

# Apple computer 2002 essay sample

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



This case basically introduces the history of the Apple Company, and shows the company's ups and downs in the computer industry. Apple Computer is the key factor to upgrade computer industry innovation. It is one of the first companies to venture into the computer marketplace. Apple Computer founded in 1976 by Steve Jobs and Steve Wozniack. After launching the first product Apple 2, Apple quickly became the industry leader and ready to change the world through technology. Apple was still maintaining the leader position until the mid 1980's when IBM entered the PC market, Dell, Compaq and HP were soon to follow, and they have taken some market share from Apple. In this bad situation, Apple faced weak unit sales, flat gross margins and the executives change. By introducing new products and changing the strategy of distribution, Apple seems to be successes. However, in 2002, Apple was again challenged by the bad performance in market share.

The central issue confronting Apple is whether its strategy and products could bring the company back to life. Additionally, the case presents the influential factors of the PC industry, including: PC Manufacturing, Buyers and Distribution, PC Manufacturers, Suppliers and Complements, Alternative Technologies. These factors will play an important role in developing strategy plans for Apple.

Comprehensive knowledge of the functional areas of business

Finance and sales

The five years from 1986 to 1990 was probably a financial golden age at Apple. From 1986, sales continued to grow. In 1997, the net sales reach \$7,081 millions, which is about four times the net sales in 1986. Because Apple

controlled computer market, including hardware, software, and peripherals that allowed customers to “plug and play”. For the pricing strategy of Apple computer is skimming pricing. Users paid a price premium for the high-technology products, Apple boosted the price of Top-of-the-line Macs to \$10,000, allowing Apple’s gross margin to reach around 50% in 1990. Return on equity at Apple ranged modestly between 20% and 40%. In 1999, the market value reached \$10,181 million. Apple became one of the most profitable corporations in the US. However, facing the fierce competition, there are some downside in Apple finance performance. During 1991 and 1996 Apple reduced approximately 80% of gross margin. And the SG&A/sales fell from 28% to 16%.

For the net income, from 1991 gain \$310 million to lose \$816 million in 1996. And this symbolized a recession happened in Appel. Between 1998 and 2000 the gross margins on Apple increased dramatically, reaching 28% in 2000. And the sales grew to \$7983 million. However, recall the 1996, the sales had almost reached 1 billion. It seems Apple was survived from the recession from 1996 to 1997. However, in 2001 the loss hit Apple again. From 1981 to 2001, Apple’s financial performance was variable. By the end of 1996, Apple reduced \$4052million of value in its market. After two years, from 1998 to 1999, Apple created \$8510 million of value in its market Human resources management

As a normal company, Apple has the recruiting, hiring, training and retaining section in HR Management. In the recruiting section, Apple provides four aspects. The objective of recruiting is about attracting the talent people to

be the company's employees following goal of the company and labor demand forecasting. The first one is online recruitment which called E-recruitment. The second is universities, Apple recruiter reaching out some students at college and set a recruiting program. The third is Internship. And the last one is the Apple store leader program. In the hiring section, Apple provides online application, interview, equal employment opportunity and Affirmative Action.

In the training section, Apple uses new technology and career advancement to motivate employees finish the training and learn more professional knowledge. To retain high quality employees, Apple provides a fun, innovative work environment, fair and justice selection system, gives employees great benefits including health and life insurance. Also for some outstanding employees in straitened circumstances, Apple established tuition assistance and product discounts. People who work for Apple, they will always play a part in creating some of best thing on the planet. And in helping people discover all the amazing thing. Marketing

Apple's computer all target home users, educational institutions, business person and professionals. For home users, Apple provides them the option of conveniently having an all-in-one computer with faster performance capability and a huge storage system. For the professionals, Apple targets on graphic designers, movie and TV professionals and musicians. The company built tools for these professionals to design whatever they want. Such as Cut Pro, which uses to edit video and audio. College, high school students and educational institutions are another target segment for Apple computer. The

educational institutions could receive discounts when they decide to buy Apple computers. Apple also wants to attract more new customers and Windows switchers and maintain existing customer by its computer, which has a stylish shape and a stable operating system. Production and Positioning

