

# [Business analysis of apple inc](https://assignbuster.com/business-analysis-of-apple-inc-analytical-essay-samples/)

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1. Business Analysis:

Business analysis is nothing but a practice of enabling a change in enterprise by defining needs and recommendations solutions that deliver value to the stakeholders. In simple terms the fundamental concept of Business analysis is to recognize the business needs and then suggesting amicable solutions, procedures to attain the target.

Business analysis is very important for an organization because the requirements are critical activities, that must be performed to meet the organizational objectives. As the organizations use business analysis as a competitive advantage there is an increasing demand for business analysis practitioners. The business analysis is performed by:

* Facilitating the identification of problems or opportunity,
* Understanding the business environmental context and constrains,
* Analyzing requirements,
* Verifying requirements,
* Evaluating solutions.

Finally, Business analysis involves effort and variety of domains from identifying the needs of the business to solution implementation.

2. Business Analyst:

A business analyst is a person who performs business analysis tasks in the context of programs and projects. The role of business analyst involves in aligning the designed and delivered solutions with the needs of stakeholders. The activities that business analyst perform includes understanding enterprise problems andgoals,

* Analyzing needs and solutions,
* Devising strategies,
* Driving changes,
* Facilitating stakeholder collaboration.

The Apple was founded in April 1976 by late Steve Jobs, Steve Wozniak and Ronald Wayne in USA. The company’s initial business was limited to only sell and develop Steve Wozniak’s Apple I and II personal computers. Basing on the instant success of the company’s Apple I & II computers, the company went public in 1980. In 2007 Steve Jobs renamed the company from Apple Computer, Inc., to Apple Inc. since then the company has entered in manufacturing of electronic consumer goods and found instant success.

Apple Inc has become one of the leading global company in manufacturing iconic electronic consumer goods and developing computer software. The company has been a pioneer in changing the entire landscape of the mobile phone industry with the introduction of iPhone. Technically the invention of world class iPhone has been the inception for the technological advancements globally.

Apple Inc is known for its luxurious products such as iPhone, iMac, iPad, iPod, iWatch, Apple TV and home pods. Not only products but the company also develops software such as iOS, MacOS, WatchOS and TvOS. As of August 2018, Apple Inc became the world’s first trillion-dollar company. As of 2018, Apple Inc. has 506 retail stores approximately in 25 different countries around the world.

3. Scope:

The Apple company is arguably the most successful company currently in the world. It will be hard to analysis the company because the company is not limited to either a single product or to a single country, it has its stores, factories and headquarters in more than 20 countries.

So therefore, this report will be confined and focused on working structure of the retail stores and sales of apple products in UK. This includes the macro factors such as the upcoming Brexit, Trumps tax cuts, Conflict between USA & China (trade traffic) and tough competition from other companies

4. Objective:

The objective of this report is to critically analysis the structure, functioning and sales of the Apple retail stores in the UK at the same time taking all the macro factors into consideration that may or may not affect the functioning of the retail stores and sales of the world class products in the UK. The outcome of this project will be evaluated by using the tools and techniques and the report will be focused on the structure, functioning and sales of Apple products in the UK.

5. Tools and Technique:

Basing on the objective of the project, this report is going to solely focused on the structure, functioning and sales of the Apple products in the UK by taking the above-mentioned macro factors into consideration. To give necessary recommendations various tools and techniques have been used.

The analysis of the report will be purely based on the following tools and techniques such as PESTLE Analysis, Resource Audit, Rich Picture, DFD Context Diagram, CATWOE Analysis, Interest/Power Grid, Decision Table, UML Use Case Diagrams and the Use Case Description, Level 1 DFD Diagram and the Description and the UML Class and Sequence Diagram. 5. 1 PESTLE Analysis:

In a company there could be many factors that might affect the structure, planning, and strategy. These factors are commonly known as macro environmental factors. In simple terms, the factors that out of direct control by an organization but can still influence and effect the organization. PESTLE Analysis is a tool which is used to critically evaluate the macro environmental factors that can impact an organization.

The PESTLE acronym describes the six environmental factors that might affect the organization, they are namely the political, economic, social-cultural, technological, legal and Environmental developments that the organization must consider. The PESTLE tools are well suited for to analysis the structure and functioning of Apple stores in UK as it is the largest publicly traded company in the world. It is important to examine all the factors to find out what factors are more affecting.

5. 2 Resource Audit:

Resource Audit helps a company to understand and know its strengths and weaknesses on the resources that it possesses. By conducting a resource audit, a company can maximize its opportunities to gain profits and minimize its risks. A resource audit is the way of examining everything that a company have or has accessible to it.

