

# Apple's winning strategy: lower prices

Business



The introduction of the iPhone was an example of such innovation, which had brought a revolution in the technological world. iPhone helped Apple to register revenues of \$65, 225 million, increasing by 52% in the fiscal year 2010. The company also adopted a strategy to market its product worldwide and not restricting it to a particular place, which helped the company to gain significant market share.

Research and development is also a very important aspect for the company. Apple lays a strong focus on research and development in the company and always come up with new ideas and suggestion that help the company to develop new products. When the company was entering the Chinese market, initially it did not get a good response, but extensive research helped the company to make a few changes in the product. These changes made it easy for Apple to introduce its product to China, which became a great success. The focus on research and development helps the company to compete with its competitor very efficiently.

Initially, when Apple introduced its smartphones in the market, it was a totally new concept, so it decided to charge higher prices due to the advanced features of its product. However, with time and competition, Apple developed products that competed with other products on cost, without the compromise of quality. This strategy was not only restricted to its smartphones, but it was also adopted for its other products like MacBook Air, which was sold at a competitive price.

The strategy to deal with customers directly also went a long way in the success of Apple. Apple gave its customers an option to seek for the technical assistance on customized bases according to the particular problem. In this way, Apple technicians provided customer support without

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the need of customer going to retailers for help. It not only reduced time for fixing the problem but also helped the company to retain customers. This strategy in addition to the above-discussed strategy helped the company to become a strong player in the industry.

Innovation and the continuous need for improvement is the key to success in the technological sector. Apple took strong care of this aspect and with quality services to the customers; it earned a reputable position in the industry. In my view, innovation and continuous research and development was the key to success at Apple. It assisted Apple to compete in a highly competitive industry. It also reduces the cost per unit of Apple and improved revenues tremendously.