Apple is a computer company, its main products are personal computers and other computer accessories. The entire product line of Apple is iPod, iPad, iPhone, Mac, software and accessories. The famous features of these products are trendy shape and humanization design. People consider the company is a premium brand and earn a price premium. And, Apple position itself as a niche player in the PC industry, targets a less price sensitive customers. In the case, Apple wants to target all customers to increase its market share. But the risks of this method will come out. Because the method will destroy its brand image-premium and influence the company's culture. Pricing

In the case, different CEO will set a different types of pricing strategy. Apple uses is that they set their products different price ranges for each product based on the amount of storage that the products offers. This differentiation feature became a competitive advantage in the electronic market. Because this feature would enlarge Apple target customers and stimulate customer to buy their products for different experiences. For the Apple computer, they have three models. They are MacBook Air, MacBook Pro, and iMac. In MacBook Air and MacBook Pro, they all have two sizes, and in each size, they have two types of storage. For iMac, it has five types of model. The

differences are sizes and amount of memory. Each type of product has a different price. Compare with competitors, in the introduction stage of product life cycle, Apple uses skimming pricing strategy. Promotion

The most important promotion of Apple is advertising. Apple created a large amount of advertisements that can be found on TV, websites, magazines and building walls. Apple also made many advertisements for other countries, such as China, Japan and Europe. The advertising promotion could help the company maintain sales and attract more customers. Another promotion is for students, which called “ Back to School”. Students or teachers would get a \$100 for applications along with their purchase. Personal selling in its retail stores also can be categorized into promotion. For some customers who don't know a lot of Apple's products and technology, they may become overwhelmed or dismissive. That's why sales persons are so important for Apple and they will provide more information to customers and make them easy to choose. Also, this promotion strategy creates a trusting and reputable image for Apple in the long-run. Customer service

The retail stores are one of the most important ways people interact with Apple. The company provides face-to-face services. When you walk into an Apple store, you will find many young and knowledgeable sales persons, who has been trained in product information and customer service. When customers need to buy products or to know more information about the products, the sales persons never let you down and they are all friendly and patient to answer your questions. This kind of service could develop a good relationship with customers and improve customer satisfaction. Also, for

companies which create innovative products, they need a place for customers hand holding and taking a look. This also can help Apple boost sales. Apple provides online services and calling services for all around the world. It's convenient for customers who have simple questions and don't have time to go to the stores.

### Distribution

Apple distributes the products mainly through Apple websites, Apple stores, Large electronic or computer stores and the third party wholesalers.

### Problem framing and solving capabilities

In the case, the issues that Apple needs to fix, are wide ranged. On the one hand, Apple has too much ambition on its products, it keeps providing innovative products for customers but marketing that caused some problems. Its market share was reduced 81% from 1980 to 2001. This situation caused software designers are disinclined to writing programs to support Apple's operating system. Additionally, its competitors are allowed to share and copy their systems, so Apple's system was gradually losing its competitiveness and replaced by other competitors. So I think the company should strengthen its competitive advantages to gain back the market shares that are grabbed by competitors. On the other hand, Apple needs to pay more attention to the position strategy.

Apple position itself as a niche player in the PC industry. The Mac's trendy design, better graphics, and ease of using are building a smart image in the corporate market, which pursue functionality and convenience. And, there is a large number of Apple's fans in the world, when new products are coming

out, they will be quick to snap up the pricey computers. However, the fact that the Mac versions Words, PPT, and Excel don't provide much special function comparing with other computers, so it's hard for Apple take up the market. In the future, I think Apple should analyze the demand of PC users and update its software and operating system make them are superior to any other computers. We can say these problems are not easy to solve for Apple, because of the fierce competition in the PC industry and the unstable economy.

### SWOT Analysis of Apple computer

#### Strengths:

##### Innovation

Apple is a very successful company. In my opinion, the most noticeable competitive advantage of Apple computer is innovation. The company has a series of stylish, innovative products that make Apple famous around the world. However, the innovation strategy is not only reflecting on products, but also on the business model. Most of Apple's products run the same operating system, it means that we can use iTunes easily connect iMac to iPhone, iPad, iPod and other electronic equipments in our life.

