPhone and iPad. iPhone was superior then any other mobile phone product in the market and because of that Apple captured the big percentage of smartphone market. iPad had the first mover advantage in the market backed by superb marketing of the product and created a new market space for product.

Ecosystem Creation - Apple also created a very effective ecosystem of apps store for their products. This ecosystem gave Apple more acceptances in the market and among the customers. Apple also created the ecosystem for developers to develop the application for their products, which help them to get continuous supply of very good application for their products. High Margins – Apple charge premium price for its products and makes big profits since manufacturing cost is considerable low once product is designed and developed.

Apple also charges a big percentage of the data plan price from the mobile service provider and big percentage from apps store application and it is another big source of profits for them. Also by managing and keeping tight control on these distribution channels, Apple dictates the terms to their suppliers. Timing for implementation – Apple’s timing of the implementation in last few years has been very good. They understood the need of the customers in the market in advance and developed the products to meet that need much in advance then any other competitors.