These resources are not only confined to the profits, cash flow and stock but it can go up against numerous structures. The resource audit of a company is probably going to be one of a kind since it will mull over explicit necessities that a company has for things like involvement and learning in a specific field.

The resource audit will result in the strategic capability which will be very useful to a company. The resources in the resource audit are physical resources, human resources, financial resources and intangibles. The analysis of Apple retail stores in the UK is going to be intangible, so the resource audit is very helpful in determining whether the resources that are affecting or strengthening the sales.

5. 3 Rich Picture:

The rich picture diagram is a way of solving a problem creatively. It is a unique way of acknowledging a problem and expressing the recommendations or solutions through diagrams to create a preliminary mental model. Rich picture is also used as an open discussion for business analysts by projecting it on the board for solutions and ideas to solve a problem. Rich picture can be drawn by anyone as it is very accessible.

But it is not as easy as it appears to be because the diagram should be drawn with in an organizational point of view highlighting and pinpointing the problems at the same time recommending the solution. One of the advantages of rich picture diagram is that it clearly shows the nexus between various factors and its various elements. If it is drawn perfectly then it can be easily understood by anyone. Rich Picture is a perfect way to showcase the structure and functioning of Apple Retail stores in the UK visually.

5. 4 DFD Context Diagram:

Data Flow Diagram is nothing but a way of representing the data flow in a system. The DFD is the best option in identifying the consumption of data in a company. As per the diagram consideration it can be either automated or manual. The DFD uses defined symbols like arrow, circles and rectangles in a diagram to represent the data flow in a system. The DFD charts can range from simple to in-depth view in representing the data flow.

5. 5 CATWOE Analysis:

* CATWOE Analysis is based on a company’s stakeholders perspective.
* By examining on behalf of the stakeholders throughcritical thinkingapproach.
* One of the main factor that needs to be taken into consideration is that by taking various factors into consideration CATWOE analysis is been done.

5. 6 Power/Interest Grid:

* It is mainly based on the analysis of stakeholders.
* It can show the interest levels of the stakeholders.
* This is a tool that focuses on the key stakeholders who can make or break the project.
* The tool identifies where the actual power and control is, and it recommends in undertaking the better choices for the profits of the stakeholders.

5. 7 Decision Tree:

1. It is an excellent tool which represents the solutions of a company in a possible graphic.
2. It is a complex tool which can be used to deal with logical problems in a very precise manner.
3. It is a guide which shows a clear picture of a company’s structure.

5. 8 UML Use Case Diagrams and Use Case Description:

* It is a great tool for a business analyst.
* It is used to representation of functionality included within the system.
* It is showcases a functional requirement in a unique way.

5. 9 Level 0 DFD Diagram and the Description:

* It includes only one process.
* Each process has its own unique ID.

5. 10 Level 1 DFD Diagram and the Description:

* This level is a subsystem of level 0.
* It helps in categorizing the nexus between the subsystems.
* Each subsystem will get its own unique ID and the result will be given to each subsystem.

5. 11 UML Class and Sequence Diagram:

* UML class diagrams demonstrate a unique set of frameworks by showcasing its classes.
* They are very valuable set of graphs.
* UML diagram consists of five attributes.

UML sequence diagram demonstrates the connection between the objects in a timely manner.

* It uses the logical view framework.
* It has four different objects.

6. STRATEGY ANALYSIS

The Apple company is the biggest tech giant company in the world. Due to its worldwide popularity, the image of the company is impacted by few factors. For better understanding of the challenges, the strategy analysis is used. The PESTEL Analysis is used as an external environmental analysis and the Resource Audit will be used as an internal audit. These two analyses will be on the Apple Company.

6. 1 PESTEL Analysis: -

PESTEL stands for Political, Economic, Social-cultural, Technological, Legal and Environmental developments.

P – [POLITICAL]:

Apple has always been haunted by political challenges in different countries. It is also noticeable factor that Apple a tech giant is the highest taxpayer company in the world. And political allegations like this these will directly impact on its revenue in UK and EU. Apple has moved its assembling factory to china to cover assembling costs and avoid import taxes of parts.

But the trump administration has been on a trade war with china which is resulting in increase of traffis. In addition, the US-China trade war substantially threatens Apple’s performance in China as China accounted for over 25% of Apples earnings in 2017 and is anticipated to emerge as Apples largest market.

It is worth noting that Apples revenues in China may want to be negatively impacted via any retaliatory strikes via Beijing. In 2017, Apple received over $44. 7 billion in revenues with the aid of transport 41million iPhones to China making it the fifth greatest participant in China’s smartphone market.