Also, this connection attracts more potential customers and stimulates them to buy a series of Apple's products. Because if you have a delight experience on the iPhone's operating system and you want the same environment on your computer and other equipments. Apple always tries to forecast demands of customers in the future, and create new products to satisfied customers. These new products such as iPad and iPod, help Apple enlarge



revenues and gain many loyalty customers. The innovation strategy helps Apple to find new opportunities and select the best option to gain profits. The stable OS

The Apple computer's operating system is more stable than other systems. Mac OS is a two-layered system: the attractive GUI sits atop a Unix core, and Unix is best-known for its security features (Amy, 2011). These two systems could effectively prevent virus such as Trojan or Rootkit, unless the user allows it root access via typing in the admin password. Mac OS's firewall is set up to work unnoticed out of the box as well as being highly configurable (Amy, 2011). Also, from start to finish the OS was under control by Apple, so every part of the OS is designed for Mac and tested them to work together. So the Mac OS could run stably on Apple's computer. Good reputation and brand awareness

From the Apple's computers' creation to the present day, the company has a reputation of highly innovative, well-functioning, and well-designed products and sound business performance. According to the 2014 BrandZ Top 100 Most Valuable Global Brand ranking, Apple brand is \$148 billion and was the one of the most valuable brand in the world (Dong, 2014). Multiple distribution channel

Apple has 425 retail stores in 16 countries and an online store available in 43 countries (Wikipedia, 2014). Customers also can buy the iMac in large electronics or computer stores. Compare with the competitors like Dell and IBM who centered on direct sales and build-to-order manufacturing, Apple has more distribution channels but higher cost.

Weaknesses:

Lacks a great sales forecasting method

In the case, I find the former CEOs have different opinions on pricing strategy of Mac, because the threats of competitors and low market share. However, changing pricing strategy only can cause short-term effect on marketing, it doesn't work for the long term. So I think Apple lacks a great sales forecasting method, which fits the situation of the PC market and the product life cycle of Mac. Lacks the ability to convert customer to use its system

In the operating system market, the biggest competitor is Microsoft. Because of the Windows was widely adopted, it remained the largest market share of the OS market. Apple's OS only uses within Mac, and it doesn't have special differential compare with Windows for normal customers. So I think Apple lacks the ability to convert customer to use its system. Low returns

From the financial reports in the case, I find the return on sales of Apple is lower than most of its competitors'. And I think this condition was caused by the low market share. Opportunities:

Developing new products and upgrade the OS.

Customers always care about " the next big thing". Apple's experiences and development spend should enable it to develop new products for different levels of customers. Build-to-order

The company could add new manufacturing model like build-to-order. From research I find many amazing functions of Mac that I didn't realize them before. Because I never use these functions in daily life. So I think that Apple could use the model of build-to-order to show customers these functions and

give them a chance to choose which kinds of function could add in their computers. For some customers who just love the shape of Mac and don't need the professional functions, this model will reduce their expenditure on computer and provide competitiveness for Apple in the fierce price competition. Threats:

#### Ferocious competition

In the mature PC industry, computers keep increasing performance without the expensive price. Competitors have the advantage of operating on the same computer platform, whereas the Apple platform is proprietary. Based on this situation, competitors could set a lower price than Apple, to attract customers and suppliers. Substitutes:

Since iPad came out, the demand of computers have reduced. Because of the iPad and other substitutes could run Word, Excel, and PPT, customers could use them to implement some simple functions of computers, such as watching videos, playing games, listening music, searching on the internet and sending emails. Also, these substitutes are smaller than Mac, and easy to carry. So the substitutes brought a serious threat to Apple. Based on these threats, Apple lose its leader position in market share, that will restrain the development of Apple. Market share will continue to be the company's biggest threat that they will have to overcome.

Based on the SWOT analysis of Apple computer, I think there are three alternatives action for Apple to solve its problems. 1. Upgrading promotion Regarding the case, Apple launched a \$100 million advertising campaign to promote the iMac, its largest ever. The result is Apple sold 278, 000 iMac in

the first week. We know the magic of advertising. Apple needs to upgrade its ads and keep them direct to showing the benefits of the Mac OS. According to the present advertisement of iMac, customer only can see the shapes and differences from other computer. But the ads don't show the capacity of Mac OS. So the new advertisement need to tell people how Mac OS could help you in studying, working, playing. Based on these reasons, the new advertisements need to be designed for different target segments, which are Home, Business, and Education. The objective is to let every PC user see the iMac is specially designed for him or her.

