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The paper "Strategies of Apple Inc to Achieve Competitive Position in the International Market" is an excellent example of a case study on business. Apple Inc has become synonymous with innovation in computer software as well as hardware industry. The company was started on April 01, 1979 by Steve Jobs and Steve Wozniak along with other 20 people in a small garage of US. The company had been a witness to a wide array of experience ever since it came into existence. Though its products were widely appreciated by the customers, it was also a victim to the malicious forces of competition. This project attempts to study the strategies adopted by Apple Inc to achieve a competitive position in the international market.

Problems faced by Apple Inc

The company has a history of remarkable growth. However, with the increase in competition, the company became a victim of declining market shares. Within a time span of 5 years, Apple had 4 different CEOs who in their own ways tried to restore the company to its former glory. However, none of the leaders succeeded in providing a proper direction to the company. As a result, the company went on losing its market share. The constant decline was also registered in revenue and profitability. Falling market share coupled with weak leadership posed a double-faced problem for the company.

Strategies adopted by the company

Apple witnessed drastic changes in its market image under the leadership of Steve Jobs. He became the CEO when the condition of the company was in a

very dismal state. The market analysts predicted that the stringent actions taken by Jobs are likely to prove counterproductive. Even market leaders such as IBM declared that by 2002 that era of PC industry will expire. However, Steve Jobs proved all such apprehensions wrong. He introduced a new strategy, the tenets of which dictate that the company should endeavor to retain its prevailing customers. The reason behind it is that satisfied customers are a reliable source of marketing. Word-of-mouth marketing promotion is often considered as the most effective tool by which customers are persuaded to purchase a product. Apart from existing customers, the company was also required to give adequate attention to the potential customers who despite not possessing Apple's products, can be converted to loyal customers in the future. The strategy clearly reflects that the company was more concerned in strengthening its main product line so that its core competency can be used to attract and retain more and more loyal customers.

The company decided to focus mainly on iMac for satisfying the needs of its existing customer base. Some innovative changes were introduced in the model, for example, the company launched a new operating system that was compatible with all the existing products of Mac. When the company introduced its new operating system based on UNIX, market experts did not have much hope pent on it, some of them even went to the extent of predicting that it would herald the downfall of the company. However, the company put all apprehensions on hold and emerged victorious with its strategies.

Apart from the changes introduced in the prevailing iMac products and

operating system, Steve Jobs introduced major changes in the organizational structure also. To streamline the product line, Steve Jobs disinvested some non-core businesses and reduced the number of employees working with the company. To further minimize the cost of operation, Jobs cut the perks enjoyed by the employees. The CEO identified and eliminated units that doubled the effort. As a result, some vital functions like marketing became more centralized. Under the leadership of Steve Jobs, Apple regained its unique organizational culture where almost all the tasks starting from R&D, product development, sales, and distribution were under the direct control of the company. The CEO developed a close relation with Foxconn Electronics and outsourced the task of making the distribution of iMac worldwide. This was done to do away with non-core business activities. Changes were also introduced in the distribution system of Apple. It closed down thousands of small outlets and replaced them with the retail showroom where Apple products were not required to compete with products offered by the rival companies like Dell, IBM, and Hewlett-Packard (HP).

The company introduced a unique strategy whereby instead of using the website for selling products at a lower cost, provisions were made so that the customers can place an order for self-designed products. Steve Jobs realized that sole dependence on a unique product like iMac may be risky for the company; hence he increased investment in the R&D department. He motivated the employees to be innovative and creative. Jobs himself took up an active role in product designing. Such strategy gave an extra edge to the company.

Conclusion

Apple Inc will be long remembered for being a maverick that always managed to grab the attention of the customers. The success of the company is indebted to the unique leadership style followed by Steve Jobs. He revived the business process by reducing the cost of operation and by enhancing profitability. Changes were introduced in the product line by making iMac more efficient in retaining existing customers and attracting new potential customers. Alongside required modifications were introduced in the internal system of the organization wherein the company focused on the core business line and disinvested some of the non-core business units. Such strategies not only helped the company to revive its market position but have become an epitome of novelty to be emulated by others.