

Business analysis part i

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



Business Analysis Part I MGT/521 Management Business Analysis Part I Apple Inc. The Company Apple Inc was established in California on April 1, 1976. It was later incorporated in the year 1977. Born in America, this multinational company designs and sells consumer electronics. Apple is the world's third biggest mobile phone producer. The company's most admired hardware products are the Macintosh computers, the iPhone, the iPod and the iPad. Other consumer products designed by Apple include computer software like OSX and iOS operating systems and personal computers. Apple Inc. was listed as the most admired organization in the world (2008-2012) and in the United States (2008). Even though Apple's popularity is growing in leaps the company has been in the news for its familiar criticism for its contractors' industry practices, and for its environmental and trade practices. Apple has more than 368 retail stores in 13 countries. It is the leading public trading corporation in the world with an estimated value of US \$626 billion as of September 2012. It is the largest technology corporation in the world by income and profit. The company has more than 60,450 permanent full-time recruits and over 2,990 temporary full-time employees globally and its global yearly profits exceed \$110 billion. SWOT Analysis As a mutual fund Manager, my role is to decide if investing in the company is a good option. The SWOT analysis is performed to help me get a better understanding of the company and assist in decision making. The firm I have selected is Apple Inc and through the SWOT analysis I plan to investigate the organization's strengths, weaknesses, opportunities and threats. This analysis will help me obtain essential information required to make the most excellent decision for the finance and for the investors. As a mutual fund manager, my next step

will be to establish the company's stakeholders and determine if their needs are fulfilled. Strengths Apple's reputation worldwide is growing enormously and its computer users recognize its high-end products. It has the best technology in personal computing and contributes to the major market share. Mac users are most loyal to the Apple products because of their dependence on its excellent technology and stable production of high quality products. Apple is one of the most established and popular information technology brands in the World and has a very devoted set of passionate customers who promote the brand. This popularity and increase in users not only creates new recruits and new customers, it maintains them. The customers keep coming back for more. This constant growth has created new opportunities for the company to extend innovative products to its customers. Weaknesses Loyal Apple customers and users always ignore the weakness of Apple for its high superiority products. Incompatibility of a maximum number of its resources with other computers is a major weakness Apple users ignore. Apple has its unique hardware and software systems that are compatible with only the Apple series of products. One major drawback of its very popular Mac computer is that information is not transferable to other computers. The exorbitant prices of Apple products are another weakness. Apple keeps developing highly advanced technological products that are low on the affordability factor. The top management of Apple has different revolution and strategy policies and are always being criticized for their labor laws and industry policies. These practices makes Apple constantly face unstable situations. Opportunities The success of the Apple iPhone is a stepping stone for Apple to be a focus for new users who

previously had not been the owner of an Apple product. This opportunity can be grasped by the company to focus on expanding its consumers. The iPhone has seen constant phenomenal success, and this success can be maximized by paying attention to the corporate market and by developing various price points for its products. Threats Apple's sales are highly reliant on end user purchases that are more likely to reduce during slow economic periods compared to business purchases. Business users constitute a very small portion of Apple's customers and their sales are dependent on consumers who buy these products for personal use. The popularity of the Apple consumer products are based on demand, and will be affected if economies start to fall and demand reduces for their products. One of the biggest growing threat to Apple is the extremely high level of competition in the technology marketplace. Apple's enormous success has attracted a great deal of competition. As a result of this, Apple focuses a lot on research and development and marketing to retain its flourishing competitive position. There is also an elevated product changeover effect in today's innovative and technologically advanced IT consumables market. Technologies are changing rapidly and Apple is constantly threatened by companies that come up with more advanced products. Apple's Stakeholders Internal and external stakeholders at Apple Inc are the Managers, employees, customers, stockholders, bankers, suppliers, government, and the environment. With Apple's immense success and expansion, balancing the various stakeholder demands has become increasingly complicated for the company. Effectively managing the conflicting expectations of customers, suppliers, bankers, legal/governmental bodies, and other main stakeholders puts an increasing

quantity of strain on Apple's stakeholder management team. Over the years Apple has established a general understanding and concern for all its major stakeholders. For example: Apple is one of the leading firms who provide fair wages for its contract employees overseas. On the other hand some employees still believe that Apple pays too much consideration to the requirements of consumers at the expense of staff. This can be seen as a fair assessment of the firm. Apple constantly provides its customers with reliable high quality products and looks after their needs quite nicely; this proves that Apple is doing an outstanding job at harmonizing the needs of both its employees and consumers. To maintain excellent relationships with all its stakeholders Apple has adapted a proactive approach towards its actions. It is also continuously trying to improve these relationships as well as the struggle for fair wages and human rights issues in foreign factories run by their contractors. Conclusion As a mutual fund manager I would base my decision on the results of the SWOT analysis. I would invest in Apple Inc. based on the strength and opportunity characteristic of the analysis. As stated in the SWOT analysis, the company has shown great stability and exceptional growth. Its ever-increasing technological advancement and steady development of high quality products makes it a very promising company to invest in. The company has a very loyal and sturdy customer base that completely trusts its brand name. This strong customer base is the strength of the company and will add to the long life of Apple Inc. The result of the SWOT analysis determines that Apple Inc will advance in the right direction. References Retrieved from <http://Apple.com> Retrieved from <http://Medialibrary.org>