## 2. Licensing Mac OS

Right now, Apple doesn't think of itself as a software company and it said that it has no plan to launch its hardware brand into the market. But that doesn't mean it shouldn't. Apple focuses on unique designs and develop its hardware, software, OS and shape. But its competitors seek to aggressive pricing and low cost. Additionally, The OS could just run in Mac and updated only by Apple. For the Windows, it could be compatible with other computers and have more resource to renew the system. So compare with Windows, Apple's development of its own software for its products and service may have a negative effect on developers, such as Google and Adobe (David, 2009). The Mac OS is the key to Apple's future success, and I know the Apple doesn't want to license its OS, because it's afraid of losing the leader position in the hardware industry. But I think Apple need to realize that it should capitalize on its position as the most popular technology brand by using Mac OS as a gateway for consumers to buy other Apple products.

## 3. Focus on business users

In the case, the Apple's computer usage in the business world is disappointing. And based on the present strategy of Apple, it doesn't show a clear method to change this issue. What's more, the new system of Windows was appeared, faced the situation Apple need to start working with software designers to make more business applications compatible with Mac OS. And the business applications need to be unique and functional. Because the Mac OS isn't compatible with other system. For the new business applications, I guess that Apple could open a window in the OS environment to run Windows system. This an ideal way and I am not sure it's going to happen, but it is a good start in the right direction. That will make managers has lost some of its excuses for switching to Mac. Consequence table

Alternative 1

Alternative 2

Alternative 3

Low market share

1. Increasing market share by upgrading ads
  2. Attract more new customers
  3. Simulate the demand of PC users
  4. Encourage more frequent buying
1. Increasing market share, because of Mac OS will be compatible with other developers.
  2. Faced risk of losing domination of Mac OS.
  3. Open a new hardware market will increase profits
  4. Reduce cost of goods sold

1. Increasing business market share.
2. Improve the reputation and awareness in the business world.

#### Position issue

1. Enhance its position of professional PC.
2. Keep the relationship with existing target customers
3. Clarify the functions of Apple's computer and keep focus on Home, Business, and Education market. 1. Change from professional, niche player to normal niche player. 2. Based on this alternative, Apple could target more customers 3. Increasing competitiveness in pricing competition, but loss unique position in the PC industry.

1. Focus on business market.
2. Enhance its professional position.
3. The professional position will demonstrate the good quality of Apple computer.

Based on the business analysis and consequence table, I recommend Apple continue to appeal to business users. To occupy the business market is important for Apple. Not only will the company be able to re-establish its position in the business world, but it will be able to expose Windows users to Macs and show them that using Mac is just as easy as using a Windows system. We know Apple is able to develop new products for business users and it needs to take advantage of the opportunities that they have. And I think the most important target market for the computer industry is business world, so making changes in business user strategy it is easy to obtain meaningful results. Also, it could increase market share rapidly. Because of

the demand of the company is larger than the individual. If business users satisfied the functions of Apple computer, they will need an Apple laptop in their daily life.

### Global perspective

The PC industry had grown significantly since it's walked into people's daily life, as the computer has become an important tool both at work and at home. Sales of PC grew rapidly from the late 1970s through the 1990s. In the 1990s, Internet access and substitutes of computer accelerated the development of technological change, while the competition in PC market became fierce and the sales steadily going down. In 2000, U. S. and Europe the PC market became saturated, and both businesses and households began to hold their computers for long periods before replacing them. Between 2000 and 2001, PC sales actually declined for the second time. Since 2001, the industry has rebounded. In 2004, PC sales in the US increased by 8.3 percent, and worldwide by 11.8 percent (Peter E, 2006), back to the rapidly growth that experienced earlier, but this time sales were driven mainly by demand for notebook computers and by demand in developing countries (Peter E, 2006).

The most attraction of the global market is reducing the labor cost in PC manufacturing. Most PC companies outsource their products, located mainly in Asia, and with PC assembly located closer to the customer in North America, Europe, and Asia. For the first movement of oversea, U. S. PC companies would like to launch its products on the Japanese market, whose labor cost was low and it close to U. S. Then the movement expanded into

the Asia. In a global perspective, besides the cost of the product in different countries, the company needs to consider the operation in the global market. The Company's operations and performance depend significantly on worldwide economic conditions. Companies need to face the risks that came from unemployment rate, negative financial news and declines in income or asset values, which could have a negative effect on demand for the Company's products and services.

