

# Research paper on apple incorporation

[Business](#), [Company](#)



## **Introduction**

Apple Inc. is a global corporation based in America. The corporation is involved in designing and marketing of electronic products such as personal computers, computer software, and consumer electronics. The company was established in 1976 in California as Apple computers Incorporation and later it became Apple Inc. in 2007 (Datamonitor, 2011, Pp. 1-10). The company produces both computer hardware and software products. The computer hardware products include iPad, iPhone, and iPod while the software products include the iWork, which is productivity software, iLife dealing with creativity software, and iTunes, which is a media browser. The company has valuable techniques and in market capitalization it is the largest in the world.

## **Major Competitors**

Apple Inc. deals with production of a wide range of products the reason why the company does not have one major competitor. Working as a DAM (digital asset management) company, Apple Inc. has created User Interface and Operating Systems, which consumers find easy to operate. This has made it to be the leader in the digital ecosystem because of the position it has created of providing the customers with complete solution. As indicated by (Datamonitor, 2011), Apple arrived at its leading position from the user interface, operating systems, management of digital assets and applications. The company also leads in provision of contents such as movies and music. Devices such as iPod and iPhone also contribute to its leading position in the market. With this advantage, it has been hard for other companies in the same industry to compete with the Apple Inc. directly.

However, with the smart phone and the Personal computers market, there are competitors who try to respond and compete in the market. With the contents part, Apple Inc. has Amazon as the main competitor. This is because Amazon has a large share in the provision of content to the users. The company provides contents such as TV shows, digital movies, music, and books. Many end users find it easy to use the Amazon user interface to access the contents. Even with its technology, the Amazon Company is not able to provide services provided by the Apple in provision of localized approach and wide range of products. According to Finkle and Mallin, (2010, p. 31-40), the wide range of products makes it possible for Apple to maintain competitive advantage over Amazon.

Another competitor to the Apple is Google, which has a web-based operating system known as Chrome browser. The web-based operating system makes it easy for the users to manage assets in single environment, unlike in the Apple operating system. Another reason that brings competition between Apple and Google is the Android, an operating system owned by Google with applications for smart phones. This has been a big challenge for the iPhone, making Google one of the major competitors of Apple Inc.

Sony Corporation is also among the group of Apple competitors because it is in a position in which it can challenge the Apple Company directly (Apple Computer, 2008, Pp. 1-9). This has not been possible because Sony is yet to develop a user environment to manage its wide range of contents such as e-books, mobile games, music, and movies. Other competitors of Apple are the manufacturers of personal computers such as Alien ware, Gateway, and Dell.

## **Target Market**

Apple has a large target market and products which satisfy different segments in the market (Company Spotlight, 2009, Pp. 32-40). The company has the right products for different age groups, depending on the segments. For the children, the company has computer games that keep the kids satisfied (Finke & Mallon, 2010, Pp. 31-40). The teens and the young people in their twenties have latest trendy gadgets that make them happy. The parents have their own share in the Apple market because they have Genius bar for their use.

The company has a large market share, which has grown with time. In the late 2003, the desktop market share of the company in United States was 2.06 percent, which grew to 2.88 percent by late 2004. In 2006, the market share increased to 6% and 10.9% in the operating systems by 2010 (Finkle & Mallin, 2010). With the personal computer market, Apple Company in 2008 had 14% market share (Finkle & Mallin, 2010). The company draws its demographic from individuals and not from the income levels.

The purchasers of Apple products have an assurance of superiority as they purchase in the large market than the other population. As Company Spotlight, (2009, Pp. 32-40), puts it, the company has personality traits in the market that gives it the advantage. This is because many companies that sell personal computers target the same demographics but they usually have different psychographics. The customers who buy the Apple company products are less modest and more liberal and most of them attach to the company because of influencers.

The Apple consumers tend to associate with the brand due to loyalty reasons. The iPod has been one of the most advanced innovative technologies in the company and its buying behavior has been encouraging. The new technologies attract people from all demographics, the reason why the company has no specific market target. Most of the Apple product purchasers buy products based on the individual or collective decisions. Most of the customers make individual decisions based on products appeals and how it can solve their problems. That is why the consumers buy the products even with high prices compared to prices offered by competitors.

## **Products**

Apple produces a variety of products and accessories that serve the consumers in the international market. One of the products produced by the company is the Macintosh models and its accessories. Some of the Mac accessories include MacBook Air, Mac mini, Mac pro, MacBook, and iMac. As stated by Datamonitor, (2010, Pp. 1-9), Apple also sells Mac computer accessories such as Wireless Keyboard, Magic Mouse, Thunderbolt Display, Magic Trackpad, and Battery chargers.

Among its products, the company introduced iPod in 2001, which is a digital music player. The products had a big market share by being a portable music player. The available iPod variants are iPod Touch, iPod Nano, iPod Classic, and iPod Shuffle. iPad is another product introduced in 2010 (Datamonitor, 2010, Pp. 1-9). The iPad being a content product operates through an operating system that interacts with media formats such as movies, TV shows, video games, photos, magazines, and newspapers among

others. It has a notepad, iBook store, iTunes Library, and it includes a mobile version of web browser.

The Apple company introduced the iPhone product in 2007 which was Internet enabled. In the same year, Apple TV was introduced into the market, which is a video device bridging the gap between iTunes and high definition televisions (Datamonitor, 2010, p. 1-9). With the company's own operating systems, it can manage its products and develop computer software.

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