# Apple success in the world market

Business, Company



# The Beginning

Started in Steve Job's garage along with Steve Wozniak and Ronald Wayne. Steve Jobs and Steve Wozniak, college dropouts, created Apple on April 1, 1976 and incorporated the company Apple Computer, Inc. on January 3, 1977 in California. They wanted to make computers small enough for people to have them in their homes or offices.

#### Name Origin

Walter Isaacson's Steve Jobs's biography stated that Apple was one of his fruitarian diets and had just come back from an apple farm, and thought the name sounded fun, spirited and not intimidating.

#### **Computer Manufacturers**

Many of the primary competitors are majorly manufacturers of computers.

Dell Technologies is a manufacturer of desktop and mobile computing devices. The rivalry between the two started long ago. Dell attempted to take some of Apple's music player market share with its Dell DJ, designed as an early competitor to the iPod. It has executed many numerous acquisitions and partnerships in latest years.

Lenovo Group, Chinese company, offers consumer PCs as well as mobile phones and other electronics. In this way, Lenovo competes with Apple on many different product lines.

HP Inc. , originally Hewlett-Packard Co., is 80 years old. In recent times, it has focused on affordable consumer computer products. One of its strengths

is its broad, global presence, making it a particularly strong Apple competitor outside the U. S.

Sony Corp. Sony personal computers are incredibly popular in many markets around the world. Now offers a lineup of electronics from personal consumer products to video game consoles.

The Taiwanese company ASUSTeK Computer Inc. , known under the brand name Asus, creates affordable PC components, tablets and smartphones. Asus began as a manufacturer of motherboards, and since then grown over nearly 30 years to become a leader in the global IT market.

# Smartphone Manufacturers

Samsung, a South Korean company, produces personal computers and smartphones, is a major competitor, particularly for the iPhone. The Samsung Galaxy and Note series have been responsible for deducation in iPhone sales for many years. The company is unimaginably large.

#### Journey

(Brief)

(Detailed)

Apple first listed on stock market in 1980 selling 4. 6 million shares for \$22 a piece.

By 1985, Steve Jobs was force stopped by John Scully came in.

Ten years later, sales peaked at \$11. 1 billion.

Then, Microsoft came.

Two years later, Steve Jobs was brought back and his company NEXT was bought.

He introduced iMac, iBook and iPod where the latter was the most successful product and the company's share's value increased.

iPhone was introduced in 2007.

Three years later, iPad was introduced.

After Job's death, iPhone 6 & 6s were introduced.

Then, came iPhone X.

Now, it is 17th most revenue earning company but most profitable company in the world.

#### **RELATED SECURITIES**

Symbol

Price

Change

%Change

AMZN

1823. 29

-11.04	
-0. 60%	
Т	
32. 27	
0. 42	
1. 32%	
PG	
82. 33	
0. 33	
0. 40%	
XOM	
80. 20	
0. 29	
0. 36%	
AAPL	
207. 99	
0. 60	

#### 0.29%

Other Companies which made the mark

#### **One billion:**

The US Steel Corporation was the first company to reach a market valuation of \$One Billion in 1901.

#### Ten billion:

It took over half a century before any company managed to reach the \$10billion valuation mark, but General Motors hit that milestone in 1955, fuelled by a rush among the American population to buy up personal vehicles in the booming times following the end of World War II.

#### **One-hundred billion:**

Twenty two years later, the technological revolution IBM to become the first \$100bn company in 1987. The company, which was founded in 1911, is known for manufacturing computer hardware and software, and remains a major player in the technological world to this day.

#### Five-hundred billion:

In 1999, Microsoft made it to the half trillion mark, that changed the way business and personal lives changed with the sale of personal computers.

#### **One-trillion dollars:**

Apple claiming this title is anything but guaranteed at this point, though it is the closest. Other companies that have possibility of reaching a \$ trillion valuation in the near future include Google's parent company Alphabet (currently: \$845 billion), Amazon (\$870 billion), and Microsoft (\$815 billion). https://assignbuster.com/apple-success-in-the-world-market/

#### Sales

Unit sales of the Apple iPhone worldwide from 2007 to 2017 (in millions)

This graph shows annual sales between Apple iPhone between 2007 and 2017. In 2016, Apple sold approximately 212 million iPhones, which shows a decrease from the 2015.

# Apple iPod sales from 2006 to 2014 (in million units)

This graph shows the annual sales of Apple iPod units sold from 2006 to 2014

# Apple iPad Sales from 2010-2018 (in million units)

This graph shows sales of Apple iPad from 2010 to 2018 by quarter.

Q. What it means to be a trillion dollar company ?

Companies are usually valued at a multiple of actual earnings, where a 4 times multiple is pretty common. If the business nets a \$ 100 thousand then it may be valued at \$ 400 thousand dollars. If its a company that's trading in physical products the value of the stock on hand is also added. However, a goodwill factor is also needed I. e. brand loyalty. In some cases, there are tech companies with huge fan following but no actual revenue to show. Usually, when a company raises funds its treated like revenue which then increases it's valuation. So, its possible for a company to have be valued at a trillion dollars after investors have supplied funds, even though the business is nowhere near profitable.

It can mean different things like -

# A trillion dollars

In sales revenue

In assets

Under management

Market capital derived from public valuation

Imputed valuation based on treasury stock valued by the last financing round.

There are various ways to value a company, some of them are maybe not genuine such as computing the projected lifetime value of a customer and multiplying it by the number of customers enrolled in various programs.

# Key Takeaways

Apple Inc on 2nd August became the first \$1 trillion publicly listed US company.

Amazon, Microsoft and Alphabet are racing to become the second publiclylisted US company to reach the mark.

Amazon is the second largest publicly listed American company, with a market value of \$889 billion, followed by Alphabet (Google Parent company) and Microsoft, at \$856 billion and \$830 billion respectively.

Though with Apple's uneven performance in the recent years and with head to head race to Amazon to become first \$1 trillion company, it won the race. The fruit company needs to keep up with the value so that other companies don't get ahead in the competition.