Demand also could differ from the Company's expectations since the Company changes prices on goods and services sold outside the U. S. to offset the effect of the strengthening of the U. S. dollar, a trend that has been very effective recently. Other factors that could influence demand include increases in fuel costs, mortgage markets, labor costs, consumer confidence, and other macroeconomic factors affecting consumer spending behavior. Apple was established in 1976 and in 1980, Apple launched its computer to the international market, and it gained a large share of the worldwide PC market. In 1992, 45% of the company's sales came from outside the U. S (David, 2005). Apple was successful in the global market, especially in Japan. In 1993, Apple held 14% of the Japanese market. In that stage, Apple also targeted China, because it is one of the fastest-growing computer market. Because of the success, Apple paid more attention on the Global market.

However, in the 1996 Apple faced a fierce competition from Fujitsu. Also, with the development of technology, more and more new product came out. Some main competitors cut their price to gain market share, so the



consumers became more sensitive to the price than before. However, suffers from the competition is not keep a long term for Apple, because it has ability to ensure a continuing and timely introduction of innovative new products and technologies to the market. Apple ensures its unique design and stable system of products. So by the end of the year 2010, the company gain profits from global market and had over 45 thousand employees working on full time, including around 3 thousand employees from worldwide. It was noted that the company had earned the annual sales of around sixty seven billion US dollars from its worldwide operations (Apple Inc., 2010) Apple was successful in the global market not only due to its unique design and good quality of products, but its business strategies.

They are leadership strategy and differentiation strategy, which I already mentioned before. “ Apple products have completely revolutionized the way that we do business, both for ourselves and our clients. Their simple, clean design and stunning interfaces masked incredibly complex technology, making world class technology accessible to the everyday business person. Five years ago technology hindered us, but with Apple technology, it now lifts us” —Ryan O’Ramsay Barrett, CEO, ORAM Corporate advisors Also, Apple uses several different strategies to expand its awareness in the global market, including outsourcing and importing, exporting, foreign licensing, and foreign direct investment.

The global market allows the company to develop and launch the products in its markets of U. S, Asia and Europe. For example, Apple built factory in China to produce the iPad, that has given Apple a cost saving advantage and

lead to the increase profitability for the company (Chaffin, 2002). However, this strategy could increase the unemployment rate of its home country. As of April 2014, Apple has 425 retail stores in 16 countries and an online store available in 43 countries (Wikipedia, 2014). In the second quarters of the 2014 fiscal year, Apple's worldwide revenue is \$45, 646 million dollars, which was 4% over the same period of last year.

Table 1. Resources from Apple Inc.

We can see the graph that the percentage of the percentage of recognized revenue contributed by each of Apple's six regional revenue segments is widespread. Only 33% of Apple's recognized revenue was sourced in America. Except in retail stores, Apple's revenue highly depended upon performance in overseas markets. In recent years, President Obama announced in 2012 that Apple will be bringing some of its outsourced jobs back to America. And Apple's decision to bring jobs back to America is viewed partly as nationalistic pride along with an escape from rising labor wages in developing companies. Although this movement will shrink the profits, it will establish a good reputation for Apple. Based on factors that mention before, I think there is still significant scope for Apple developing products in global market.

Social responsibility

The social responsibility is very important for a company, because it has an effect on corporation's public image. Customers will base on the public image and chose company and spend their money. There are actually two different types of corporate social responsibility to consider. The first one

include of corporations providing funding and resources for worthwhile social causes, such as donation and charity. Another type involves putting together a real plan to produce products or provide services that are in the best interests of society, such as the safety of employees and cooperation environment initiatives (Truist, 2013).

For companies, it is not easy to keep a good social responsibility, because in their business operation, they need to show a true commitment. For example, the company uses recyclable materials in its products that will protect the environment. Also, the company needs to have visible CSR; it will help the company to protect their brand. Public Relations Benefits are important as well. Public relations are a necessary tool for shaping consumer perception and establish a company image. What's more, the CSR could help the company keep a good relationship with government. At last but not least, one of the great benefits of promoting CSR for employees is building a positive working environment. This will motivate employees to engage its works and improve productivity.