Brexit: With the Brexit is right around the corner and there is no clarity yet on the Brexit deal. By taking the factors of US-China trade war and the Brexit issue there is clear indication of the rise in the prices of all the apple products, delays in imports etc.

E – [ECONOMICAL]:

Despite the back and forth on the Brexit in 1028, the UK financial system held up well. It was also declared from the Office for National Statistics (ONS) that the UK was commencing to get better from a decade since the financial crisis. Economic factors are of essential significance for any company, whether its market is local, regional, country wide or international.

In the context of world business this importance grows for there are several economies whose overall performance mutually affects the brands’ revenue and profits. This is additionally the case with Apple. The importance of Asian markets has grown and China and India each have emerged as achievable markets for the Western brands. Better economic overall performance of the world financial system capacity higher purchasing strength of the buyers which in turn capability higher sales.

In case of Apple, its products are recognised for their top rate fees which potential they are not supposed for the decrease quit market. It is also the foremost purpose that Apple has not been able to penetrate the Indian market deep which is presently dominated by using manufacturers like Samsung.

Except in the developed world, customers are nonetheless price sensitive. This is a vital factor that influences Apple’s sales. China should expand the labour prices (wages) in future which might suggest an upward push in product ion fees and loss of profits. Increased competition has also affected Apple and it has misplaced a sizable market share to manufacturers like Lenovo in Laptop and PC sales. Dollar has grown more advantageous since the recession which capability in addition loss of earnings for Apple worldwide.

S – [SOCIAL-CULTURAL]:

The importance of the social elements can be understood from the fact that anti US sentiments in number of markets influence the income and profits of the US brands. Apart from it, changing preferences and tastes additionally affect income of precise products. Lifestyle elements are also importantly related to the income of top class products.

In the Eastern nations, lifestyle factors affect people’s desire of smartphones. Several of the Apple products do no longer suit the average Asian buyer or any person from any region. The urbanization trends in China and India can prove favourable for the brand. The economic boom rate in Africa has accelerated but the recognition of Apple products in these areas is low.

In most areas Apple merchandise are nevertheless unheard of due to lack of technological sources. In the Asian markets too, the popularity and company picture of Apple is now not as top as in US. It is why in PC income Apple misplaced its market share to brands like Lenovo and HP which have a better company photograph in these markets. Overall, Apple products are greater likeminded with the existence of shoppers in the developed world.

T – [TECHNOLOGICAL]:

Apple is a tech giant and so it is certain to be affected via technological changes. The past decade has considered speedy technological adjustments which have noticeably altered the market dynamics. Due to the tough competition, Apple is on the verge of losing its role toGooglein the Fortune list of world’s most treasured brands.

The upward push in the variety of opponents which are offering matching technological price at decrease expenses has also radically affected Apple’s earnings and revenue. While Lenovo and HP maintained their market role in PC industry, Apple misplaced significantly. The reasons are each technological and economical. Growth in mobile technological know-how can force income of I-phones but hurts Mac sales. Google has entered the smartphone business with Nexus and Pixel.

These products are also a hazard to sales of I-phones. In the Asian markets, Samsung and Google are extra famous because they grant similar features at a whole lot decrease prices. Local opponents have brought competing merchandise and offerings that can supply the identical advantages at lower costs. Overall, countless Apple rivals have risen in the past few years whose products are more appealing to the clients in the growing world.

E – [ENVIRONMENTAL]:

The new Apple headquarters (Apple Park) which is located in the Cupertino, California is run on 95% of solar power. Apple has focused on the introduction of renewable power to offset its environmental impact. In 2015, 93% of the power used by way of Apple got here from renewable sources. Its Singapore amenities are powered by way of a 32-megawattphotovoltaic task and in China Apple is planning to add 170 megawatts of photo voltaic strength to its capability. Overtime, Apple has also centred on decreasing toxins from its products.

L – [LEGAL]:

The biggest challenge that a company could face is through laws and regulations. If you disobey the laws and regulations, then there will be huge number of fines or seizures.

The laws are not only limited to products, but they are also related to trades, labor andenvironment. Intellectual property law guidelines and patent related rules can additionally be a challenge for the predominant tech players. Apple faced a copyright claim for using the same design as Samsung and from one small start-up in 2016.

Sources additionally state that Apple has entered murky waters with its Apple Pay. This could carry Apple into a new sector of bitter financial regulations.

Apple has plans of similarly diversification into new areas. This should carry extra compliance associated burden for the tech brand.