### Environmental

Recently, Apple has been very proactive to set their company as environmentally-friendly. Its “ green products” plan works well based on the new technology. And the plan was basically used in these parts.

### Manufacturing

In this segment, Apple has controlled the amount of carbon emissions that are created from its products. And compare the data with previous generations, and try to reduce the carbon emissions for its new products. For

example, the carbon emissions of the 160 GB iPod Classic (2010) are down 50% from the 5GB iPod Classic (2001), the 21.5" iMac (2010) is down 35% from the 15" iMac (1998) and the Mac Mini (2010) is down 21% from the Mac Mini (2007) (Wikispaces, 2011). Transportation

For this segment, Apple mainly focused on the distribution of the products.

The company shrank the package of products and ensures maximization of packages. Product Use

The designer team of Apple tried to conserve energy from the light bulb.

Recycling

Apple has set a goal in terms of the recycling of their computers. Improve the ability of recycling in every part of the iMac.

Social

Apple has come under scandals over the last few years as the workplace environment at Apple's Chinese suppliers. The New York Times publicized unsatisfactory worker environment, which including included grueling 24-hour shifts, overcrowded dorms, exposure to toxic chemicals, and horrific explosions (Charles, 2012). These issues happened to the Fosconn

Technology Group. After Apple audited its supplier and found violations of its Supplier Code of Conduct. However, it isn't the functional cause of this issue.

Part of the reason is Apple has no legal liability for what happens in Chinese factories owned by separate manufacturers. Also, it states one of those unfortunate situations where the socially responsible action is not what is best for business, as minimizing costs through cheap labor has led Apple to achieve such spectacular margins and profitability on its products. It seems

that apple didn't care about the issue of Foxconn, ever after CEO Tim Cook visited the plant, and he just put the commitment to supplier responsibility. As the media focuses on Apple's supply chain, the company has responded by keeping eyes on its auditing and operation processes, hiring the nonprofit Fair Labor Association to audit working conditions at Foxconn (Charlie, 2012).

### Governance

After Steve Jobs died, the new CEO Tim Cook and Arthur D. Levinson, the former chairman and CEO of Genentech, holds the same power of the Apple Inc. And this separation is good for the governance of the company. Because of the board could make clear about the performance of each CEO. Apple prevents all employees from engaging in transactions involving derivatives of Apple stock, and prohibits directors and officers from selling Apple stock short (Charlie, 2012). This principle prevents managers from having any interest inside of making contributions to the company. Also, for shareholders, it prevents them from questioning whether their money is being funneled toward political campaigns. From the governance features, which will enhance Apple's corporate responsibility, and take power away from one manager's hands? Overall, from the responsibility of Apple, I see there are many issues that the company need to fix. However, there are some parts need other companies to learn.

In the recent years, Apple received much of the attention on it's responsibly issue. It has a negative influence on its brand reputation. Compare with competitors, Microsoft and Intel also have many scandals about social responsibility. So the issues of Apple are not special and because of Apple

has a quick response, which could create a good impression for customers. For the weakness of CSR in Apple, I think it needs to add the stakeholder management. Apple doesn't believe it needs to engage stakeholders, not to mention having an engagement strategy. For the Fosconn issue, when is supply chain to reply the problem, it just states that "Apple is committed to driving the highest standards of social responsibility throughout our supply base (Raz, 2012)." That show Apple is reluctant to engage with stakeholders, the company need to share information with stakeholders then they will help you to solve problems and share responsibility. Also, in this event, Apple didn't have a CSR team. The CEO cannot control the CSR; because of sometimes CEO would not manage it fairly. So a successful company needs to establish a CSR team.

#### Behavioral dimensions

For the behavioral dimensions in Apple computer Inc., it has to consider two segments. One is the customer behavior. The other is leader behavior.

#### Customer behavior:

Those activities directly involved in obtaining, consuming and disposing of product and services, including the decision process that follow these actions. Most large companies' research, consumer buying decisions in great detail to answer questions about what consumers buy, where they buy, how and how much they buy, when they buy and why they buy. But to learn the customer behavior is not so easy because sometimes it is hard to look the deep of customers' heart. To analyze the customer behavior, the company needs to understand the factors that affect customer behavior. There are the

culture, personal, social, psychological. For the culture factor, the company needs to understand the role played by the buy's culture, including ethnic, racial, religious, income, education and occupation. For the social factors, customer behavior is influenced by family, status and social roles.

For the personal factors, the company needs to consider the customer's age, occupation, economic situation, lifestyle and personality. And the motivation, perception, learning, beliefs and attitude are belonging to psychological factors. In the apple computer company, it showed the customer behavior when they find a new product in the market and when more competitors enter the same market. In the early stage of Apple computer, there were no competitors in the PC market. The sales of the computer were big and the computer was expensive, that means the customer did not care about the price when they saw Apple computer. But when they found there were have other products which are similar to Apple computer with lower price. They will compare the price and functions of two computers. When brand new Apple computers were launched in the market, the sales were increased. For home computer users and new users, they are sensitive to the price. But for business users and professionals, they are more caring about the function of customers. For younger, they pursue the stylish shape and high resolution of the screen. To analysis the customer behavior is not easy and sometimes it is unuseful. Leader behaviors:

Effective leadership is viewed by most people as fundamental to the success of any organization. I think the leadership behavior is the key to understand how to motivate employees. To be a good leader is difficult many articles

talked about many methods and rules to give advices to become a good leader. And I classify to four factors. The first one is team connectivity. The ability to connect talents and keep innovation is need people engage in the meaningful purpose of an organization and share messages to everyone. Also, it need people understand the direction of the company and providing opportunities for improvement through creative means. The second one is pragmatic flexibility. The leader needs to agree with other people and try to add own idea to others. Understanding the differences between standing firm with integrity and imposing their own opinion with others.

The third one is talent orientation. For this factor, it needs leader paid more attention to talents in the companies, instead of delegating talent development to human resources. It need leaders have the ability to identify the talents in everywhere. The last one is uncertainty resilience. Being resilient means a leader has the ability to make sense out of seeming chaos, create a coherent vision, and bring others to the vision (N. A, 2013). Steve jobs the founder of Apple, explained that Apple never does market research. And this is what makes it became the most innovative company. So for the behaviors in Apple, they do marketing research on their customers and what draws them to Apple products in the first place. Based on these strategies, Apple is the most famous company to get inside the imaginations of consumers and understand what will appeal to them. Steve Jobs have the pragmatic flexibility, because he can capture the direction of the company, he also understands the differences and listening to others. That makes him to become the one of the most successful leaders in the world.



## Information Management

Information systems have become more and more important in companies. It affects the business processes of the companies because the important management and business decisions are taken on the basis of the information that is provided to the managerial authorities. Effective and efficient management of information system is one of the factors that company became successful. There are different attributes to information like the purpose for which information is being collected, mode and format of information reporting, cost of information gathering and the reliability and precision of the information being gathered (Murdick & Munson, 2004). In every organization, it will face the information problems. Because of the information is a kind of necessary resources for companies. For the information management strategy, it needs to be considered by companies themselves. Because of every company have different condition of its information. Additionally, the company should connect IT management to its business strategy, that aim to emphasize the function of IT management is on the planning process rather than the result.

### The information system in Apple

We know Apple is a global market, so the information of market and business are complex. So the information management system of Apple enables availability of sending the right information to the right people and at the right time, to ensure that the business decision undertaken by them and make information is consistent and come back with appropriate availability of information. The innovation strategy is very important for Apple;

sometime it needs managers change idea with employees through internal communication. From an external linkage point of view the company had an extranet which enables the company to interact with the key suppliers and developers of Mac based applications. This link connects the suppliers and product units which are in turn linked to the retail store.

When the information from the retail store is communicated to the customer service department, at the same time, the other information of this supplier and production details are shown to the retail store. This link can connect all the value chain in the company to offer services to customers. In order to improve the utility computing for reducing the amount of computer assets, its IT management provided a service system which called Software as a Service. This IT system enabled the company to achieve the differential with other competitors in the market and made the information system effective.

From the analysis of its management information system, it can be seen that this management is very important and can provide a substantive advantage in the business operation. Also, this system could help company save time to do the research and find information, it easy for business operation. If the company doesn't have a management information system, it will incur serious losses and make decisions without any information of suppliers and products. Hence, information management plays an important role in business strategy. Management information system can be described as the key differentiators which are affecting the way companies are differentiating their products and service (Murdic & Munson, 2004).

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